CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY

STATE TOWER BUILDING PROJECT

TRANSCRIPT OF PROCEEDINGS

CLOSING DATE: MARCH 21, 2016

Index

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY

STATE TOWER BUILDING PROJECT

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Exhibit "B" Operating Agreement

Exhibit "C" Certificate of Good Standing

Exhibit "D" Company Resolution

Exhibit "E" Local Access Agreement

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Copy 7

BARGAIN AND SALE DEED WITH COVENANTS AGAINST GRANTOR'S ACTS

THIS INDENTURE, made as of the 21st day of March, 2016

BETWEEN

State Tower of Syracuse Associates, L.L.C., a New Jersey limited liability company, having an office address at c/o Kushner Companies, 666 Fifth Avenue, 15th Floor, New York, New York 10103 ("**Seller**")

party of the first part, and

State Tower Building, LLC, a New York limited liability company, having an address at 333 West Washington Street, Suite 600, Syracuse, New York, and **Expressway Properties, LLC,** a New York limited liability company, having an address of 108 East Genesee Street, Skaneateles, New York 13152 as co-tenants under a certain Tenancy-in-Common Agreement ("**Purchaser**")

party of the second part,

WITNESSETH, that the party of the first part, in consideration of ten dollars and other valuable consideration paid by the party of the second part, does hereby grant and release unto the party of the second part, the heirs or successors and assigns of the party of the second part forever,

ALL that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the City of Syracuse, County of Onondaga and State of New York, bounded and described more particularly as set forth in Schedule A annexed hereto and made a part hereof;
See SCHEDULE A annexed hereto.

PREMISES known as 109 South Warren Street, Syracuse, New York, Tax Map Parcel Number 103.-17-08.0.

Being and intended to be the premises conveyed to the party of the first part by Deed made by State Tower of Syracuse Associates, L.P, dated May 28, 1999 and recorded June 1, 1999 in Liber 4327 of Deeds at Page 33.

TOGETHER with all right, title and interest, if any, of the party of the first part in and to any streets and roads abutting the above described premises to the center of the lines thereof; TOGETHER with the appurtenances and all the estate and rights of the party of the first part in and to the premises; TO HAVE AND TO HOLD the premises herein granted unto the party of the second part, the heirs or successors and assigns of the party of the second part forever.

14:09 03/24/16 736916 RS DB-5366F-161

AND the party of the first part covenants that the party of the first part has not done or suffered anything whereby the said premises have been encumbered in any way whatever, except as aforesaid.

AND the party of the first part, in compliance with Section 13 of the Lien Law, covenants that the party of the first part will receive the consideration for this conveyance and will hold the right to receive such consideration as a trust fund to be applied first for the purpose of paying the cost of improvement and will apply the same first to the payment of the cost of the improvement before using any part of the total of the same for any other purpose.

The word "party" shall be construed as if it read "parties" whenever the sense of this indenture so requires.

[Signature Page to Follow]

IN WITNESS WHEREOF, the party of the first part has duly executed this deed the day and year first above written.

IN PRESENCE OF:

Catherine Vay

State Tower of Syracuse Associates, L.L.C.,
a New Jersey limited liability company

By: STB Building Corp.,
a New Jersey corporation,
Managing Member

By: _____
Name: Jared Kushner
Title: Vice President

STATE OF NEW YORK)

COUNTY OF NEW YORK) ss:

On the 21st day of March in the year 2016, before me, the undersigned a notary public in and for said state, personally appeared Jared Kushner, Vice President of STB Building Corp., a New Jersey corporation, the Managing Member of State Tower of Syracuse Associates, L.L.C., a New Jersey limited liability company, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

MARTINA DE LOS SANTOS
NOTARY PUBLIC-STATE OF NEW YORK
No. 01DE6324759
Qualified in Bronx County
My Commission Expires May 11, 2019

M. de los S

SCHEDULE A
Legal Description

Chicago Title Insurance Company
ALTA COMMITMENT FOR TITLE INSURANCE (6/17/06)

EXHIBIT "A"

The land referred to in this Commitment is described as follows:

201- 219 East Genesee Street, Syracuse, NY Onondaga County

All that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the City of Syracuse, County of Onondaga and State of New York, known and designated a Lots Nos. 1, 2, 3, 4, 5, 6, 7, part of 19 and 20, the latter Lot also known as Lot A, all being Block 103 in said City, bounded and described as follows: Beginning at the intersection of the east line of South Warren Street and the south line of East Water Street; thence South 0° 03' 30" west, on the east line of South Warren Street, 67.68 feet to the northerly line of East Genesee Street; thence South 59° 45' 20" east along the northerly line of East Genesee Street, 196.49 feet; thence North 29° 58' 40" east, 79.51 feet to a point; thence North 59° 45' 20" west, 1.42 feet; thence North 30° 14' 40" east, 16.49 feet to a point; thence North 0° 26' 20" East, 0.67 feet to a point; thence South 89° 33' 40" east, 1.37 feet to a point; thence North 0° 26' 20" east 5.49 feet to a point in the south line of Falker property; thence North 0° 03' 40" west 75 feet to the south line of East Water Street; thence North 89° 33' 40" west, along the southerly line of East Water Street 217.83 feet to the point and place of beginning.

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BARGAIN AND SALE DEED
WITH COVENANTS
AGAINST GRANTOR'S ACTS

TITLE NO.1517-40265

State Tower of Syracuse Associates, L.L.C.

- to -

State Tower Building, LLC and Expressway Properties, LLC
as Co-Tenants under a certain Tenancy-in-Common Agreement

SECTION: City of Syracuse

TAX MAP PARCEL
NUMBER: 103.-17-08.0

COUNTY: Onondaga
Syracuse, New York

RETURN BY MAIL TO:

James J. Canfield, Esq.
Barclay Damon
One Park Place
300 South State Street
Syracuse, New York 13202

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STATE TOWER BUILDING, LLC

AND

EXPRESSWAY PROPERTIES, L.L.C.

AND

CITY OF SYRACUSE
INDUSTRIAL DEVELOPMENT AGENCY

COMPANY LEASE AGREEMENT

DATED AS OF MARCH 1, 2016

COMPANY LEASE AGREEMENT

THIS COMPANY LEASE AGREEMENT (the "***Company Lease***"), made and entered into as of March 1, 2016, among **STATE TOWER BUILDING, LLC**, a New York limited liability company with an office at c/o Pioneer Companies, 333 West Washington Street, Suite 600, Syracuse, New York 13202 (the "***State Tower***") and **EXPRESSWAY PROPERTIES, L.L.C.**, a New York limited liability company with an office at 108 E. Genesee Street, Skaneateles, New York 13152 ("***Expressway***" and together with State Tower, collectively, the "***Company***") and **CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY** (the "***Agency***"), a corporate governmental agency constituting a body corporate and politic and a public benefit corporation of the State of New York, duly organized and existing under the laws of the State of New York, with an office at 333 West Washington Street, Suite 130, Syracuse, New York 13202.

W I T N E S S E T H :

WHEREAS, Title 1 of Article 18-A of the New York General Municipal Law (the "***Enabling Act***") was duly enacted into law as Chapter 1030 of the New York Laws of 1969; and

WHEREAS, the Enabling Act authorizes and provides for the creation of industrial development agencies for the benefit of the several counties, cities, villages, and towns in the State of New York and empowers such agencies, among other things, to acquire, construct, reconstruct, lease, improve, maintain, equip, and dispose of land and any buildings or other improvements, and all real and personal properties, including, but not limited to, machinery and equipment deemed necessary in connection therewith, whether or not now in existence or under construction, which shall be suitable for manufacturing, warehousing, research, commercial, or industrial purposes, in order to advance the job opportunities, health, general prosperity, and economic welfare of the people of the State of New York and to improve their standard of living; and

WHEREAS, the Enabling Act further authorizes each such agency to lease or sell any or all of its properties, to mortgage and pledge any or all of its properties, whether then owned or thereafter acquired, and to pledge the revenues and receipts from the lease or sale thereof; and

WHEREAS, the Agency was created pursuant to and in accordance with the provisions of the Enabling Act by Chapter 641 of the Laws of 1979 of the State of New York (collectively with the Enabling Act, the "***Act***") and is empowered under the Act to undertake the Project (as hereinafter defined); and

WHEREAS, the Agency, by resolution adopted on March 9, 2016, agreed, at the request of the Company to undertake a project (the "***Project***") consisting of: (A)(i) the acquisition of an interest in approximately 1.2 acres of real property improved by an existing twenty-one (21) story, approximately 211,000 square foot building and garage (the "***Building***") located at 201-19 East Genesee Street & Warren Streets, in the City of Syracuse, New York (the "***Land***"); the renovation of the Building for use as a mixed-use complex including Class A office space and retail on the

first 8 floors; approximately 57 market-rate studio, one and two bedroom apartment units on the upper 13 floors; significant façade restoration; and a 100 car on-site parking garage, all located on the Land (the "***Facility***"); (iii) the acquisition and installation in and at the Land and Facility of furniture, fixtures and equipment (the "***Equipment***" and together with the Land and the Facility, the "***Project Facility***"); (B) the granting of certain financial assistance in the form of exemptions from State and local sales and use tax and mortgage recording tax (the "***Financial Assistance***"); (C) the appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, renovation and equipping of the Project Facility; and (D) the lease of the Land and Facility by the Agency pursuant to a lease agreement and the acquisition of an interest in the Equipment pursuant to a bill of sale from the Company to the Agency; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement; and

WHEREAS, the Company is, or will be on the date this Company Lease is actually executed, the current owner of the Land and the Facility, as tenants in common, and has leased the Land and the Facility to the Agency pursuant to this Company Lease; and

WHEREAS, the Agency proposes to assist the Company's acquisition, renovation and equipping of the Project Facility, and grant the Financial Assistance to the Project by, among other things: (1) appointing the Company, or its designee, as its agent with respect to the Project Facility; (2) accepting a leasehold interest in the Land and Facility from the Company pursuant to this Company Lease and acquiring an interest in the Equipment pursuant to bills of sale from State Tower and Expressway; and (3) subleasing the Project Facility to the Company pursuant to the Agency Lease; and

WHEREAS, the Agency now proposes to lease the Land and Facility from the Company pursuant to the terms and conditions set forth herein; and

WHEREAS, all things necessary to constitute this Company Lease a valid and binding agreement by and between the parties hereto in accordance with the terms hereof have been done and performed, and the creation, execution and delivery of this Company Lease have, in all respects, been duly authorized.

NOW, THEREFORE, for and in consideration of the premises and the mutual covenants hereinafter contained, the parties hereto hereby formally covenant, agree and bind themselves as follows, to wit:

ARTICLE I
DEFINITIONS

1.1 DEFINITIONS.

For all purposes of this Company Lease and any agreement supplemental thereto, all defined terms indicated by the capitalization of the first letter of such term shall have the meanings specified in the Table of Definitions which is attached to the Agency Lease as Exhibit "C" thereto except as otherwise expressly defined herein or the context hereof otherwise requires.

1.2 INTERPRETATION.

In this Company Lease, unless the context otherwise requires:

(a) The terms "hereby," "hereof," "herein," "hereunder," and any similar terms as used in this Company Lease refer to this Company Lease; the term "heretofore" shall mean before and the term "hereafter" shall mean after the date of this Company Lease;

(b) Words of masculine gender shall mean and include correlative words of feminine and neuter genders, and words importing the singular number shall mean and include the plural number and vice versa; and

(c) Any certificates, letters, or opinions required to be given pursuant to this Company Lease shall mean a signed document attesting to or acknowledging the circumstances, representations, opinions of law, or other matters therein stated or set forth or setting forth matters to be determined pursuant to this Company Lease.

ARTICLE II
DEMISE; PREMISES; TERM

2.1 DEMISE.

The Company hereby leases to the Agency, and the Agency hereby leases from the Company, the Land and the Facility for the stated term for the rents, covenants and conditions set forth herein subject only to the Permitted Encumbrances.

2.2 DESCRIPTION OF PREMISES LEASED.

The leased premises is the Land and the Facility described in the recitals of this Company Lease and as more fully described on **Exhibit "A"** attached hereto.

2.3 TERM.

The Project is leased for a term which shall commence as of March 1, 2016, and shall end on the expiration or earlier termination of the Agency Lease.

2.4 MANDATORY CONVEYANCE.

At the expiration of the term hereof or any extension thereof by mutual agreement, or as otherwise provided in the Agency Lease, this Company Lease shall automatically expire without any further action by the parties hereto. The Company hereby irrevocably designates the Agency as its attorney-in-fact, coupled with an interest, for the purpose of executing, delivering and recording terminations of leases and bill of sale together with any other documents therewith and to take such other and further actions reasonably

necessary to confirm the termination of the Agency's interest in the Project, all at the Company's sole cost and expense.

2.5 CONSIDERATION.

The Agency is paying to the Company concurrently with the execution hereof consideration of $1.00 and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the Company.

2.6 REPRESENTATIONS AND COVENANTS OF THE COMPANY.

The Company jointly, and where indicated State Tower and Expressway individually, makes the following representations and covenants as the basis for the undertakings on its part herein contained:

(a) State Tower and Expressway are each limited liability companies duly organized, validly existing and in good standing under the laws of New York, have the power to enter into this Company Lease and the other Company Documents and to carry out their obligations hereunder and thereunder, and each has duly authorized the execution, delivery, and performance of this Company Lease and the other Company Documents.

(b) This Company Lease and the other Company Documents constitute, or upon their execution and delivery in accordance with the terms thereof will constitute, valid and legally binding obligations of each State Tower and Expressway, enforceable in accordance with their respective terms.

(c) The Company has, or will have on the actual date of execution of this Company Lease, a valid and enforceable fee interest in the Land and the Facility and shall remain and retain such interests for the term of this Company Lease unless otherwise consented to in writing by the Agency.

(d) Neither the execution and delivery of this Company Lease and the other Company Documents, the consummation of the transactions contemplated thereby, nor the fulfillment of or compliance with the provisions thereof will:

(1) Result in a breach of, or conflict with any term or provision in, the either State Tower's or Expressway's Articles of Organization and Operating Agreement.

(2) Require consent under (which has not been heretofore received) or result in a breach of or default under any credit agreement, indenture, purchase agreement, mortgage, deed of trust, commitment, guaranty or other agreement or instrument to which State Tower or Expressway is a party or by which State Tower or Expressway, or any of its property may be bound or affected; or

(3) Conflict with or violate any existing law, rule, regulation, judgment, order, writ, injunction, or decree of any Governmental Authority or court (domestic or

foreign) having jurisdiction over State Tower, Expressway or any of the property of State Tower or Expressway.

(e) So long as the Agency holds an interest in the Project Facility, the Project Facility is and will continue to be a "project" (as such quoted term is defined in the Act), and the Company will not take any action (or omit to take any action required by the Company Documents or which the Agency, together with Agency's counsel, advise the Company in writing should be taken), or allow any action to be taken, which action (or omission) would in any way cause the Project Facility not to constitute a "project" (as such quoted term is defined in the Act).

(f) The Company shall cause all notices as required by law to be given and shall comply or cause compliance with all laws, ordinances, municipal rules, and regulations and requirements of all Governmental Authorities applying to or affecting the reconstruction, renovation, equipping and operation of the Project Facility (the applicability of such laws, ordinances, rules, and regulations to be determined both as if the Agency were the owner of the Project Facility and as if the Company, were the owner of the Project Facility), and the Company will defend and save the Agency and its officers, members, agents (other than the Company), and employees harmless from all fines and penalties due to failure to comply therewith.

(g) The Company shall perform, or cause to be performed, for and on behalf of the Agency, each and every obligation of the Agency (which is within the control of the Company) under and pursuant to the Agency Lease, this Company Lease and the other Company Documents and shall defend, indemnify, and hold harmless the Agency and its members, officers, agents (other than the Company), servants and employees from and against every expense, liability, or claim arising out of the failure of the Company to fulfill its obligations under the provisions of this Section 2.6.

(h) The Company acknowledges, restates and affirms the obligations, representations, warranties and covenants set forth in Sections 2.2, 2.3, 2.4 and 11.12 of the Agency Lease as if fully set forth herein.

ARTICLE III

DISPUTE RESOLUTION

3.1 GOVERNING LAW.

This Company Lease shall be governed in all respects by the laws of the State of New York.

3.2 WAIVER OF TRIAL BY JURY.

THE COMPANY AND THE AGENCY WAIVE THE RIGHT TO TRIAL BY JURY OF ANY DISPUTE ARISING UNDER THIS COMPANY LEASE, AND THIS PROVISION SHALL SURVIVE THE TERMINATION OF THIS COMPANY LEASE.

ARTICLE IV

MISCELLANEOUS CLAUSES

4.1 NOTICES.

All notices, certificates, and other communications hereunder shall be in writing, shall be sufficiently given, and shall be deemed given when (a) sent to the applicable address stated below by registered or certified mail, return receipt requested, and actually received by the intended recipient or by overnight courier or such other means as shall provide the sender with documentary evidence of such delivery, or (b) delivery is refused by the addressee as evidenced by the affidavit of the Person who attempted to effect such delivery. The addresses to which notices, certificates, and other communications hereunder shall be delivered are as follows:

(a) To the Agency:

City of Syracuse Industrial Development Agency
333 West Washington Street, Suite 130
Syracuse, New York 13202
Attn: Chairman

With copies to:

Corporation Counsel
City of Syracuse
233 East Washington Street
Syracuse, New York 13202

(b) To the Company:

State Tower Building, LLC
c/o Pioneer Companies
333 West Washington Street, Suite 600
Syracuse, New York 13202
Attn: Melissa Zell and Mark Roney

and

Expressway Properties, L.L.C.
108 E. Genesee Street
Skaneateles, New York 13152
Attn: W. Davies Birchenough, Jr.

With a copy to:

Bousquet Holstein, PLLC
110 West Fayette Street, Suite 900
Syracuse, New York 13202
Attn: Terri M. Roney, Esq.

4.2 NO RECOURSE UNDER THIS COMPANY LEASE.

No provision, covenant or agreement contained herein, in any other agreement entered into in connection herewith, or any obligations herein imposed, upon the Agency, or any breach thereof, shall constitute or give rise to or impose upon the Agency, a debt or other pecuniary liability or a charge upon its general credit, and all covenants, stipulations, promises, agreements and obligations of the Agency contained in this Company Lease shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the Agency, and not of any member, director, officer, employee or agent of the Agency in his individual capacity.

4.3 ENTIRE AGREEMENT.

This Company Lease contains the entire agreement between the parties and all prior negotiations and agreements are merged in this Company Lease. This Company Lease may not be changed, modified or discharged, in whole or in part, except by a written instrument executed by the party against whom enforcement of the change, modification or discharge is sought.

4.4 AGENCY REPRESENTATIONS.

The Company expressly acknowledges that neither the Agency nor the Agency's directors, members, employees or agents has made or is making, and the Company, in executing and delivering this Company Lease, is not relying upon warranties, representations, promises or statements, except to the extent that the same are expressly set forth in this Company Lease, and no rights, easements or licenses are or shall be acquired by the Company by implication or otherwise unless expressly set forth in this Company Lease.

4.5 BINDING EFFECT.

This Company Lease shall be binding upon and inure to the benefit of the parties, their respective successors and assigns.

4.6 PARAGRAPH HEADINGS.

Paragraph headings are for convenience only and shall not affect the construction or interpretation of this Company Lease.

4.7 CONSENT TO AGENCY LEASE; SUBORDINATION.

The Company hereby consents to the sublease by the Agency of the Project Facility to the Company pursuant to the Agency Lease. The Company acknowledges and agrees that this Company Lease and the Agency Lease shall be subordinate in all respects to the Mortgages.

4.8 HOLD HARMLESS PROVISIONS.

(a) Each State Tower and Expressway, jointly and severally, hereby release the Agency and its members, officers, agents, and employees from, agree that the Agency and its members, officers, agents, and employees shall not be liable for, and agree to indemnify, defend, and hold the Agency and its members, officers, agents, and employees harmless from and against any and all claims arising as a result of the Agency's undertaking of the Project, including, but not limited to:

(1) Liability for loss or damage to Property or bodily injury to or death of any and all persons that may be occasioned by any cause whatsoever pertaining to the Project Facility, or arising by reason of or in connection with the occupation or the use thereof, or the presence on, in, or about the Project Facility;

(2) Liability arising from or expense incurred by the Agency's acquisition of a leasehold interest in the Project Facility and the subleasing of the Project Facility, including, without limiting the generality of the foregoing, all liabilities or claims arising as a result of the Agency's obligations under the Agency Lease, the Company Lease or the Mortgage;

(3) All claims arising from the exercise by the Company of the authority conferred upon it and performance of the obligations assumed under Article II hereof;

(4) All causes of action and attorneys' fees and other expenses incurred in connection with any suits or actions which may arise as a result of any of the foregoing, provided that any such losses, damages, liabilities, or expenses of the Agency are not incurred or do not result from the intentional wrongdoing of the Agency or any of its members, officers, agents, or employees.

The foregoing indemnities shall apply notwithstanding the fault or negligence (other than gross negligence or willful misconduct) on the part of the Agency or any of its officers, members, agents, servants, or employees and irrespective of any breach of statutory obligation or any rule of comparative or apportional liability.

(b) In the event of any claim against the Agency or its members, officers, agents, or employees by any employee of the Company, or any contractor of the Company, or anyone directly or indirectly employed by any of them, or any one for whose acts any of them may be liable, the obligations of the Company hereunder shall not be limited in any way by any limitation on the amount or type of damages, compensation, or benefits payable by or for the

Company such contractor under workers' compensation laws, disability benefit laws, or other employee benefit laws.

(c) Notwithstanding any other provisions of this Company Lease, the obligations of the Company pursuant to this Section 4.8 shall remain in full force and effect after the termination of the Agency Lease and this Company Lease until the expiration of the period stated in the applicable statute of limitations during which a claim, cause of action, or prosecution relating to the matters herein described may be brought, and the payment in full or the satisfaction of such claim, cause of action, or prosecution, and the payment of all expenses and charges incurred by the Agency, or its officers, members, agents (other than the Company), or employees, relating thereto.

(d) For purposes of this Section 4.8, the Company shall not be deemed to constitute an employee, agent or servant of the Agency or a person under the Agency's control or supervision.

4.9 NO RECOURSE; SPECIAL OBLIGATION.

The obligations and agreements of the Agency contained herein and in the other Agency Documents and in any other instrument or document executed in connection herewith or therewith, and any instrument or document supplemental hereto or thereto, shall be deemed the obligations and agreements of the Agency and not of any member, officer, agent, or employee of the Agency in his individual capacity; and the members, officers, agents, and employees of the Agency shall not be liable personally hereon or thereon or be subject to any personal liability or accountability based upon or in respect hereof or thereof or of any transaction contemplated hereby or thereby. The obligations and agreements of the Agency contained herein or therein shall not constitute or give rise to an obligation of the State New York or of the City of Syracuse, and neither the State of New York nor the City of Syracuse shall be liable hereon or thereon. Further, such obligations and agreements shall not constitute or give rise to a general obligation of the Agency, but rather shall constitute limited obligations of the Agency, payable solely from the revenues of the Agency derived, and to be derived from, the lease, sale, or other disposition of the Project Facility, other than revenues derived from or constituting Unassigned Rights. No order or decree of specific performance with respect to any of the obligations of the Agency hereunder or thereunder shall be sought or enforced against the Agency unless:

(a) The party seeking such order or decree shall first have requested the Agency in writing to take the action sought in such order or decree of specific performance, and thirty (30) days shall have elapsed from the date of receipt of such request, and the Agency shall have refused to comply with such request (or if compliance therewith would reasonably be expected to take longer than thirty (30) days, shall have failed to institute and diligently pursue action to cause compliance with such request) or failed to respond within such notice period; and

(b) If the Agency refuses to comply with such request and the Agency's refusal to comply is based on its reasonable expectation that it will incur fees and expenses, the party seeking such order or decree shall have placed in an account with the Agency an amount or undertaking sufficient to cover such reasonable fees and expenses; and

(c) If the Agency refuses to comply with such request and the Agency's refusal to comply is based on its reasonable expectation that it or any of its members, officers, agents, or employees shall be subject to potential liability, the party seeking such order or decree shall (1) agree to indemnify and hold harmless the Agency and its members, officers, agents, and employees against any liability incurred as a result of its compliance with such demand; and (2) if requested by the Agency, furnish to the Agency satisfactory security to protect the Agency and its members, officers, agents, and employees against all liability expected to be incurred as a result of compliance with such request.

Any failure to provide notice, indemnity, or security to the Agency pursuant to this Section 4.9 shall not alter the full force and effect of any Event of Default under the Agency Lease.

(d) For purposes of this Section 4.9, the Company shall not be deemed to constitute an employee, agent or servant of the Agency or a person under the Agency's control or supervision.

4.10 MERGER OF AGENCY.

(a) Nothing contained in this Company Lease shall prevent the consolidation of the Agency with, or merger of the Agency into, or assignment by the Agency of its rights and interests hereunder to any other body corporate and politic and public instrumentality of the State of New York, or political subdivision thereof, which has the legal authority to perform the obligations of the Agency hereunder, provided that upon any such consolidation, merger, or assignment, the due and punctual performance and observance of all the agreements and conditions of this Company Lease to be kept and performed by the Agency shall be expressly assumed in writing by the public instrumentality or political subdivision resulting from such consolidation or surviving such merger or to which the Agency's rights and interests hereunder shall be assigned.

(b) As of the date of any such consolidation, merger, or assignment, the Agency shall give notice thereof in reasonable detail to the Company. The Agency shall promptly furnish to the Company such additional information with respect to any such consolidation, merger, or assignment as the Company reasonably may request.

4.11 EXECUTION OF COUNTERPARTS.

This Company Lease may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

4.12 EVENT OF DEFAULT.

A default in the performance or the observance of any covenants, conditions, or agreements on the part of the Company in this Company Lease.

4.13 REMEDIES.

Whenever any Event of Default shall have occurred and be continuing, the Agency may, to the extent permitted by law, take any one or more of the following remedial steps:

1) Terminate the Company Lease; or

2) Take any other action at law or in equity, which may appear necessary or desirable to collect any amounts then due, or thereafter to become due, hereunder.

4.14 AMENDMENTS, CHANGES AND MODIFICATIONS.

This Company Lease may not be amended, changed, modified, altered, or terminated except by an instrument in writing signed by the parties hereto.

IN WITNESS WHEREOF, the Company and the Agency have duly executed this Company Lease, as of the day and year first above written.

STATE TOWER BUILDING, LLC

By: _____
Mark W. Roney, Authorized Signatory

EXPRESSWAY PROPERTIES, L.L.C.

By: _____
David Loftus, Authorized Signatory

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY

By: _____
William M. Ryan, Chairman

STATE OF NEW YORK)
) SS.:
COUNTY OF ONONDAGA)

On the 21st day of March, 2016, before me, the undersigned, personally appeared **Mark W. Roney,** personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual or the person upon behalf of which the individual acted, executed the instrument.

Lori L McRobbie
Notary Public

LORI L. McROBBIE
Notary Public, State of New York
Qualified in Onondaga Co. No. 01MC5055591
Commission Expires on Feb. 12, 20 18

STATE OF NEW YORK)
) SS.:
COUNTY OF ONONDAGA)

On the 21st day of March, 2016, before me, the undersigned, personally appeared **David Loftus,** personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual or the person upon behalf of which the individual acted, executed the instrument.

Lori L McRobbie
Notary Public

LORI L. McROBBIE
Notary Public, State of New York
Qualified in Onondaga Co. No. 01MC5055591
Commission Expires on Feb. 12, 20 18

STATE OF NEW YORK)
) SS.:
COUNTY OF ONONDAGA)

On the 18th day of March, 2016, before me, the undersigned, personally appeared **William M. Ryan**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual or the person upon behalf of which the individual acted, executed the instrument.

Lori L McRobbie
Notary Public
LORI L. McROBBIE
Notary Public, State of New York
Qualified in Onondaga Co. No. 01MC5055591
Commission Expires on Feb. 12, 20 18

EXHIBIT A

LEGAL DESCRIPTION

All that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the City of Syracuse, County of Onondaga and State of New York, known and designated a Lots Nos. 1, 2, 3, 4, 5, 6, 7, part of 19 and 20, the latter Lot also known as Lot A, all being Block 103 in said City, bounded and described as follows: Beginning at the intersection of the east line of South Warren Street and the south line of East Water Street; thence South 0° 03' 30" west, on the east line of South Warren Street, 67.68 feet to the northerly line of East Genesee Street; thence South 59° 45' 20" east along the northerly line of East Genesee Street, 196.49 feet; thence North 29° 58' 40" east, 79.51 feet to a point; thence North 59° 45' 20" west, 1.42 feet; thence North 30° 14' 40" east, 16.49 feet to a point; thence North 0° 26' 20" East, 0.67 feet to a point; thence South 89° 33' 40" east, 1.37 feet to a point; thence North 0° 26' 20" east 5.49 feet to a point in the south line of Falker property; thence North 0° 03' 40" west 75 feet to the south line of East Water Street; thence North 89° 33' 40" west, along the southerly line of East Water Street 217.83 feet to the point and place of beginning.

3

copy 9

MEMORANDUM OF
COMPANY LEASE AGREEMENT

NAME AND ADDRESS OF LESSORS:

State Tower Building, LLC
c/o Pioneer Companies
333 West Washington Street, Suite 600
Syracuse, New York 13202

Expressway Properties, L.L.C.
108 E. Genesee Street
Skaneateles, New York 13152

NAME AND ADDRESS OF LESSEE:

City of Syracuse Industrial Development Agency
333 West Washington Street, Suite 130
Syracuse, New York 13202

DESCRIPTION OF LEASED PREMISES:

All that tract or parcel of land situate in the City of Syracuse, County of Onondaga and State of New York, being more particularly described in **Exhibit "A"** annexed hereto, together with the improvements thereon.

DATE OF EXECUTION OF COMPANY LEASE AGREEMENT:

As of March 1, 2016.

TERM OF COMPANY LEASE AGREEMENT:

The Project is leased for a term which shall commence as of March 1, 2016, and shall terminate no later than May 1, 2017.

14:13 03/24/16 737116 RS DB-5366P-173

IN WITNESS WHEREOF, the parties hereto have respectively executed this memorandum as of the 1st day of March, 2016.

STATE TOWER BUILDING, LLC

By: _____
Mark W. Roney, Authorized Signatory

EXPRESSWAY PROPERTIES, L.L.C.

By: _____
David Loftus, Authorized Signatory

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY

By: _____
William M. Ryan, Chairman

STATE OF NEW YORK)
) SS.:
COUNTY OF ONONDAGA)

On the 18th day of March, 2016, before me, the undersigned, personally appeared **WILLIAM M. RYAN**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her capacity, and that by her signature on the instrument, the individual or the person upon behalf of which the individual acted, executed the instrument.

Lori L McRobbie
Notary Public

LORI L. McROBBIE
Notary Public, State of New York
Qualified in Onondaga Co. No. 01MC5055591
Commission Expires on Feb. 12, 20 18

STATE OF NEW YORK)
) ss.:
COUNTY OF ONONDAGA)

On this 21st day of March, 2016, before me, the undersigned, personally appeared **MARK W. RONEY**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual or the person upon behalf of which the individual acted, executed the instrument.

Lori L McRobbie
Notary Public

LORI L. McROBBIE
Notary Public, State of New York
Qualified in Onondaga Co. No. 01MC5055591
Commission Expires on Feb. 12, 20 18

STATE OF NEW YORK)
) SS.:
COUNTY OF ONONDAGA)

On the 21st day of March, 2016, before me, the undersigned, personally appeared **DAVID LOFTUS,** personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual or the person upon behalf of which the individual acted, executed the instrument.

Lori L McRobbie
Notary Public

LORI L. McROBBIE
Notary Public, State of New York
Qualified in Onondaga Co. No. 01MC5055591
Commission Expires on Feb. 12, 20 18

EXHIBIT A

LEGAL DESCRIPTION

All that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the City of Syracuse, County of Onondaga and State of New York, known and designated a Lots Nos. 1, 2, 3, 4, 5, 6, 7, part of 19 and 20, the latter Lot also known as Lot A, all being Block 103 in said City, bounded and described as follows: Beginning at the intersection of the east line of South Warren Street and the south line of East Water Street; thence South 0° 03' 30" west, on the east line of South Warren Street, 67.68 feet to the northerly line of East Genesee Street; thence South 59° 45' 20" east along the northerly line of East Genesee Street, 196.49 feet; thence North 29° 58' 40" east, 79.51 feet to a point; thence North 59° 45' 20" west, 1.42 feet; thence North 30° 14' 40" east, 16.49 feet to a point; thence North 0° 26' 20" East, 0.67 feet to a point; thence South 89° 33' 40" east, 1.37 feet to a point; thence North 0° 26' 20" east 5.49 feet to a point in the south line of Falker property; thence North 0° 03' 40" west 75 feet to the south line of East Water Street; thence North 89° 33' 40" west, along the southerly line of East Water Street 217.83 feet to the point and place of beginning.

TP-584 (4/13)

New York State Department of Taxation and Finance

Combined Real Estate Transfer Tax Return, Credit Line Mortgage Certificate, and Certification of Exemption from the Payment of Estimated Personal Income Tax

Recording office time stamp

See Form TP-584-I, Instructions for Form TP-584, *before completing this form. Print or type.*

Schedule A — Information relating to conveyance

Grantor/Transferor ☐ Individual ☐ Corporation ☐ Partnership ☐ Estate/Trust ☐ Single member LLC ☒ Other	Name *(if individual, last, first, middle initial)* (☒ *check if more than one grantor*) see Schedule A attached	Social security number
	Mailing address	Social security number
	City / State / ZIP code	Federal EIN
	Single member's name if grantor is a single member LLC *(see instructions)*	Single member EIN or SSN
Grantee/Transferee ☐ Individual ☐ Corporation ☐ Partnership ☐ Estate/Trust ☐ Single member LLC ☒ Other	Name *(if individual, last, first, middle initial)* (☐ *check if more than one grantee*) City of Syracuse Industrial Development Agency	Social security number
	Mailing address 333 West Washington Street, Suite 130	Social security number
	City: Syracuse / State: NY / ZIP code: 13202	Federal EIN: 52-1380308
	Single member's name if grantee is a single member LLC *(see instructions)*	Single member EIN or SSN

Location and description of property conveyed

Tax map designation – Section, block & lot *(include dots and dashes)*	SWIS code (six digits)	Street address	City, town, or village	County
103.-17-08.0	311500	201-19 East Genesee Street	Syracuse	Onondaga

Type of property conveyed *(check applicable box)*

1 ☐ One- to three-family house
2 ☐ Residential cooperative
3 ☐ Residential condominium
4 ☐ Vacant land
5 ☒ Commercial/Industrial
6 ☐ Apartment building
7 ☐ Office building
8 ☐ Other _____

Date of conveyance: 03 (month) / 01 (day) / 2016 (year)

Percentage of real property conveyed which is residential real property 0 % *(see instructions)*

Condition of conveyance *(check all that apply)*

a. ☐ Conveyance of fee interest
b. ☐ Acquisition of a controlling interest (state percentage acquired _____ %)
c. ☐ Transfer of a controlling interest (state percentage transferred _____ %)
d. ☐ Conveyance to cooperative housing corporation
e. ☐ Conveyance pursuant to or in lieu of foreclosure or enforcement of security interest *(attach Form TP-584.1, Schedule E)*
f. ☐ Conveyance which consists of a mere change of identity or form of ownership or organization *(attach Form TP-584.1, Schedule F)*
g. ☐ Conveyance for which credit for tax previously paid will be claimed *(attach Form TP-584.1, Schedule G)*
h. ☐ Conveyance of cooperative apartment(s)
i. ☐ Syndication
j. ☐ Conveyance of air rights or development rights
k. ☐ Contract assignment
l. ☐ Option assignment or surrender
m. ☐ Leasehold assignment or surrender
n. ☒ Leasehold grant
o. ☐ Conveyance of an easement
p. ☐ Conveyance for which exemption from transfer tax claimed *(complete Schedule B, Part III)*
q. ☐ Conveyance of property partly within and partly outside the state
r. ☐ Conveyance pursuant to divorce or separation
s. ☐ Other *(describe)* _____

For recording officer's use	Amount received Schedule B., Part I $ Schedule B., Part II $	Date received	Transaction number

Schedule B — Real estate transfer tax return (Tax Law, Article 31)

Part I – Computation of tax due

1	Enter amount of consideration for the conveyance *(if you are claiming a total exemption from tax, check the exemption claimed box, enter consideration and proceed to Part III)* ☒ **Exemption claimed**	1.	0 00
2	Continuing lien deduction *(see instructions if property is taken subject to mortgage or lien)*	2.	0 00
3	Taxable consideration *(subtract line 2 from line 1)*	3.	0 00
4	Tax: $2 for each $500, or fractional part thereof, of consideration on line 3	4.	0 00
5	Amount of credit claimed for tax previously paid *(see instructions and attach Form TP-584.1,* Schedule G*)*	5.	0 00
6	Total tax due* *(subtract line 5 from line 4)*	6.	0 00

Part II – Computation of additional tax due on the conveyance of residential real property for $1 million or more

1	Enter amount of consideration for conveyance *(from* Part I*, line 1)*	1.	
2	Taxable consideration *(multiply line 1 by the percentage of the premises which is residential real property, as shown in* Schedule A*)*	2.	
3	Total additional transfer tax due* *(multiply line 2 by 1% (.01))*	3.	

Part III – Explanation of exemption claimed on Part I, line 1 *(check any boxes that apply)*

The conveyance of real property is exempt from the real estate transfer tax for the following reason:

a. Conveyance is to the United Nations, the United States of America, the state of New York, or any of their instrumentalities, agencies, or political subdivisions (or any public corporation, including a public corporation created pursuant to agreement or compact with another state or Canada) ..... a ☒

b. Conveyance is to secure a debt or other obligation ..... b ☐

c. Conveyance is without additional consideration to confirm, correct, modify, or supplement a prior conveyance ..... c ☐

d. Conveyance of real property is without consideration and not in connection with a sale, including conveyances conveying realty as bona fide gifts ..... d ☐

e. Conveyance is given in connection with a tax sale ..... e ☐

f. Conveyance is a mere change of identity or form of ownership or organization where there is no change in beneficial ownership. (This exemption cannot be claimed for a conveyance to a cooperative housing corporation of real property comprising the cooperative dwelling or dwellings.) Attach Form TP-584.1, Schedule F ..... f ☐

g. Conveyance consists of deed of partition ..... g ☐

h. Conveyance is given pursuant to the federal Bankruptcy Act ..... h ☐

i. Conveyance consists of the execution of a contract to sell real property, without the use or occupancy of such property, or the granting of an option to purchase real property, without the use or occupancy of such property ..... i ☐

j. Conveyance of an option or contract to purchase real property with the use or occupancy of such property where the consideration is less than $200,000 and such property was used solely by the grantor as the grantor's personal residence and consists of a one-, two-, or three-family house, an individual residential condominium unit, or the sale of stock in a cooperative housing corporation in connection with the grant or transfer of a proprietary leasehold covering an individual residential cooperative apartment ..... j ☐

k. Conveyance is not a conveyance within the meaning of Tax Law, Article 31, section 1401(e) *(attach documents supporting such claim)* ..... k ☐

*The total tax (from Part I, line 6 and Part II, line 3 above) is due within 15 days from the date conveyance. Please make check(s) payable to the county clerk where the recording is to take place. If the recording is to take place in the New York City boroughs of Manhattan, Bronx, Brooklyn, or Queens, make check(s) payable to the ***NYC Department of Finance.*** If a recording is not required, send this return and your check(s) made payable to the ***NYS Department of Taxation and Finance,*** directly to the NYS Tax Department, RETT Return Processing, PO Box 5045, Albany NY 12205-5045.

Schedule C — Credit Line Mortgage Certificate (Tax Law, Article 11)

Complete the following only if the interest being transferred is a fee simple interest.
I (we) certify that: *(check the appropriate box)*

1. ☐ The real property being sold or transferred is not subject to an outstanding credit line mortgage.

2. ☐ The real property being sold or transferred is subject to an outstanding credit line mortgage. However, an exemption from the tax is claimed for the following reason:
   - ☐ The transfer of real property is a transfer of a fee simple interest to a person or persons who held a fee simple interest in the real property (whether as a joint tenant, a tenant in common or otherwise) immediately before the transfer.
   - ☐ The transfer of real property is (A) to a person or persons related by blood, marriage or adoption to the original obligor or to one or more of the original obligors or (B) to a person or entity where 50% or more of the beneficial interest in such real property after the transfer is held by the transferor or such related person or persons (as in the case of a transfer to a trustee for the benefit of a minor or the transfer to a trust for the benefit of the transferor).
   - ☐ The transfer of real property is a transfer to a trustee in bankruptcy, a receiver, assignee, or other officer of a court.
   - ☐ The maximum principal amount secured by the credit line mortgage is $3,000,000 or more, and the real property being sold or transferred is **not** principally improved nor will it be improved by a one- to six-family owner-occupied residence or dwelling.

     Please note: for purposes of determining whether the maximum principal amount secured is $3,000,000 or more as described above, the amounts secured by two or more credit line mortgages may be aggregated under certain circumstances. See TSB-M-96(6)-R for more information regarding these aggregation requirements.
   - ☐ Other *(attach detailed explanation)*.

3. ☐ The real property being transferred is presently subject to an outstanding credit line mortgage. However, no tax is due for the following reason:
   - ☐ A certificate of discharge of the credit line mortgage is being offered at the time of recording the deed.
   - ☐ A check has been drawn payable for transmission to the credit line mortgagee or his agent for the balance due, and a satisfaction of such mortgage will be recorded as soon as it is available.

4. ☐ The real property being transferred is subject to an outstanding credit line mortgage recorded in _____ (insert liber and page or reel or other identification of the mortgage). The maximum principal amount of debt or obligation secured by the mortgage is _____. No exemption from tax is claimed and the tax of _____ is being paid herewith. *(Make check payable to county clerk where deed will be recorded or, if the recording is to take place in New York City but not in Richmond County, make check payable to the **NYC Department of Finance.**)*

Signature (both the grantor(s) and grantee(s) must sign)

The undersigned certify that the above information contained in schedules A, B, and C, including any return, certification, schedule, or attachment, is to the best of his/her knowledge, true and complete, and authorize the person(s) submitting such form on their behalf to receive a copy for purposes of recording the deed or other instrument effecting the conveyance.

State Tower Building, LLC		authorized signatory	City of Syracuse Industrial Development Agency		Chairman
Grantor signature		Title	Grantee signature		Title
Mark W. Roney			William M. Ryan		
Expressway Properties, L.L.C.		authorized signatory			
David Loftus Grantor signature		Title	Grantee signature		Title

Reminder: Did you complete all of the required information in Schedules A, B, and C? Are you required to complete Schedule D? If you checked *e*, *f*, or *g* in Schedule A, did you complete Form TP-584.1? Have you attached your check(s) made payable to the county clerk where recording will take place or, if the recording is in the New York City boroughs of Manhattan, Bronx, Brooklyn, or Queens, to the ***NYC Department of Finance***? If no recording is required, send your check(s), made payable to the ***Department of Taxation and Finance***, directly to the NYS Tax Department, RETT Return Processing, PO Box 5045, Albany NY 12205-5045.

Schedule D - Certification of exemption from the payment of estimated personal income tax (Tax Law, Article 22, section 663)

Complete the following only if a fee simple interest or a cooperative unit is being transferred by an individual or estate or trust.

If the property is being conveyed by a referee pursuant to a foreclosure proceeding, proceed to Part II, and check the second box under *Exemptions for nonresident transferor(s)/seller(s)* and sign at bottom.

Part I - New York State residents

If you are a New York State resident transferor(s)/seller(s) listed in Schedule A of Form TP-584 (or an attachment to Form TP-584), you must sign the certification below. If one or more transferors/sellers of the real property or cooperative unit is a resident of New York State, **each** resident transferor/seller must sign in the space provided. If more space is needed, please photocopy this Schedule D and submit as many schedules as necessary to accommodate all resident transferors/sellers.

Certification of resident transferor(s)/seller(s)

This is to certify that at the time of the sale or transfer of the real property or cooperative unit, the transferor(s)/seller(s) as signed below was a resident of New York State, and therefore is not required to pay estimated personal income tax under Tax Law, section 663(a) upon the sale or transfer of this real property or cooperative unit.

Signature	Print full name	Date
Signature	Print full name	Date
Signature	Print full name	Date
Signature	Print full name	Date

Note: A resident of New York State may still be required to pay estimated tax under Tax Law, section 685(c), but not as a condition of recording a deed.

Part II - Nonresidents of New York State

If you are a nonresident of New York State listed as a transferor/seller in Schedule A of Form TP-584 (or an attachment to Form TP-584) but are not required to pay estimated personal income tax because one of the exemptions below applies under Tax Law, section 663(c), check the box of the appropriate exemption below. If any one of the exemptions below applies to the transferor(s)/seller(s), that transferor(s)/seller(s) is not required to pay estimated personal income tax to New York State under Tax Law, section 663. **Each** nonresident transferor/seller who qualifies under one of the exemptions below must sign in the space provided. If more space is needed, please photocopy this Schedule D and submit as many schedules as necessary to accommodate all nonresident transferors/sellers.

If none of these exemption statements apply, you must complete Form IT-2663, *Nonresident Real Property Estimated Income Tax Payment Form*, or Form IT-2664, *Nonresident Cooperative Unit Estimated Income Tax Payment Form*. For more information, see *Payment of estimated personal income tax*, on page 1 of Form TP-584-I.

Exemption for nonresident transferor(s)/seller(s)

This is to certify that at the time of the sale or transfer of the real property or cooperative unit, the transferor(s)/seller(s) (grantor) of this real property or cooperative unit was a nonresident of New York State, but is not required to pay estimated personal income tax under Tax Law, section 663 due to one of the following exemptions:

☐ The real property or cooperative unit being sold or transferred qualifies in total as the transferor's/seller's principal residence (within the meaning of Internal Revenue Code, section 121) from _____ (Date) to _____ (Date) *(see instructions)*.

☐ The transferor/seller is a mortgagor conveying the mortgaged property to a mortgagee in foreclosure, or in lieu of foreclosure with no additional consideration.

☐ The transferor or transferee is an agency or authority of the United States of America, an agency or authority of the state of New York, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Government National Mortgage Association, or a private mortgage insurance company.

Signature	Print full name	Date
Signature	Print full name	Date
Signature	Print full name	Date
Signature	Print full name	Date

SCHEDULE "A"

GRANTORS:

State Tower Building, LLC
c/o Pioneer Companies
333 West Washington Street, Suite 600
Syracuse, New York 13202
Federal EIN: 81-0973349

Expressway Properties, L.L.C.
108 E. Genesee Street
Skaneateles, New York 13152
Federal EIN: 75-3189791

4

BILL OF SALE TO AGENCY

STATE TOWER BUILDING, LLC, a limited liability company organized under the laws of the State of New York with an office to conduct business at c/o Pioneer Companies, 333 West Washington Street, Suite 600, Syracuse, New York 13202 ("***State Tower***"), for the consideration of One Dollar ($1.00), cash in hand paid, and other good and valuable consideration received by State Tower from the City of Syracuse Industrial Development Agency, a public benefit corporation organized and existing pursuant to the laws of the State of New York (the "***Agency***"), having its office at 333 West Washington Street, Suite 130, Syracuse, New York 13202, the receipt of which is hereby acknowledged by State Tower, hereby sells, transfers, and delivers unto the Agency, its successors and assigns, all those materials, machinery, equipment, fixtures and furnishings now owned or hereafter acquired by State Tower in connection with the Project Facility, as described in the Agency Lease entered among the Agency and State Tower and Expressway Properties, L.L.C., a New York limited liability company dated as of March 1, 2016 (the "***Agency Lease***"), and as listed on "**Exhibit A**" attached hereto.

TO HAVE AND HOLD the same unto the Agency, its successors and assigns, forever.

State Tower hereby represents and warrants that it is, or will be on the actual execution date of this Bill of Sale, the true and lawful owner of the personal property being conveyed hereby, that all of the foregoing are free and clear of all liens, security interests, and encumbrances, except for Permitted Encumbrances, as defined in the Agency Lease, and that State Tower has the right to sell the same as aforesaid; and State Tower covenants that it will warrant and defend title to the same for the benefit of the Agency and its successors and assigns against the claims and demands of all persons.

IN WITNESS WHEREOF, State Tower has caused this instrument to be executed by its duly authorized representative on the date indicated beneath the signature of such representative and dated as of the 1st day of March, 2016.

STATE TOWER BUILDING, LLC

By: _____
Mark W. Roney, Authorized Signatory

Acknowledged and Consented to by:

EXPRESSWAY PROPERTIES, L.L.C.

By: _____
David Loftus, Authorized Signatory

EXHIBIT "A"

DESCRIPTION OF THE EQUIPMENT

All articles of personal property, all machinery, apparatus, equipment, appliances, floor coverings, furniture, furnishings, supplies, materials, fittings and fixtures of every kind and nature whatsoever and all appurtenances acquired by **STATE TOWER BUILDING, LLC** now or hereafter attached to, contained in or used or acquired in connection with the Project Facility (as defined in the Agency Lease or placed on any part thereof, though not attached thereto, including, but not limited to, pipes, screens, fixtures, furniture, heating, lighting, plumbing, ventilation, air conditioning, compacting and elevator plants, call systems, stoves, ranges, refrigerators, freezers, rugs, movable partitions, cleaning equipment, maintenance equipment, restaurant supplies and equipment, shelving, racks, flagpoles, signs, waste containers, outdoor benches, drapes, blinds and accessories, sprinkler systems and other fire prevention and extinguishing apparatus aid materials, motors, machinery; and together with any and all products of any of the above, all substitutions, replacements, additions or accessions therefor, and any and all cash proceeds or non-cash proceeds realized from the sale, transfer or conversion of any of the above.

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BILL OF SALE TO AGENCY

EXPRESSWAY PROPERTIES, L.L.C., a limited liability company organized under the laws of the State of New York with an office to conduct business at 108 E. Genesee Street, Skaneateles, New York 13152 ("***Expressway***"), for the consideration of One Dollar ($1.00), cash in hand paid, and other good and valuable consideration received by the Corporation from the City of Syracuse Industrial Development Agency, a public benefit corporation organized and existing pursuant to the laws of the State of New York (the "***Agency***"), having its office at 333 West Washington Street, Suite 130, Syracuse, New York 13202, the receipt of which is hereby acknowledged by Expressway, hereby sells, transfers, and delivers unto the Agency, its successors and assigns, all those materials, machinery, equipment, fixtures and furnishings now owned or hereafter acquired by the Corporation in connection with the Project Facility, as described in the Agency Lease entered among the Agency, Expressway and State Tower Building, LLC, a New York limited liability company, dated as of March 1, 2016 (the "***Agency Lease***"), and as listed on "**Exhibit A**" attached hereto.

TO HAVE AND HOLD the same unto the Agency, its successors and assigns, forever.

Expressway hereby represents and warrants that it is, or will be on the actual execution date of this Bill of Sale, the true and lawful owner of the personal property being conveyed hereby, that all of the foregoing are free and clear of all liens, security interests, and encumbrances, except for Permitted Encumbrances, as defined in the Agency Lease, and that Expressway has the right to sell the same as aforesaid; and Expressway covenants that it will warrant and defend title to the same for the benefit of the Agency and its successors and assigns against the claims and demands of all persons.

IN WITNESS WHEREOF, Expressway has caused this instrument to be executed by its duly authorized representative on the date indicated beneath the signature of such representative and dated as of the 1st day of March, 2016.

EXPRESSWAY PROPERTIES, L.L.C.

By: _____
David Loftus, Authorized Signatory

Acknowledged and Consented to by:

STATE TOWER BUILDING, LLC

By: _____
Mark W. Roney, Authorized Signatory

EXHIBIT "A"

DESCRIPTION OF THE EQUIPMENT

All articles of personal property, all machinery, apparatus, equipment, appliances, floor coverings, furniture, furnishings, supplies, materials, fittings and fixtures of every kind and nature whatsoever and all appurtenances acquired by **EXPRESSWAY PROPERTIES, L.L.C.** now or hereafter attached to, contained in or used or acquired in connection with the Project Facility (as defined in the Agency Lease or placed on any part thereof, though not attached thereto, including, but not limited to, pipes, screens, fixtures, furniture, heating, lighting, plumbing, ventilation, air conditioning, compacting and elevator plants, call systems, stoves, ranges, refrigerators, freezers, rugs, movable partitions, cleaning equipment, maintenance equipment, restaurant supplies and equipment, shelving, racks, flagpoles, signs, waste containers, outdoor benches, drapes, blinds and accessories, sprinkler systems and other fire prevention and extinguishing apparatus aid materials, motors, machinery; and together with any and all products of any of the above, all substitutions, replacements, additions or accessions therefor, and any and all cash proceeds or non-cash proceeds realized from the sale, transfer or conversion of any of the above.

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CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY

AND

STATE TOWER BUILDING, LLC

AND

EXPRESSWAY PROPERTIES, L.L.C.

AGENCY LEASE AGREEMENT

DATED AS OF MARCH 1, 2016

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AGENCY LEASE AGREEMENT

THIS AGENCY LEASE AGREEMENT, dated as of March 1, 2016 (the "***Agency Lease***"), by and between the **CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY**, a body corporate and politic and a public instrumentality of the State of New York, having its office at 333 West Washington Street, Suite 130, Syracuse, New York 13202 (the "***Agency***"), **STATE TOWER BUILDING, LLC**, a New York limited liability company with an office at c/o Pioneer Companies, 333 West Washington Street, Suite 600, Syracuse, New York 13202 (the "***State Tower***") and **EXPRESSWAY PROPERTIES, L.L.C.**, a New York limited liability company with an office at 108 E. Genesee Street, Skaneateles, New York 13152 ("***Expressway***" and together with State Tower, collectively the "***Company***").

W I T N E S S E T H :

WHEREAS, the Agency is authorized and empowered by Title I of Article 18-A of the General Municipal Law of the State of New York (the "***State***"), as amended, together with Chapter 641 of the Laws of 1979 of the State of New York, as amended from time to time (collectively, the "***Act***"), to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial, research and recreation facilities, including industrial pollution control facilities, railroad facilities and certain horse racing facilities, for the purpose of promoting, attracting, encouraging and developing recreation and economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State, to improve their recreation opportunities, prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act, among other things, to: (i) make contracts and leases, and to execute such documents as necessary or convenient, with a public or private person, firm, partnership, or corporation; (ii) to acquire, construct, reconstruct, lease, improve, maintain, equip or furnish one or more projects (as defined in the Act); and (iii) to sell, lease and otherwise dispose of any such property; and

WHEREAS, the Agency, by resolution adopted on March 9, 2016, agreed, at the request of the Company to undertake a project (the "***Project***") consisting of: (A)(i) the acquisition of an interest in approximately 1.2 acres of real property improved by an existing twenty-one (21) story, approximately 211,000 square foot building and garage (the "***Building***") located at 201-19 East Genesee Street & Warren Streets, in the City of Syracuse, New York (the "***Land***"); the renovation of the Building for use as a mixed-use complex including Class A office space and retail on the first 8 floors; approximately 57 market-rate studio, one and two bedroom apartment units on the upper 13 floors; significant façade restoration; and a 100 car on-site parking garage, all located on the Land (the "***Facility***"); (iii) the acquisition and installation in and at the Land and Facility of furniture, fixtures and equipment (the "***Equipment***" and together with the Land and the Facility, the "***Project Facility***"); (B) the granting of certain financial assistance in the

form of exemptions from State and local sales and use tax and mortgage recording tax (the "***Financial Assistance***"); (C) the appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, renovation and equipping of the Project Facility; and (D) the lease of the Land and Facility by the Agency pursuant to a lease agreement and the acquisition of an interest in the Equipment pursuant to a bill of sale from the Company to the Agency; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement; and

WHEREAS, the Agency proposes to assist the Company's acquisition, renovation and equipping of the Project Facility and grant the Financial Assistance to the Project by, among other things: (1) appointing the Company and/or its designee as its agent with respect to completing the Project; (2) accepting a leasehold interest in the Land and the Facility from the Company and a fee interest in the Equipment pursuant to bills of sale from the Company; and (2) subleasing the Project Facility to the Company pursuant to this Agency Lease; and

WHEREAS, the Company is, or will be on the date this Agency Lease is actually executed, the current owner of the Land and the Facility, as tenants in common, and has leased the Land and the Facility to the Agency pursuant to the Company Lease Agreement dated as of March 1, 2016 (the "***Company Lease***"); and

WHEREAS, the Company has conveyed title to the Equipment to the Agency pursuant to the Bill of Sale dated as of March 1, 2016 from State Tower (the "***State Tower Bill of Sale***") and a Bill of Sale dated as of March 1, 2016 from Expressway (the "***Expressway Bill of Sale***") and together with the State Tower Bill of Sale, collectively the "***Bill of Sale***"); and

WHEREAS, the Agency now proposes to sublease the Project Facility to the Company pursuant to the terms and conditions herein set forth; and

WHEREAS, all things necessary to constitute this Agency Lease a valid and binding agreement by and between the parties hereto in accordance with the terms hereof have been done and performed, and the creation, execution, and delivery of this Agency Lease have, in all respects, been duly authorized.

NOW, THEREFORE, for and in consideration of the premises and the mutual covenants hereinafter contained, the parties hereto hereby formally covenant, agree and bind themselves as follows, to wit:

ARTICLE I

DEFINITIONS

1.1 DEFINITIONS.

For all purposes of this Agency Lease and any agreement supplemental thereto, all defined terms indicated by the capitalization of the first letter of such term shall have the

meanings specified in the Table of Definitions attached hereto as **Exhibit "C"** except as otherwise expressly defined herein or the context hereof otherwise requires.

1.2 INTERPRETATION.

In this Agency Lease, unless the context otherwise requires:

(a) The terms "hereby," "hereof," "herein," "hereunder," and any similar terms as used in this Agency Lease refer to this Agency Lease; the term "heretofore" shall mean before and the term "hereafter" shall mean after the date of this Agency Lease;

(b) Words of masculine gender shall mean and include correlative words of feminine and neuter genders, and words importing the singular number shall mean and include the plural number and vice versa; and

(c) Any certificates, letters, or opinions required to be given pursuant to this Agency Lease shall mean a signed document attesting to or acknowledging the circumstances, representations, opinions of law, or other matters therein stated or set forth or setting forth matters to be determined pursuant to this Agency Lease.

ARTICLE II

REPRESENTATIONS AND COVENANTS

2.1 REPRESENTATIONS OF THE AGENCY.

The Agency makes the following representations to the Company as the basis for the undertakings on its part herein contained:

(a) The Agency is duly established under the provisions of the Act and has the power to enter into this Agency Lease and to carry out its obligations hereunder. Based upon the representations of the Company as to the utilization of the Project Facility, the Project Facility will constitute a "project," as such quoted term is defined in the Act. By proper official action, the Agency has been duly authorized to execute, deliver, and perform this Agency Lease and the other Agency Documents.

(b) Neither the execution and delivery of this Agency Lease, the consummation of the transactions contemplated thereby, nor the fulfillment of or compliance with the provisions of this Agency Lease and the other Agency Documents by the Agency will conflict with or result in a breach by the Agency of any of the terms, conditions, or provisions of the Act, the By-Laws of the Agency, or any order, judgment, restriction, agreement, or instrument to which the Agency is a party or by which it is bound or will constitute a default by the Agency under any of the foregoing.

(c) This Agency Lease and the other Agency Documents constitute, or upon their execution and delivery in accordance with the terms thereof will constitute, valid and legally binding obligations of the Agency, enforceable in accordance with their respective terms.

2.2 REPRESENTATIONS AND COVENANTS OF THE COMPANY.

The Company, jointly and where indicated State Tower or Expressway individually, acknowledges, represents, warrants and covenants to the Agency as follows:

(a) State Tower is a limited liability company duly organized, validly existing and in good standing under the laws of New York, has the power to enter into this Agency Lease and the other Company Documents and to carry out its obligations hereunder and thereunder, and has duly authorized the execution, delivery, and performance of this Agency Lease and the other Company Documents.

(b) Expressway is a limited liability company duly organized, validly existing and in good standing under the laws of New York, has the power to enter into this Agency Lease and the other Company Documents and to carry out its obligations hereunder and thereunder, and has duly authorized the execution.

(c) This Agency Lease and the other Company Documents constitute, or upon their execution and delivery in accordance with the terms thereof will constitute, valid and legally binding obligations of each State Tower and Expressway, enforceable in accordance with their respective terms.

(d) State Tower, together with Expressway, are, or will be on the date this Agency Lease is actually executed, the present fee owner of the Project Facility and shall remain the fee owner of the Project Facility for the term of this Agency Lease unless otherwise consented to in writing by the Agency.

(e) The Project is located in a Highly Distressed Area as defined in the Act.

(f) Neither the execution and delivery of this Agency Lease and the other Company Documents, the consummation of the transactions contemplated thereby, nor the fulfillment of or compliance with the provisions thereof will:

(1) Result in a breach of, or conflict with any term or provision in, State Tower's or Expressway's Articles of Organization and Operating Agreement;

(2) Require consent under (which has not been heretofore received) or result in a breach of or default under any credit agreement, indenture, purchase agreement, mortgage, deed of trust, commitment, guaranty or other agreement or instrument to which State Tower or Expressway is a party or by which State Tower or Expressway or any of its property may be bound or affected; or

(3) Conflict with or violate any existing law, rule, regulation, judgment, order, writ, injunction, or decree of any Governmental Authority or court (domestic or foreign) having jurisdiction over State Tower or Expressway or any of the property of State Tower or Expressway.

(g) The providing of Financial Assistance to the Project by the Agency:

(1) Has been an important consideration in the Company's decision to acquire, reconstruct, renovate and equip the Project Facility in the City of Syracuse;

(2) Will not result in the removal of an industrial or manufacturing plant or commercial activity of any Project Facility occupant from one area of the State to another area of the State or in the abandonment of one or more plants or facilities of any user, occupant, or proposed user or occupant of the Project Facility located within the State, except as permitted by the Act; and

(3) Will help eliminate blight and advance job opportunities, prosperity and standard of living and help prevent economic deterioration.

(h) So long as the Agency holds a leasehold interest in the Project Facility, the Project Facility is and will continue to be a "project" (as such quoted term is defined in the Act), and the Company will not take any action (or omit to take any action required by the Company Documents or which the Agency, together with Agency's counsel, advise the Company in writing should be taken), or allow any action to be taken, which action (or omission) would in any way cause the Project Facility not to constitute a "project" (as such quoted term is defined in the Act).

(i) The Company shall cause all notices as required by law to be given and shall comply or cause compliance with all laws, ordinances, municipal rules, and regulations and requirements of all Governmental Authorities applying to or affecting the construction, equipping and operation of the Project Facility (the applicability of such laws, ordinances, rules, and regulations to be determined both as if the Agency were the owner of the Project Facility and as if the Company, were the owner of the Project Facility), and the Company will defend and save the Agency and its officers, members, agents (other than the Company), and employees harmless from all fines and penalties due to failure to comply therewith.

(j) The Project will not have a significant effect on the environment (within the meaning of such term as used in SEQRA) and the Company hereby covenants to comply with all mitigating measures, requirements and conditions, if any, enumerated in the SEQR Resolution under SEQRA applicable to the acquisition, construction and installation of the Project Facility and in any other approvals issued by any other Governmental Authority with respect to the Project. No material changes with respect to any aspect of the Project Facility have arisen from the date of the issuance of such negative declaration which would cause the determination contained therein to be untrue.

(k) The Company understands and agrees that it is the preference of the Agency that the Company provide opportunities for the purchase of goods and services from: (i) business enterprises located in the City; (ii) certified minority and or women-owned business enterprises; and (iii) business enterprises that employ residents of the City. The Company further understands and acknowledges that consideration will be given by the Agency to the Company's efforts to comply, and compliance, with this objective at any time an extension of benefits is sought or involvement by the Agency with the Project is requested by the Company.

(l) The Agency's undertaking of the Project and the provision of Financial Assistance for the Project will not have a significant impact on the environment within the meaning of SEQRA.

(m) The acquisition, renovation and equipping of the Project Facility will promote employment opportunities and help prevent economic deterioration in the City by and through the rehabilitation of the Project Facility.

(n) The Company has, or will have as of the first date of construction and equipping, all then necessary permits, licenses, and governmental approvals and consents (collectively, "***Approvals***") for the construction and equipping of the Project Facility and has or will have such Approvals timely for each phase of, and throughout the renovation and equipping of the Project Facility.

(o) The Company will not sublease the whole or any portion of the Project Facility for an unlawful purpose.

(p) No part of the Project Facility will be located outside of the City.

(q) The Company shall perform, or cause to be performed, for and on behalf of the Agency, each and every obligation of the Agency (which is within the control of the Company) under and pursuant to this Agency Lease, the Company Lease and the other Company Documents and shall defend, indemnify, and hold harmless the Agency and its members, officers, agents (other than the Company), servants and employees from and against every expense, liability, or claim arising out of the failure of the Company to fulfill its obligations under the provisions of this Section 2.2.

(r) The Company agrees that except as is otherwise provided by collective bargaining contracts or agreements applicable to the Project, new employment opportunities created as a result of the Project shall be listed with the New York State Department of Labor Community Services Division, and with the administrative entity of the service delivery area created by the Federal Job Training Partnership Act (P.L. No. 97-300) in which the Project is located. The Company further agrees that except as is otherwise provided by collective bargaining contracts or agreements applicable to the Project, it will first consider persons eligible to participate in the Federal Job Training Partnership (P.L. No. 97-300) programs who shall be referred by administrative entities of service delivery areas created pursuant to such act or by the Community Services Division of the Department of Labor for such new employment opportunities.

(s) The Company shall provide to the Agency any and all documentation or information requested by the Agency so that the Agency can comply with all of its reporting requirements under the Act.

(t) As a condition precedent to receiving or benefiting from any State sales and use tax exemption benefits, the Company acknowledges and agrees to all terms and conditions of Section 875(3) of the Act. Section 875(3) of the Act is herein incorporated by reference. As part of such conditions precedent:

(1) The Company shall not take any State or local Sales and Use Tax exemptions to which it is not entitled, which are in excess of the amount authorized by the Agency in reliance on the Company's Application or which are for property or services not authorized.

(2) The Company shall comply with all material terms and conditions to use property or services in the manner required by the Agency Documents.

(3) The Company shall cooperate with the Agency in the Agency's efforts to recover, recapture, receive or otherwise obtain from the Company any Recapture Amount (as defined in Section 8.12(g) hereof), and shall, upon the Agency's request, promptly pay to the Agency any Recapture Amount, together with any interest or penalties thereon imposed by the Agency or by operation of law or by judicial order or otherwise, as provided in Section 8.12(g) hereof. The Company acknowledges and agrees that the failure of the Company to promptly pay such Recapture Amount to the Agency will be grounds for the State Commissioner of Taxation and Finance to collect sales and use taxes from the Company under Article 28 of the State Tax Law, together with interest and penalties.

(u) The amount of State and local sales and use tax benefits comprising the Financial Assistance approved by the Agency shall not exceed **$803,886**. The Company shall not request, obtain nor claim State and local sales and use tax exemptions in excess of this amount.

(v) All of the obligations, duties and liability of the Company hereunder shall be joint and several.

ARTICLE III

CONVEYANCE OF LEASEHOLD INTEREST IN PROJECT FACILITY

3.1 AGREEMENT TO CONVEY LEASEHOLD INTEREST TO COMPANY.

The Company has conveyed to the Agency, pursuant to the Company Lease, a leasehold interest in the Land and Facility, as more fully described in **Exhibit "A"** attached hereto, any improvements now or hereafter constructed and installed thereon, subject to Permitted Encumbrances and all of its right, title and interest in the Equipment via the Bill of Sale, as more fully described in **Exhibit "B"** attached hereto. Under this Agency Lease, the

Agency will convey, or will cause to be conveyed, to the Company, a subleasehold interest in the Project Facility subject to Permitted Encumbrances and exclusive of the Agency's Unassigned Rights.

3.2 USE OF PROJECT FACILITY.

Subsequent to the Closing Date, the Company shall be entitled to use the Project Facility in any manner not otherwise prohibited by this Agency Lease, the Company Lease and other Company Documents, provided that such use causes the Project Facility to qualify or continue to qualify as a "project" under the Act.

ARTICLE IV

RENOVATION AND EQUIPPING OF THE PROJECT

4.1 RENOVATION AND EQUIPPING OF THE PROJECT FACILITY.

(a) The Company shall promptly construct and equip the Project Facility, all in accordance with the Plans and Specifications. Unless a written waiver is first obtained from the Agency, in accordance with the Agency's Local Access Policy, the Company and its Additional Agents (as defined herein), shall utilize local labor, contractors and suppliers for the renovation and equipping of the Project Facility. For purposes of this Agency Lease, and in particular this Section 4.1, the term "***local***" shall mean Onondaga, Oswego, Madison, Cayuga, Oneida and Cortland Counties. Failure to comply with the local labor requirements of this Section 4.1 (collectively, "***Local Labor Requirements***") may result in the revocation or recapture of benefits provided/approved to the Project by the Agency. The Company further agrees to complete and supply the Agency, quarterly, starting the first quarter following the date hereof, the "Contract Status Report" the form of which is attached hereto at **Exhibit "D"**. Failure to comply with this Section 4.1(a) may result in the loss of all benefits provided to or for the benefit of the Project in the Agency's sole discretion.

(b) The Agency hereby confirms the appointment of the Company as its true and lawful agents to perform the following in compliance with the terms, purposes, and intent of this Agency Lease, the Act and the other Company Documents, and the Company hereby accepts such appointment:

(1) To renovate and equip the Project Facility and to acquire the Equipment in accordance with the terms hereof;

(2) To make, execute, acknowledge, and deliver any contracts, orders, receipts, writings, and instructions with any other Persons and, in general, to do all things which may be requisite or proper, all for the renovation and equipping of the Project Facility with the same powers and with the same validity as the Agency could do if acting in its own behalf, provided that the Agency shall have no liability for the payment of any sums due thereunder;

(3) To pay all fees, costs and expenses incurred in the renovation and equipping of the Project Facility from funds made available therefore from the funds of the Company; and

(4) To ask, demand, sue for, levy, recover, and receive all such sums of money, debts, dues, and other demands whatsoever which may be due, owing, and payable to the Agency under the terms of any contract, order, receipt, or writing in connection with the renovation and equipping of the Project Facility and to enforce the provisions of any contract, agreement, obligation, bond, or other performance security.

(c) The Agency shall enter into, and accept the assignment of, such contracts as the Company may request in order to effectuate the purposes of this Section 4.1, provided, however, that the Agency shall have no liability for the payment of any sums due thereunder.

(d) The Company has given, or will give or cause to be given, all notices and have complied, or will comply or cause compliance with, all laws, ordinances, rules, regulations, and requirements of all Governmental Authorities applying to or affecting the conduct of work on the Project Facility (the applicability of such laws, ordinances, rules, and regulations to be determined both as if the Agency were the owner of the Project Facility and as if the Company were the owner of the Project Facility), and the Company will defend, indemnify, and save the Agency and its officers, members, agents, servants, and employees harmless from all fines and penalties due to failure to comply therewith. All permits and licenses necessary for the prosecution of work on the Project Facility shall be procured promptly by the Company.

(e) The Company understands and agrees that it is the preference of the Agency that the Company provide opportunities for the purchase of goods and services relative to the Project from: (i) business enterprises located in the City; (ii) certified minority and/or women-owned business enterprises; and (iii) business enterprises that employ residents of the City. Consideration will be given by the Agency to the Company's efforts to comply, and compliance with, this objective at any time an extension of benefits is requested, or further involvement by the Agency with the Project, is requested by the Company.

4.2 COMPLETION OF PROJECT FACILITY.

(a) The Company will proceed with due diligence to acquire, renovate and equip the Project Facility. Completion of the acquisition, renovation and equipping of the Project Facility shall be evidenced by a certificate signed by an Authorized Representative of the Company and approved by the Agency, stating:

(1) The date of such completion;

(2) That all labor, services, materials, and supplies used therefor and all costs and expenses in connection therewith have been paid;

(3) That the Company has good and valid title to all Property constituting the Project Facility subject to the interest of the Agency therein and to this Agency Lease, the Company Lease and the Bill of Sale; and

(4) That the Project Facility is ready for occupancy, use and operation for its intended purposes.

(b) Notwithstanding the foregoing, such certificate may state that (1) it is given without prejudice to any rights of the Company against third parties which exist at the date of such certificate or which may subsequently come into being; (2) it is given only for the purposes of this Section 4.2; and (3) no Person other than the Agency may benefit therefrom.

(c) Such certificate shall be accompanied by: (1) copy of a certificate of occupancy, if required, and any and all permissions, licenses, or consents required of Governmental Authorities for the occupancy, operation, and use of the Project Facility for its intended purposes; and (2) Lien releases from the Company's contractor and any subcontractors under a contract with a price in excess of $100,000.

4.3 COSTS OF COMPLETION PAID BY COMPANY.

(a) The Company agrees to complete the Project and to pay in full all costs of the renovation and equipping of the Project Facility.

(b) No payment by the Company pursuant to this Section 4.3 shall entitle the Company to any diminution or abatement of any amounts payable by the Company under this Agency Lease.

4.4 REMEDIES TO BE PURSUED AGAINST CONTRACTORS, SUBCONTRACTORS, MATERIALMEN AND THEIR SURETIES.

In the event of a default by any materialman or Additional Agent (as defined herein) under any contract made by them in connection with renovation and equipping of the Project Facility or in the event of a breach of warranty or other liability with respect to any materials, workmanship, or performance guaranty, the Company shall proceed, either separately or in conjunction with others, to exhaust the remedies of the Company against the materialman or Additional Agent so in default and against each surety for the performance of such contract. The Company may prosecute or defend any action or proceeding or take any other action involving any such materialman or Additional Agent or surety which the Company deems reasonably necessary. The Company shall advise the Agency of any actions or proceedings taken hereunder. No such suit shall relieve the Company of any of its obligations under this Agency Lease and the other Company Documents.

4.5 COOPERATION IN EXECUTION OF ADDITIONAL MORTGAGES AND MODIFICATIONS OF MORTGAGES.

The Agency agrees, upon written request of an Authorized Representative of the Company and subject to the provisions of the Act, to use its commercially reasonable efforts to execute and deliver one or more Mortgages and such additional instruments and documents may be requested by the Company and approved by counsel to the Agency and as may be required in connection with the Company's financing or refinancing for the costs of renovation and equipping of the Project Facility, provided that:

(a) No Event of Default under this Agency Lease, the Company Lease or the Mortgage shall have occurred and be continuing; and

(b) The execution and delivery of such documents by the Agency (i) is permitted by law in effect at the time; and (ii) will serve the public purposes of the Act; and

(c) The Company will be responsible for and shall pay, from the proceeds thereof or otherwise, the Agency's fee and the costs and expenses of the Agency incidental to such additional financing, refinancing or modification thereof, including without limitation the reasonable attorneys' fees of the Agency; and

(d) The documents to be signed by the Agency shall contain the provisions set forth in Sections 8.2 and 11.11 hereof, and shall not impose any duties or obligations upon the Agency except as may be acceptable to the Agency.

ARTICLE V

AGREEMENT TO LEASE PROJECT FACILITY; RENTAL PAYMENTS

5.1 AGREEMENT TO LEASE PROJECT FACILITY.

In consideration of the Company's covenant herein to make rental payments, and the other covenants of the Company contained herein, including the covenant to make additional rent and other payments required hereby, the Agency hereby agrees to lease to the Company, and the Company hereby agrees to lease from the Agency, the Project Facility for and during the term provided herein and upon and subject to the terms and conditions herein set forth and subject to Permitted Encumbrances.

The Agency's acceptance of the leasehold interest in and to the Land and Facility pursuant to the Company Lease, and its acquisition of an interest in the Equipment pursuant to the Bill of Sale, and the holding of said interests were effected and performed solely at the request of the Company pursuant to the requirements of the Act. The Agency hereby transfers and conveys all of its beneficial and equitable interests, if any, in the Project Facility to the Company, except for its Unassigned Rights. As a result, the parties hereby acknowledge and agree that subject to the terms and conditions of this Agency Lease, the Company has all of the

equitable and beneficial ownership and other interest in the Project Facility (except for the Unassigned Rights), and will have all the equitable and beneficial ownership and other interest in the Project Facility (except for the Unassigned Rights), such that the Company, and not the Agency, shall have an:

(i) unconditional obligation to bear the economic risk of depreciation and diminution in value of the Project Facility due to obsolescence or exhaustion, and shall bear the risk of loss if the Project Facility is destroyed or damaged;

(ii) unconditional obligation to keep the Project Facility in good condition and repair;

(iii) unconditional and exclusive right to the possession of the Project Facility, and shall have sole control of and responsibility for the Project Facility;

(iv) unconditional obligation to maintain insurance coverage on, and such reserves with respect to, the Project Facility as may be required by the Company, the Agency and the Mortgagee with respect to the Project;

(v) unconditional obligation to pay all taxes levied on, or payments in lieu thereof, and assessments made with respect to, the Project Facility;

(vi) subject to the Unassigned Rights, unconditional and exclusive right to receive rental and any other income and other benefits of the Project Facility and from the operation of the Project;

(vii) unconditional obligation to pay for all of the capital investment in the Project Facility;

(viii) unconditional obligation to bear all expenses and burdens of the Project Facility and to pay for all maintenance and operating costs in connection with the Project Facility; and

(ix) unconditional and exclusive right to include all income earned from the operation of the Project Facility and claim all deductions and credits generated with respect to the Project Facility on its annual federal, state and local tax returns.

5.2 TERM OF LEASE; EARLY TERMINATION; SURVIVAL.

(a) The term of this Agency Lease shall commence on the date hereof and continue in full force and effect until the earlier of: (i) May 1, 2017; or (2) the issuance of a certificate of occupancy by the City of Syracuse, New York, unless earlier terminated as provided herein.

(b) The Company hereby irrevocably designates the Agency as its attorney-in-fact, coupled with an interest, for the purpose of executing, delivering and recording terminations of the Agency Lease, the Company Lease, preparing a bill of sale together with any other

documents therewith and to take such other and further actions reasonably necessary to confirm the termination of the Agency's interest in the Project.

(c) The Company shall have the option, at any time during the term of this Agency Lease, to terminate this Agency Lease. In the event that the Company shall exercise its option to terminate this Agency Lease pursuant to this Section 5.2(b), the Company shall file with the Agency a certificate stating the Company's intention to do so pursuant to this Section 5.2(b) and to comply with the requirements set forth in Section 5.2(c) hereof.

(d) As a condition to the effectiveness of the Company's exercise of its right to early termination, the following payments shall be made:

(1) **To the Agency**: an amount certified by the Agency as sufficient to pay all unpaid fees and expenses of the Agency incurred under this Agency Lease and the Company Lease (including, but not limited to those in connection with the early termination of this Agency Lease); and

(2) **To the Appropriate Person:** an amount sufficient to pay all other fees, expenses or charges, if any, then due and payable under this Agency Lease and the other Agency Documents.

(e) The certificate required to be filed pursuant to Section 5.2(b), setting forth the provision thereof permitting early termination of this Agency Lease shall also specify the date upon which the payments pursuant to subdivision (c) of this Section 5.2 shall be made, which date shall not be less than thirty (30) nor more than sixty (60) days from the date such certificate is filed with the Agency.

(f) Contemporaneously with the termination of this Agency Lease in accordance with Sections 5.1 or 5.2 hereof, the Agency shall transfer, and the Company shall accept, all of the Agency's right, title and interest in the Project Facility, including the Equipment, for a purchase price of One Dollar ($1.00) plus the payment of all other sums due hereunder and all legal fees and costs associated therewith. Contemporaneously with the termination of this Agency Lease and the Company Lease shall terminate.

(g) The Agency shall, upon payment by the Company of the amounts pursuant hereto and to Sections 5.2(c) above and Section 5.3, deliver to the Company all documents furnished to the Agency by the Company, or prepared by the Agency at the sole expense of the Company, and reasonably necessary to evidence termination of the Company Lease and the Agency Lease, including, but not limited to, lease terminations and a bill of sale from the Agency with respect to its interest in the Equipment, without representation or warranty, subject to the following: (1) any Liens to which such Project Facility was subject when conveyed to the Agency, (2) any Liens created at the request of the Company or to the creation of which the Company consented or in the creation of which the Company acquiesced, (3) any Permitted Encumbrances, and (4) any Liens resulting from the failure of the Company to perform or observe any of the agreements on its part contained in this Agency Lease.

(h) The obligation of the Agency under this Section 5.2 to convey the Project Facility to the Company will be subject to: (i) there being no Event of Default existing hereunder or under any payment in lieu of tax agreement now or hereafter entered into with respect to all or any portion of the Project Facility or under any other Company Documents, or any other event which would, but for the passage of time or the giving of notice, or both, be such an Event of Default; and (ii) the Company's payment of all expenses, fees and taxes, if any, applicable to or arising from such transfer.

5.3 RENTAL PAYMENTS AND OTHER AMOUNTS PAYABLE.

(a) The Company shall pay basic rental payments for the Project Facility consisting of: (i) to the Agency in an amount sufficient to pay any and all other amounts due hereunder; and (ii) to the Mortgagee, an amount equal to the debt service and amounts becoming due and payable under the Mortgage and the indebtedness secured thereby on the due date thereof.

(b) The Company shall pay to the Agency, as additional rent, within ten (10) days after the receipt of a demand therefor from the Agency, any annual administrative fees of the Agency, the sum of the reasonable fees, costs and expenses of the Agency and the officers, members, agents, and employees thereof incurred by the reason of the Agency's lease or sublease of the Project Facility or in connection with the carrying out of the Agency's duties and obligations under this Agency Lease, the Company Lease or any of the other Agency Documents and any other fee or expense of the Agency with respect to the Project Facility, or any of the other Agency Documents, the payment of which is not otherwise provided for under this Agency Lease, including, without limitation, reasonable fees and disbursements of Agency counsel, including fees and expenses incurred in connection with the Agency's enforcement of any rights hereunder or incurred after the occurrence and during the continuance of an Event of Default, in connection with any waiver, consent, modification or amendment to this Agency Lease or any other Agency Document that may be requested by the Company, or, in connection with any action by the Agency at the request of or on behalf of the Company hereunder or under any other Agency Document. Any additional rent not received within ten (10) business days after demand shall accrue interest after the expiration of such ten days at a rate of ten percent (10%) per annum or the highest rate permitted by law, whichever is less.

(c) The administrative fee payable by the Company to the Agency in conjunction with this Project and the Agency's granting of Financial Assistance and all outstanding counsel fees and costs shall be paid at closing.

(d) The Company agrees to make the above-mentioned payments, without any further notice, in lawful money of the United States of America as, at the time of payment, shall be legal tender for the payment of public and private debts. In the event that the Company shall fail to make or cause to be made any of the payments required under this Agency Lease, the item or installment not so paid shall continue as an obligation of the Company until such item or installment is paid in full.

5.4 NATURE OF OBLIGATIONS OF COMPANY HEREUNDER.

(a) The obligations of the Company to make the payments required by this Agency Lease and to perform and observe any and all of the other covenants and agreements on its part contained herein are general obligations of the Company and are absolute and unconditional irrespective of any defense or any rights of set-off, recoupment, or counterclaim it may otherwise have against the Agency. The Company agrees that it will not suspend, discontinue, or abate any payment required by, or fail to observe any of its other covenants or agreements contained in this Agency Lease for any cause whatsoever, including, without limiting the generality of the foregoing, failure to complete the renovation and equipping of the Project Facility, any defect in the title, design, operation, merchantability, fitness, or condition of the Project Facility, or any part thereof, or in the suitability of the Project Facility, or any part thereof, for the Company's purposes or needs, or failure of consideration for, destruction of or damage to, or Condemnation of title to, or the use of all or any part of the Project Facility, any change in the tax or other laws of the United States of America or of the State of New York, or any political subdivision thereof, or any failure of the Agency to perform and observe any agreement, whether express or implied, or any duty, liability or obligation arising out of or in connection with this Agency Lease or the Company Lease.

(b) Nothing contained in this Section 5.4 shall be construed to release the Agency from the performance of any of the agreements on its part contained in this Agency Lease or the Company Lease, and in the event the Agency should fail to perform any such agreement, the Company may institute such action against the Agency as the Company may deem necessary to compel performance (subject to the provisions of Section 11.11).

ARTICLE VI

MAINTENANCE, MODIFICATIONS, TAXES AND INSURANCE

6.1 MAINTENANCE AND MODIFICATIONS OF PROJECT FACILITY.

The Company shall:

(a) Keep the Project Facility in good condition and repair and preserve the same against waste, loss and damage, ordinary wear and tear excepted;

(b) Make all necessary repairs and replacements to the Project Facility or any part thereof (whether ordinary or extraordinary, structural, or non-structural, foreseen or unforeseen) which is damaged, destroyed, or condemned; and

(c) Operate the Project Facility in a sound and economic manner in general accordance with the Project pro-forma statements Company previously provided to the Agency.

6.2 TAXES, ASSESSMENTS AND UTILITY CHARGES.

(a) The Company shall pay as the same respectively become due:

(1) Any and all taxes and governmental charges of any kind, whatsoever which may at any time be lawfully assessed or levied against or with respect to the Project Facility;

(2) All utility and other charges, including "service charges," incurred or imposed for the operation, maintenance, use, occupancy, upkeep, and improvement of the Project Facility, the non-payment of which would create, or entitle the obligee to impose, a Lien on the Project Facility;

(3) All assessments and charges of any kind whatsoever lawfully made by any Governmental Authority for public improvements; and

(4) All payments in lieu of taxes, if any, required to be made to the Agency under the terms of any agreement with respect thereto.

(b) Subject to the terms of any payment in lieu of taxes agreement, the Company may in good faith actively contest any such taxes, assessments, and other charges, provided that (1) the Company shall have first notified the Agency of such contest; (2) no Event of Default under this Agency Lease or any of the other Company Documents shall have occurred and be continuing; and (3) the Company shall have set aside adequate reserves for any such taxes, assessments and other charges. If the Company demonstrates to the reasonable satisfaction of the Agency and certifies to the Agency by delivery of a written certificate, that the non-payment of any such items will not endanger any part of the Project Facility or subject the Project Facility, or any part thereof, to loss or forfeiture, the Company may permit the taxes, assessments, and other charges so contested to remain unpaid during the period of such contest and any appeal therefrom. Otherwise, such taxes, assessments, or charges shall be paid promptly by the Company or secured by the Company's posting a bond in form and substance satisfactory to the Agency.

(c) Notwithstanding anything herein to the contrary, and notwithstanding the Agency's interest in the Project Facility, the Company shall pay all taxes as if privately owned.

6.3 INSURANCE REQUIRED.

During the term of this Agency Lease, the Company shall maintain or cause to be maintained insurance with respect to the Project Facility against such risks and for such amounts as are customarily insured against by businesses of like size and type and as required of the Agency, paying (as the same becomes due and payable) all premiums with respect thereto, including:

(a) Insurance against loss or damage by fire, lightning, and other casualties customarily insured against (with a uniform standard extended coverage endorsement), such insurance to be in an amount not less than the full replacement value of the completed Project Facility, exclusive of footings and foundations, as determined by a recognized appraiser or insurer selected by the Company.

(b) Workers' compensation insurance, disability benefits' insurance, and each other form of insurance which the Company is required by law to provide covering loss resulting from injury, sickness, disability, or death of employees of the Company who are located at or assigned to the Project Facility;

(c) A policy of commercial general liability insurance with a $1,000,000 combined single limit for bodily injury including death and property damage, including but not limited to, contractual liability under this Agency Lease and personal injury, with blanket excess liability coverage in an amount not less than $2,000,000, covering the Project Facility and the Company's and the Agency's use or occupancy thereof against all claims on account of bodily injury or death and property damage occurring upon, in or about the Project Facility or in connection with the ownership, maintenance, use and/or occupancy of the Project Facility and all appurtenant areas.

6.4 ADDITIONAL PROVISIONS RESPECTING INSURANCE.

All insurance required by Section 6.3 shall be with insurance companies of recognized financial standing selected by the Company and licensed to write such insurance in the State of New York. Such insurance may be written with deductible amounts comparable to those on similar policies carried by other Persons engaged in businesses similar in size, character, and other respects to those in which the Company are engaged. All policies evidencing such insurance except the Workers' Compensation policy shall name the Company as insured and the Agency as an additional insured, as its interests may appear, and shall provide for coverage with respect to the Agency be primary and non-contributory and require at least thirty (30) days' prior written notice to the Agency of cancellation, reduction in policy limits, or material change in coverage thereof. Certificates satisfactory in form and substance evidencing all insurance required hereby shall be delivered to the Agency before the Closing Date. The Company shall deliver or cause to be delivered to the Agency on or before the first business day of each January thereafter a certificate dated not earlier than the immediately preceding January 1 reciting that there is in full force and effect, with a term covering at least the next succeeding calendar year, insurance in the amounts and of the types required by Sections 6.3 and 6.4. The Company shall furnish to the Agency evidence that the policy has been renewed or replaced or is no longer required by this Agency Lease each year throughout the term of this Agency Lease.

All premiums with respect to the insurance required by Section 6.3 shall be paid by the Company, provided, however, that, if the premiums are not timely paid, the Agency may pay such premiums and the Company shall pay immediately upon demand all sums so expended by the Agency, together with interest at a rate of ten percent (10%) per annum or the highest rate permitted by law, whichever is less.

6.5 APPLICATION OF NET PROCEEDS OF INSURANCE.

The Net Proceeds of the insurance carried pursuant to the provisions of Section 6.3 shall be applied as follows:

(a) The Net Proceeds of the insurance required by subsection 6.3(a) shall be paid and applied as provided in Section 7.1 hereof; and

(b) The Net Proceeds of the insurance required by subsections 6.3(b) and 6.3(c) shall be applied toward extinguishment or satisfaction of the liability with respect to which such insurance proceeds may be paid.

ARTICLE VII

DAMAGE, DESTRUCTION, AND CONDEMNATION

7.1 DAMAGE OR DESTRUCTION.

(a) If the Mortgage shall be in effect or the Mortgagee shall have any interest in the Project Facility arising under or related to the Mortgage, whether by foreclosure or otherwise and the Project Facility shall be damaged or destroyed, in whole or in part, then insurance proceeds shall be paid in accordance with the relevant provisions of the Mortgage regarding the distribution of such insurance proceeds, provided that there shall be no abatement or reduction in amounts payable to the Agency hereunder. If the Mortgage shall not be in effect and the Mortgagee shall have no interest in the Project Facility and the Project Facility shall be damaged or destroyed, in whole or in part:

(1) There shall be no abatement or reduction in the amounts payable by the Company under this Agency Lease or otherwise (whether or not the Project Facility is replaced, repaired, rebuilt, or restored); and

(2) The Company shall promptly give notice thereof to the Agency; and

(3) Except as otherwise provided in subsections 7.1(b) and 7.1(c) hereof, upon receipt of the insurance proceeds, the Company shall promptly replace, repair, rebuild, or restore the Project Facility to substantially the same condition as existed prior to such damage or destruction, with such changes, alterations, and modifications as may be desired by the Company and consented to in writing by the Agency, provided that such changes, alterations, or modifications do not change the nature of the Project Facility, such that it does not constitute a "project" (as such quoted term is defined in the Act); and in the event such Net Proceeds are not sufficient to pay in full the costs of such replacement, repair, rebuilding, or restoration, the Company shall nonetheless complete such work and shall pay from its own moneys that portion of the costs thereof in excess of such Net Proceeds.

(b) If the Mortgage shall not be in effect and the Mortgagee shall have no interest in the Project Facility, then notwithstanding anything to the contrary contained in subsection 7.1(a), the Company shall not be obligated to replace, repair, rebuild, or restore the Project Facility, and the Net Proceeds of any insurance settlement shall not be applied as provided in subsection 7.1(a) if the Company shall notify the Agency that, in the Company's sole

judgment, the Company does not deem it practical or desirable to replace, repair, rebuild, or restore the Project Facility. In such event, the lesser of (1) the total amount of the Net Proceeds collected under any and all policies of insurance covering the damage to or destruction of the Project Facility, or (2) any other sums payable to the Agency pursuant to this Agency Lease and the other Agency and Company Documents, shall be applied to the repayment of all amounts due to the Agency under this Agency Lease, the Company Lease and other Agency Documents. If the Net Proceeds collected under any and all policies of insurance are less than the amount necessary to repay any and all amounts payable to the Agency, the Company shall pay the difference between such amounts and the Net Proceeds of all such insurance settlements so that any and all amounts payable under this Agency Lease, the Company Lease and the other Agency Documents to the Agency shall be paid in full. If all amounts due under this Agency Lease, the Company Lease, the Mortgage and the other Agency Documents are paid in full, all such Net Proceeds, or the balance thereof, shall be paid to the Company for its purposes.

(c) The Company and the Mortgagee may adjust all claims under any policies of insurance required by subsections 6.3(a) and 6.3(c) hereof with the prior written consent of the Agency, which consent shall not be unreasonably withheld.

7.2 CONDEMNATION.

(a) If the Mortgage shall be in effect or the Mortgagee shall have any interest in the Project Facility arising under or related to the Mortgage, whether by foreclosure or otherwise and title to, or the use of, all, substantially all or less than substantially all of the Project Facility shall be taken by Condemnation, then Condemnation proceeds shall be paid in accordance with the relevant provisions of the Mortgage regarding the distribution of such Condemnation proceeds, provided that there shall be no abatement or reduction in amounts payable to the Agency hereunder. If the Mortgage shall not be in effect and the Mortgagee shall have no interest in the Project Facility and if title to, or the use of, less than substantially all of the Project Facility shall be taken by Condemnation:

(1) There shall be no abatement or reduction in the amounts payable by the Company under this Agency Lease or otherwise (whether or not the Project Facility is restored); and

(2) The Company shall promptly give notice thereof to the Agency; and

(3) Except as otherwise provided in subsections 7.2(b) and 7.2(c) hereof, upon receipt of the Condemnation proceeds, the Company shall promptly restore the Project Facility (excluding any part of the Project Facility taken by Condemnation) to substantially the condition and value as an operating entity as existed prior to such Condemnation; and the Company shall nonetheless complete such restoration and shall pay from its own moneys that portion of the costs thereof in excess of such Net Proceeds.

(b) If the Mortgage shall not be in effect and the Mortgagee shall have no interest in the Project Facility and if title to, or the use of, less than substantially all of the Project

Facility shall be taken by Condemnation, then notwithstanding anything to the contrary contained in subsection 7.2(a), the Company shall not be obligated to restore the Project Facility, and the Net Proceeds of any Condemnation award shall not be applied as provided in subsection 7.2(a) if the Company shall notify the Agency that, in the Company's sole judgment, the Company does not deem it practical or desirable to restore the Project Facility. In such event, the lesser of (1) the Net Proceeds of any Condemnation award, or (2) the amount necessary to pay the Agency pursuant to this Agency Lease, the Company Lease and the other Agency Documents, shall be applied to payment of all amounts due to the Agency under this Agency Lease, the Company Lease and other Agency Documents. If the Net Proceeds of any Condemnation award are less than the amount necessary to pay any and all amounts payable to the Agency, the Company shall pay the difference between such amounts and the Net Proceeds of such Condemnation award so that any and all amounts payable under this Agency Lease, the Company Lease and other Agency Documents to the Agency shall be paid in full. If all amounts due under this Agency Lease, the Company Lease, the Mortgage and the other Agency Documents have been paid in full, all such Net Proceeds or the balance thereof shall be paid to the Company for its purposes.

(c) The Company and the Mortgagee with the prior written consent of the Agency (which consent shall not be unreasonably withheld), shall have sole control of any Condemnation proceeding with respect to the Project Facility, or any part thereof, and may negotiate the settlement of any such proceeding.

7.3 ADDITIONS TO PROJECT FACILITY.

All replacements, repairs, rebuilding, or restoration made pursuant to Sections 7.1 or 7.2 hereof, whether or not requiring the expenditure of the Company's own moneys, shall automatically become part of the Project Facility as if the same were specifically described herein.

ARTICLE VIII

SPECIAL COVENANTS

8.1 NO WARRANTY OF CONDITION OR SUITABILITY BY THE AGENCY; ACCEPTANCE "AS IS."

THE AGENCY MAKES NO WARRANTY, EITHER EXPRESS OR IMPLIED, AS TO THE CONDITION, TITLE, DESIGN, OPERATION, MERCHANTABILITY, OR FITNESS OF THE PROJECT FACILITY, OR ANY PART THEREOF, OR AS TO THE SUITABILITY OF THE PROJECT FACILITY OR ANY PART THEREOF FOR THE COMPANY'S PURPOSES OR NEEDS. NO WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE OR MERCHANTABILITY IS MADE. IN THE EVENT OF ANY DEFECT OR DEFICIENCY OF ANY NATURE, WHETHER PATENT OR LATENT, THE AGENCY SHALL NOT HAVE ANY RESPONSIBILITY OR LIABILITY WITH RESPECT THERETO.

8.2 HOLD HARMLESS PROVISIONS.

(a) Each State Tower and Expressway, jointly and severally, hereby release the Agency and its members, officers, agents and employees from, agrees that the Agency and its members, officers, agents and employees shall not be liable for, and agrees to indemnify, defend, and hold the Agency and its members, officers, agents and employees harmless from and against any and all claims arising as a result of the Agency's undertaking the Project, including, but not limited to:

(1) Liability for loss or damage to Project Facility or bodily injury to or death of any and all persons that may be occasioned by any cause whatsoever pertaining to the Project Facility, or arising by reason of or in connection with the occupation or the use thereof, or the presence on, in, or about the Project Facility;

(2) Liability arising from or expense incurred by the Agency's acquisition of a leasehold interest in the Project Facility and the subleasing of the Project Facility, including, without limiting the generality of the foregoing, all liabilities or claims arising as a result of the Agency's obligations under this Agency Lease, the Company Lease, the Mortgage or any other documents executed by the Agency at the direction of the Company in conjunction with the Project Facility;

(3) All claims arising from the exercise by the Company, and or its Additional Agents (as defined herein) of the authority conferred upon it and performance of the obligations assumed under Section 4.1 hereof;

(4) Any and all claims arising from the non-disclosure of information, if any, requested by the Company in accordance with Section 11.14 hereof;

(5) All causes of action and attorneys' fees and other expenses incurred in connection with any suits or actions which may arise as a result of any of the foregoing, provided that any such losses, damages, liabilities, or expenses of the Agency are not incurred or do not result from the intentional wrongdoing of the Agency or any of its members, officers, agents or employees.

To the fullest extent permitted by law, the foregoing indemnities shall apply notwithstanding the fault or negligence (other than gross negligence or willful misconduct) on the part of the Agency or any of its officers, members, agents, servants or employees and irrespective of any breach of statutory obligation or any rule of comparative or apportional liability.

(b) In the event of any claim against the Agency or its members, officers, agents, or employees by any employee of the Company, or any materialman or Additional Agent of the Company, or anyone directly or indirectly employed by any of them, or any one for whose acts any of them may be liable, the obligations of the Company hereunder shall not be limited in any way by any limitation on the amount or type of damages, compensation, or benefits payable

by or for the Company or such contractor under workers' compensation laws, disability benefit laws, or other employee benefit laws.

(c) To effectuate the provisions of this Section 8.2, each State Tower and Expressway agree to provide for and insure, in the liability policies required by Section 6.3, its liabilities assumed pursuant to this Section 8.2.

(d) Notwithstanding any other provisions of this Agency Lease, the obligations of the Company pursuant to this Section 8.2 shall remain in full force and effect after the termination of this Agency Lease and the Company Lease until the expiration of the period stated in the applicable statute of limitations during which a claim, cause of action, or prosecution relating to the matters herein described may be brought, and the payment in full or the satisfaction of such claim, cause of action, or prosecution, and the payment of all expenses and charges incurred by the Agency, or its officers, members, agents or employees relating thereto.

(e) For purposes of this Section 8.2 and Section 11.11 hereof, the Company shall not be deemed to constitute an employee, agent or servant of the Agency or a person under the Agency's control or supervision.

8.3 RIGHT OF ACCESS TO PROJECT FACILITY.

During the term of this Agency Lease, the Company agrees that the Agency and its duly authorized agents shall have the right to enter upon and to examine and inspect the Project Facility upon reasonable notice to the Company and with the least disturbance of Project Facility tenants as reasonably possible.

8.4 MAINTENANCE OF EXISTENCE.

During the term of this Agency Lease, the Company will maintain its existence and will not dissolve or otherwise dispose of all or substantially all of its assets.

8.5 AGREEMENT TO PROVIDE INFORMATION.

During the term of this Agency Lease, and no less frequently than annually, the Company agrees, whenever reasonably requested by the Agency or the Agency's auditor, to provide and certify, or cause to be certified, such information concerning the Project and/or the Company, its finances, and for itself and each of its Additional Agents, information regarding job creation[1], Local Labor Requirements, exemptions from State and local sales and use tax, real property and mortgage recording taxes and other topics as the Agency from time to time reasonably considers necessary or appropriate including, but not limited to those reports, in

[1] To the extent the Project includes commercial space and/or tenants for which the Company calculated job creation as part of its projections in its Application, the Company is obligated, through its lease or other rental agreement with those commercial tenants, to require that such tenants report to the Company, in accordance with the terms of Section 8.5 hereof, the number of full and part time jobs created and maintained by each such tenant for inclusion in the Company's reporting to or at the request of the Agency.

substantially the form as set forth in **Exhibit "E"** attached hereto, and such other information necessary as to enable the Agency to monitor and/or make any reports required by law or governmental regulation, including but not limited to §875 of the Act. Notwithstanding anything in this Section 8.5 to the contrary, the Company shall provide the Contract Status Report in accordance with Section 4.1 hereof.

8.6 BOOKS OF RECORD AND ACCOUNT; FINANCIAL STATEMENTS.

During the term of this Agency Lease, the Company agrees to maintain proper accounts, records, and books, in which full and correct entries shall be made in accordance with generally accepted accounting principles, of all business and affairs of the Company.

8.7 COMPLIANCE WITH ORDERS, ORDINANCES, ETC.

(a) The Company agrees that it will, during any period in which the amounts due under this Agency Lease remain unpaid, promptly comply with all statutes, codes, laws, acts, ordinances, orders, judgments, decrees, injunctions, rules, regulations, permits, licenses, authorizations, directions, and requirements of all Governmental Authorities, foreseen or unforeseen, ordinary or extraordinary, which now or at any time hereafter affect the Company's obligations hereunder or be applicable to the Project Facility, or any part thereof, or to any use, manner of use, or condition of the Project Facility, or any part thereof, the applicability of the same to be determined both as if the Agency were the owner of the Project Facility and as if the Company were the owner of the Project Facility.

(b) Notwithstanding the provisions of subsection 8.7(a), the Company may, in good faith, actively contest the validity or the applicability of any requirement of the nature referred to in said subsection 8.7(a), provided that the Company shall have first notified the Agency of such contest, no Event of Default shall be continuing under this Agency Lease, or any of the other Company Documents; and such contest and failure to comply with such requirement shall not subject the Project Facility to loss or forfeiture. In such event, the Company may fail to comply with the requirement or requirements so contested during the period of such contest and any appeal therefrom unless the Agency or its members, officers, agents, or employees may be liable for prosecution for failure to comply therewith, in which event the Company shall promptly take such action with respect thereto as shall be satisfactory to the Agency.

8.8 DISCHARGE OF LIENS AND ENCUMBRANCES.

During the term of this Agency Lease, the Company hereby covenants that, except for Permitted Encumbrances, the Company agrees not to create, or suffer to be created, any Lien on the Project Facility, or any part thereof without the prior written consent of the Agency. The Company shall promptly notify the Agency of any Permitted Encumbrances created, or suffered to be created, on the Project Facility.

8.9 PERFORMANCE BY AGENCY OF COMPANY'S OBLIGATIONS.

Should the Company fail to make any payment or to do any act as herein provided, the Agency may, but need not, upon ten (10) days' prior written notice to or demand on the Company and without releasing the Company from any obligation herein, make or do the same, including, without limitation, appearing in and defending any action purporting to affect the rights or powers of the Company, or the Agency and paying all expenses, including, without limitation, reasonable attorneys' fees; and the Company shall pay immediately upon demand all sums so expended by the Agency under the authority hereof, together with the interest thereon at a rate of ten percent (10%) per annum or the highest rate permitted by law, whichever is greater.

8.10 DEPRECIATION DEDUCTIONS AND TAX CREDITS.

The parties agree that as between the Agency and the Company, the Company shall be entitled to all depreciation deductions and accelerated cost recovery system deductions with respect to any portion of the Project Facility pursuant to Sections 167 and 168 of the Code and to any investment credit pursuant to Section 38 of the Code with respect to any portion of the Project Facility which constitutes "Section 38 Property" and to all other State and/or federal income tax deductions and credits which may be available with respect to the Project Facility.

8.11 EMPLOYMENT OPPORTUNITIES.

The Company shall insure that all employees and applicants for employment with regard to the Project are afforded equal employment opportunities without discrimination.

8.12 SALES AND USE TAX EXEMPTION.

(a) Pursuant to Section 874 of the Act, the parties understand that the Agency is exempt from certain State and local sales use taxes imposed by the State and local governments in the State, and that the Project may be exempted from those taxes due to the involvement of the Agency in the Project. The Agency makes no representations or warranties that any property is exempt from the payment of State or local sales or use taxes. Any exemption from the payment of State or local sales or use taxes resulting from the involvement of the Agency with the Project shall be subject to Section 875 of the Act and shall be limited to purchases of services and tangible personal property conveyed to the Agency or utilized by the Agency or by the Company as agent of the Agency as a part of the Project prior to the Completion Date, or incorporated within the Project Facility prior to the Completion Date. No operating expenses of the Project Facility, and no other purchases of services or property shall be subject to an exemption from the payment of State sales or use tax. It is the intention of the parties hereto that the Company will receive a State and local sales and use tax exemption with respect to the Project, said sales tax exemption to be evidenced by a letter to be issued by the Agency on the date of the execution of this Agency Lease. The Company acknowledges that as an agent of the Agency, it must complete and provide to each vendor Form ST-123 for purchases. The failure to furnish a completed Form ST-123 (IDA Agent or Project Operator Exempt Purchase Certificate) with each purchase will result in loss of the exemption for that purchase.

(b) The Company may use, and where applicable appoint, a Project operator, contractors, agents, subagents, subcontractors, contractors and subcontractors of such agents and subagents (collectively, "***Additional Agents***") in furtherance of the completion of the Project[2]. However, for any Additional Agent that is so appointed, the Company must first: (i) cause the each such appointed Additional Agent to execute and deliver a sub-agent agreement, in the form attached hereto at **Exhibit "F"**, and provide a fully executed copy to the Agency; and (ii) submit a completed Form ST-60 to the Agency for execution and filing with the New York State Department of Taxation and Finance.

(c) The Company acknowledges that Additional Agents who have not been specifically appointed as agents of the Agency should use Form ST 120.1 for construction material purchases relative to the Project Facility. However, the Company acknowledges and agrees that an Additional Agent must be appointed as an agent of the Agency in order to avail itself of the Agency sales and use tax exemption for purchases or rentals of construction equipment, tools and supplies that do not become part of the Project Facility and failure to so appoint will result in the loss of the exemption from State and local sales and use tax.

(d) Pursuant to Section 874(8) of the Act, the Company agrees to annually file and cause each Additional Agent or other operator of the Project Facility to file annually, with the New York State Department of Taxation and Finance, and provide the Agency with a copy of same, on a form and in such manner as is prescribed by the New York State Commissioner of Taxation and Finance (the "***Annual Sales Tax Report***"), a statement of the value of all sales and use tax exemptions claimed by the Company and all other Additional Agents under the authority granted to the Company pursuant to Section 4.1(b) of this Agency Lease. Pursuant to Section 874(8) of the Act, the penalty for failure to file the Annual Sales Tax Report shall be removal of authority to act as agent of the Agency. Therefore, if the Company shall fail to comply with the requirements of this subsection (d), irrespective of any notice and cure period afforded, the Company and each Additional Agent shall immediately cease to be the agent of the Agency in connection with the Project. The Company is responsible for obtaining from the New York State Department of Taxation and Finance the current version of such Annual Sales Tax Report.

(e) The Company agrees to furnish to the Agency a copy of each such Annual Sales Tax Report submitted to the New York State Department of Taxation and Finance by the Company pursuant to Section 874(8) of the Act for itself and any Additional Agent.

(f) Pursuant to Section 874(9) of the Act, the Agency agrees to file within thirty (30) days of the Closing Date with the New York State Department of Taxation and

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[2] Additional Agents must be specifically appointed as an agent of the Agency in order to avail themselves of the Agency's sales and use tax exemption for any and all purchases or rentals of construction materials, equipment, tools and supplies that do not become part of the Project Facility. Additional Agents who purchase construction materials, equipment and/or supplies that become part of the Project Facility need not, and will not, be specifically appointed as an agent of the Agency. Additional Agents who are specifically appointed as the Agency's agent must utilize Form ST-123 for all purchases as provided in §8.12(a). All other Additional Agents shall use Form ST-120.1 as provided in §8.12(c).

Finance, on a form and in such manner as is prescribed by the New York State Commissioner of Taxation and Finance (the "***Thirty-Day Sales Tax Report***"), a statement identifying the Company, or 30 days from the appointment of any Additional Agent appointed in accordance with the terms herein, as agent of the Agency, setting forth the taxpayer identification number of the Company, giving a brief description of the goods and/or services intended to be exempted from sales taxes as a result of such appointment as agent, indicating the estimated value of the goods and/or services to which such appointment as agent relates, indicating the date when such designation as agent became effective and indicating the date upon which such designation as agent shall cease.

(g) Pursuant to Section 875(3) of the Act, and in conjunction with Agency policy, the Agency shall recover, recapture, receive or otherwise obtain from the Company the portion of the Financial Assistance (the "***Recapture Amount***") consisting of: (1) (a) that portion of the State and local sales and use tax exemption to which the Company or the Project Facility was not entitled, which is in excess of the amount of the State and local Sales and Use tax exemption authorized by the Agency or which is for property or services not authorized by the Agency and/or unrelated to the Project Facility; or (b) the full amount of such State and local sales and use tax exemption, if the Company fails to comply with a material term or condition regarding the use of the property or services as provided in the Agency Documents; (2) together with any interest or penalties thereon imposed by the Agency or by operation of law or by judicial order or otherwise. The failure of the Company to promptly pay such Recapture Amount to the Agency will be grounds for the State Commissioner of Taxation and Finance (the "***Commissioner***") to collect the State sales and use taxes from the Company under Article 28 of the State Tax Law, together with interest and penalties and for the Agency to take, or cause to be taken, any and all action necessary to collect the local portion of the sales tax comprising the Recapture Amount. Notwithstanding anything herein to the contrary, in the event of a default hereunder as provided in Section 10.1 hereof, the Agency shall have the right to recover the Recapture Amount.

8.13. IDENTIFICATION OF THE EQUIPMENT.

All Equipment which is or may become part of the Project Facility pursuant to the provisions of this Lease Agreement shall be properly identified by the Company by such appropriate records, including computerized records, as may be approved by the Agency.

ARTICLE IX

ASSIGNMENTS; TRANSFERS; MERGER OF AGENCY

9.1 ASSIGNMENT OF AGENCY LEASE.

This Agency Lease may not be assigned by the Company, in whole or in part, nor all or any part of the Project Facility subleased, nor any part of the Project Facility sold, leased, transferred, conveyed or otherwise disposed of without the prior written consent of the Agency, which consent shall be in the Agency's sole and absolute discretion; provided however, that the Company may enter into leases for individual residential and commercial rental units that are

part of the Project Facility without the consent of the Agency. Any assignment or sublease of this Agency Lease shall not affect a release of the Company from its obligations hereunder.

9.2 TRANSFERS OF INTERESTS.

Company shall not assign or otherwise transfer or allow an assignment or transfer, of a controlling interest in the Company, whether by operation of law or otherwise (including, without limitation, by way of a merger, consolidation or a change of control whereby the current existing equity holders of the Company, as of the date of the application to the Agency, would own, in the aggregate, less than a majority of the total combined voting power of all classes of equity interest of the Company or any surviving entity), without the prior written consent of Agency, which consent shall be in the Agency's sole and absolute discretion.

9.3 MERGER OF AGENCY.

(a) Nothing contained in this Agency Lease shall prevent the consolidation of the Agency with, or merger of the Agency into, or assignment by the Agency of its rights and interests hereunder to any other body corporate and politic and public instrumentality of the State of New York, or political subdivision thereof, which has the legal authority to perform the obligations of the Agency hereunder, provided that upon any such consolidation, merger, or assignment, the due and punctual performance and observance of all the agreements and conditions of this Agency Lease to be kept and performed by the Agency shall be expressly assumed in writing by the public instrumentality or political subdivision resulting from such consolidation or surviving such merger or to which the Agency's rights and interests hereunder shall be assigned.

(b) Promptly following the effective date of any such consolidation, merger, or assignment, the Agency shall give notice thereof in reasonable detail to the Company. The Agency shall promptly furnish to the Company such additional information with respect to any such consolidation, merger, or assignment as the Company reasonably may request.

ARTICLE X

EVENTS OF DEFAULT AND REMEDIES

10.1 EVENTS OF DEFAULT DEFINED.

The following shall be "Events of Default" under this Agency Lease, and the terms "Event of Default" or "Default" shall mean, whenever they are used in this Agency Lease, any one or more of the following events:

(a) A default by the Company in the due and punctual payment of the amounts specified to be paid pursuant to subsection 5.3 or 8.12(g); or

(b) Failure by the Company to maintain the insurance required by Section 6.3; or

(c) A default in the performance or the observance of any other of the covenants, conditions, or agreements on the part of the Company in this Agency Lease and the continuance thereof for a period of thirty (30) days after written notice is given by the Agency or, if such covenant, condition, or agreement is capable of cure but cannot reasonably be cured within such thirty-day period, the failure of the Company to commence to cure within such thirty-day period and to prosecute the same with due diligence and cure the same within an additional thirty (30) days; or

(d) A transfer in contravention of Article 9 hereof;

(e) The occurrence of an "Event of Default" under the Mortgage, the Company Lease or any of the other Company Documents which is not timely cured as provided therein; or

(f) The Company shall generally not pay its debts as such debts become due or is unable to pay its debts as they become due.

(g) The Company shall conceal, remove, or permit to be concealed or removed any part of its Property with intent to hinder, delay, or defraud its creditors, or any one of them, or shall make or suffer a transfer of any of its Property which is fraudulent under any bankruptcy, fraudulent conveyance, or similar law, or shall make any transfer of its Property to or for the benefit of a creditor at a time when other creditors similarly situated have not been paid, or shall suffer or permit, while insolvent, any creditor to obtain a Lien upon any of its Property through legal proceedings or distraint which is not vacated within thirty (30) days from the date thereof; or

(h) By order of a court of competent jurisdiction, a trustee, receiver, or liquidator of the Project Facility, or any part thereof, or of the Company shall be appointed and such order shall not be discharged or dismissed within sixty (60) days after such appointment; or

(i) The filing by the Company of a voluntary petition under Title 11 of the United States Code or any other federal or state bankruptcy statute; the failure by the Company within sixty (60) days to lift any execution, garnishment, or attachment of such consequence as will impair the Company's ability to carry out its obligations hereunder; the commencement of a case under Title 11 of the United States Code against the Company as the debtor, or commencement under any other federal or state bankruptcy statute of a case, action, or proceeding against the Company, and continuation of such case, action, or proceeding without dismissal for a period of sixty (60) days; the entry of an order for relief by a court of competent jurisdiction under Title 11 of the United States Code or any other federal or state bankruptcy statute with respect to the debts of the Company; or in connection with any insolvency or bankruptcy case, action, or proceeding, appointment by final order, judgment, or decree of a court of competent jurisdiction of a receiver or trustee of the whole or a substantial portion of the

Property of the Company unless such order, judgment, or decree is vacated, dismissed, or dissolved within sixty (60) days of its issuance.

(j) The imposition of a Lien on the Project Facility other than a Permitted Encumbrance.

10.2 REMEDIES ON DEFAULT.

(a) Whenever any Event of Default shall have occurred and be continuing, the Agency may, to the extent permitted by law, take any one or more of the following remedial steps:

1) Terminate this Agency Lease;

2) Terminate the Company Lease;

3) Take any other action at law or in equity which may appear necessary or desirable to collect any amounts then due, or thereafter to become due, hereunder or under the Company Lease and/or to enforce the Company's obligations and duties under the Company Documents and the Agency's rights under the Agency Documents, including but not limited to, specific performance; or

4) Seek to recover the Recapture Amount set forth in Article 8 hereof as well as any and all other components of Financial Assistance provided to the Company.

(b) No action taken pursuant to this Section 10.2 shall relieve the Company from its obligations to make all payments required by Sections 5.3(b) and 8.2 hereof;

10.3 REMEDIES CUMULATIVE.

No remedy herein conferred upon or reserved to the Agency is intended to be exclusive of any other available remedy, but each and every such remedy shall be cumulative and in addition to every other remedy given under this Agency Lease, the Company Lease and the other Company Documents or now or hereafter existing at law or in equity to collect any amounts then due, or thereafter to become due, hereunder and thereunder and to enforce the Agency's right to terminate this Agency Lease and the Company Lease. No delay or omission to exercise any right or power accruing upon any Default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Agency to exercise any remedy reserved to it in this Article 10, it shall not be necessary to give any notice, other than such notice as may be herein expressly required in this Agency Lease.

10.4 AGREEMENT TO PAY ATTORNEYS' FEES AND EXPENSES.

In the event the Company should Default under any of the provisions of this Agency Lease, or a dispute arises hereunder, and the Agency should employ attorneys or incur other expenses to preserve or enforce its rights hereunder or for the collection of amounts payable hereunder or the enforcement of performance or observance of any obligations or agreements on the part of the Company herein contained, the Company shall, on demand therefor, pay to the Agency the reasonable fees and costs of such attorneys and such other expenses so incurred.

10.5 NO ADDITIONAL WAIVER IMPLIED BY ONE WAIVER.

In the event any agreement contained herein should be breached by either party and thereafter such breach be waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

ARTICLE XI

MISCELLANEOUS

11.1 NOTICES.

All notices, certificates, and other communications hereunder shall be in writing, shall be sufficiently given, and shall be deemed given when: (a) sent to the applicable address stated below by registered or certified mail, return receipt requested, and actually received by the intended recipient or by overnight courier or such other means as shall provide the sender with documentary evidence of such delivery; or (b) delivery is refused by the addressee as evidenced by the affidavit of the Person who attempted to effect such delivery. The addresses to which notices, certificates, and other communications hereunder shall be delivered are as follows:

(a) If to the Agency, to:

City of Syracuse Industrial Development Agency
333 West Washington Street, Suite 130
Syracuse, New York 13202
Attn: Chairman

With a copy to:

Corporation Counsel
City of Syracuse
233 East Washington Street
Syracuse, New York 13202

(b) If to the Company, to:

State Tower Building, LLC
c/o Pioneer Companies
333 West Washington Street, Suite 600
Syracuse, New York 13202
Attn: Melissa Zell and Mark Roney

and

Expressway Properties, L.L.C.
108 E. Genesee Street
Skaneateles, New York 13152
Attn: W. Davies Birchenough, Jr.

With a copy to:

Bousquet Holstein, PLLC
110 West Fayette Street
One Lincoln Center, Suite 900
Syracuse, New York 13202
Attn: Terri M. Roney, Esq.

The Agency and the Company, may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates, and other communications shall be sent.

11.2 BINDING EFFECT.

This Agency Lease shall inure to the benefit of and shall be binding upon the Agency and the Company and, as permitted by this Agency Lease, upon their respective heirs, successors and assigns.

11.3 SEVERABILITY.

If any one or more of the covenants or agreements provided herein on the part of the Agency or the Company to be performed shall for any reason be held, or shall in fact be, inoperative, unenforceable, or contrary to law in any particular circumstance; such circumstance shall not render the provision in question inoperative or unenforceable in any other circumstance. Further, if any one or more of the sentences, clauses, paragraphs, or sections herein is contrary to law, then such covenant(s) or agreement(s) shall be deemed severable of remaining covenants and agreements hereof and shall in no way affect the validity of the other provisions of this Agency Lease.

11.4 AMENDMENTS, CHANGES AND MODIFICATIONS.

This Agency Lease may not be amended, changed, modified, altered, or terminated except by an instrument in writing signed by the parties hereto.

11.5 EXECUTION OF COUNTERPARTS.

This Agency Lease may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

11.6 APPLICABLE LAW.

This Agency Lease shall be governed exclusively by the applicable laws of the State of New York.

11.7 WAIVER OF TRIAL BY JURY.

THE COMPANY AND THE AGENCY WAIVE THE RIGHT TO TRIAL BY JURY OF ANY DISPUTE ARISING UNDER THIS AGENCY LEASE, AND THIS PROVISION SHALL SURVIVE THE TERMINATION OF THIS AGENCY LEASE.

11.8 SUBORDINATION.

This Agency Lease shall be subject and subordinate to the Company Lease and the Mortgage and all Permitted Encumbrances in all respects.

11.9 SURVIVAL OF OBLIGATIONS.

(a) The obligations of the Company to repay, defend and/or provide the indemnity required by Section 8.2 and 8.12 hereof shall survive the termination of this Agency Lease and all such payments and obligations after such termination shall be made upon demand of the party to whom such payment and/or obligation is due.

(b) The obligations of the Company to repay, defend and/or provide the indemnity required by Sections 8.2 and 8.12 shall survive the termination of this Agency Lease until the expiration of the period stated in the applicable statute of limitations during which a claim, cause of action, or prosecution may be brought, and the payment in full or the satisfaction of such claim, cause of action, or prosecution, and the payment of all expenses and charges incurred by the Agency or its officers, members, agents (other than the Company) or employees relating thereto.

(c) The obligations of the Company required by Sections 2.2 and 11.14 hereof shall similarly survive the termination of this Agency Lease.

11.10 TABLE OF CONTENTS AND SECTION HEADINGS NOT CONTROLLING.

The Table of Contents and the Section headings in this Agency Lease have been prepared for convenience of reference only and shall not control, affect the meaning of, or be taken as an interpretation of any provision of this Agency Lease.

11.11 NO RECOURSE; SPECIAL OBLIGATION.

The obligations and agreements of the Agency contained herein and in the other Agency Documents and in any other instrument or document executed in connection herewith or therewith, and any instrument or document supplemental hereto or thereto, shall be deemed the obligations and agreements of the Agency and not of any member, officer, agent or employee of the Agency in his individual capacity; and the members, officers, agents and employees of the Agency shall not be liable personally hereon or thereon or be subject to any personal liability or accountability based upon or in respect hereof or thereof or of any transaction contemplated hereby or thereby. The obligations and agreements of the Agency contained herein or therein shall not constitute or give rise to an obligation of the State New York or of the City of Syracuse, and neither the State of New York nor the City of Syracuse shall be liable hereon or thereon. Further, such obligations and agreements shall not constitute or give rise to a general obligation of the Agency, but rather shall constitute limited obligations of the Agency, payable solely from the revenues of the Agency derived, and to be derived from, the lease, sale, or other disposition of the Project Facility, other than revenues derived from or constituting Unassigned Rights. No order or decree of specific performance with respect to any of the obligations of the Agency hereunder or thereunder shall be sought or enforced against the Agency unless:

(a) The party seeking such order or decree shall first have requested the Agency in writing to take the action sought in such order or decree of specific performance, and thirty (30) days shall have elapsed from the date of receipt of such request, and the Agency shall have refused to comply with such request (or if compliance therewith would reasonably be expected to take longer than thirty (30) days, shall have failed to institute and diligently pursue action to cause compliance with such request) or failed to respond within such notice period; and

(b) If the Agency refuses to comply with such request and the Agency's refusal to comply is based on its reasonable expectation that it will incur fees and expenses, the party seeking such order or decree shall have placed in an account with the Agency an amount or undertaking sufficient to cover such reasonable fees and expenses; and

(c) If the Agency refuses to comply with such request and the Agency's refusal to comply is based on its reasonable expectation that it or any of its members, officers, agents or employees shall be subject to potential liability, the party seeking such order or decree shall (1) agree to indemnify and hold harmless the Agency and its members, officers, agents and employees against any liability incurred as a result of its compliance with such demand; and (2) if requested by the Agency, furnish to the Agency satisfactory security to protect the Agency and its members, officers, agents and employees against all liability expected to be incurred as a result of compliance with such request.

(d) For purposes of this Section 11.11, neither the Company nor any Additional Agent shall be deemed to constitute an employee, agent or servant of the Agency or a person under the Agency's control or supervision.

Any failure to provide notice, indemnity, or security to the Agency pursuant to this Section 11.11 shall not alter the full force and effect of any Event of Default under this Agency Lease.

11.12 OBLIGATION TO SELL AND PURCHASE THE EQUIPMENT.

(a) Contemporaneously with the termination of this Agency Lease in accordance with Section 5.2 hereof, the Agency shall sell and the Company shall purchase all the Agency's right, title and interest in and to all of the Equipment for a purchase price equal to the sum of One Dollar ($1.00), plus payment of all sums due and payable to the Agency or any other Person pursuant to this Agency Lease and the other Company Documents. The Company hereby irrevocably designates the Agency as its attorney-in-fact, coupled with an interest, for the purpose of executing and delivering the bill of sale together with any other documents therewith, including lease terminations in accordance with Section 5.2 hereof, and to take such other and further actions reasonably necessary to confirm the termination of the Agency's interest in the Equipment.

(b) The sale and conveyance of the Agency's right, title and interest in and to the Equipment shall be effected by the execution and delivery by the Agency to the Company of a bill of sale to Company. The Company hereby agrees to pay all expenses and taxes, if any, applicable to or arising from such transfer of title.

(c) The Company agrees to prepare the bill of sale to Company and all schedules thereto, together with all necessary documentation, and to forward same to the Agency at least thirty (30) days prior to the date that title to the Equipment is to be conveyed to the Company.

11.13 ENTIRE AGREEMENT.

This Agency Lease and the Company Lease contain the entire agreement between the parties and all prior negotiations and agreements are merged therein.

11.14 DISCLOSURE.

Section 875(7) of the New York General Municipal Law ("*GML*") requires that the Agency post on its website all resolutions and agreements relating to the Company's appointment as an agent of the Agency or otherwise related to the Project; and Article 6 of the New York Public Officers Law declares that all records in the possession of the Agency (with certain limited exceptions) are open to public inspection and copying. If the Company feels that there are elements of the Project or information about the Company in the Agency's possession which are in the nature of trade secrets or information, the nature of which is such that if disclosed to the public or otherwise widely disseminated would

cause substantial injury to the Company's competitive position, the Company must identify such elements in writing, supply same to the Agency on or before the Closing Date, and request that such elements be kept confidential in accordance with Article 6 of the Public Officers Law. Failure to do so will result in the posting by the Agency of all information in accordance with Section 875 of the GML.

IN WITNESS WHEREOF, the Agency and the Company have caused this Agency Lease to be executed in their respective names by their duly authorized representatives as of the day and year first written above.

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY

By: _____
William M. Ryan, Chairman

STATE TOWER BUILDING, LLC

By: _____
Mark W. Roney, Authorized Signatory

EXPRESSWAY PROPERTIES, L.L.C.

By: _____
David Loftus, Authorized Signatory

STATE OF NEW YORK)
) **SS.:**
COUNTY OF ONONDAGA)

On the 18th day of March in the year 2016 before me, the undersigned, personally appeared **William M. Ryan**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual or the person upon behalf of which the individual acted, executed the instrument.

Lori L McRobbie
Notary Public

LORI L. McROBBIE
Notary Public, State of New York
Qualified in Onondaga Co. No. 01MC5055591
Commission Expires on Feb. 12, 20 18

STATE OF NEW YORK)
) **SS.:**
COUNTY OF ONONDAGA)

On the 21st day of March in the year 2016 before me, the undersigned, personally appeared **Mark W. Roney**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual or the person upon behalf of which the individual acted, executed the instrument.

Lori L McRobbie
Notary Public

LORI L. McROBBIE
Notary Public, State of New York
Qualified in Onondaga Co. No. 01MC5055591
Commission Expires on Feb. 12, 20 18

STATE OF NEW YORK)
) SS.:
COUNTY OF ONONDAGA)

On the 21st day of March, 2016, before me, the undersigned, personally appeared **David Loftus,** personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual or the person upon behalf of which the individual acted, executed the instrument.

Lori L McRobbie
Notary Public

LORI L. McROBBIE
Notary Public, State of New York
Qualified in Onondaga Co. No. 01MC5055591
Commission Expires on Feb. 12, 20 18

EXHIBIT A

LEGAL DESCRIPTION

All that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the City of Syracuse, County of Onondaga and State of New York, known and designated a Lots Nos. 1, 2, 3, 4, 5, 6, 7, part of 19 and 20, the latter Lot also known as Lot A, all being Block 103 in said City, bounded and described as follows: Beginning at the intersection of the east line of South Warren Street and the south line of East Water Street; thence South 0° 03' 30" west, on the east line of South Warren Street, 67.68 feet to the northerly line of East Genesee Street; thence South 59° 45' 20" east along the northerly line of East Genesee Street, 196.49 feet; thence North 29° 58' 40" east, 79.51 feet to a point; thence North 59° 45' 20" west, 1.42 feet; thence North 30° 14' 40" east, 16.49 feet to a point; thence North 0° 26' 20" East, 0.67 feet to a point; thence South 89° 33' 40" east, 1.37 feet to a point; thence North 0° 26' 20" east 5.49 feet to a point in the south line of Falker property; thence North 0° 03' 40" west 75 feet to the south line of East Water Street; thence North 89° 33' 40" west, along the southerly line of East Water Street 217.83 feet to the point and place of beginning.

EXHIBIT "B"

DESCRIPTION OF EQUIPMENT

All articles of personal property, all machinery, apparatus, equipment, appliances, floor coverings, furniture, furnishings, supplies, materials, fittings and fixtures of every kind and nature whatsoever and all appurtenances acquired by **STATE TOWER BUILDING, LLC** and **EXPRESSWAY PROPERTIES, L.L.C.** (collectively, the "***Company***") now or hereafter attached to, contained in or used or acquired in connection with the Project Facility (as defined in the Agency Lease or placed on any part thereof, though not attached thereto, including, but not limited to, pipes, screens, fixtures, furniture, heating, lighting, plumbing, ventilation, air conditioning, compacting and elevator plants, call systems, stoves, ranges, refrigerators, freezers, rugs, movable partitions, cleaning equipment, maintenance equipment, restaurant supplies and equipment, shelving, racks, flagpoles, signs, waste containers, outdoor benches, drapes, blinds and accessories, sprinkler systems and other fire prevention and extinguishing apparatus aid materials, motors, machinery; and together with any and all products of any of the above, all substitutions, replacements, additions or accessions therefor, and any and all cash proceeds or non-cash proceeds realized from the sale, transfer or conversion of any of the above.

EXHIBIT "C"

TABLE OF DEFINITIONS

The following terms shall have the meanings set forth below, unless the context or use clearly indicate another or different meaning and the singular form of such defined words and terms shall include the plural and vice versa:

Act: means the New York State Industrial Development Agency Act (N.Y. Gen. Municipal Law §§ 850 et seq.) as amended, together with Section 926 of the N.Y. General Municipal Law, as amended from time to time.

Additional Agents: means a Project operator, contractors, agents, subagents, subcontractors, contractors and subcontractors of such agents and subagents appointed by the Company in furtherance of the completion of the Project in accordance with the terms of the Agency Lease.

Agency: means the City of Syracuse Industrial Development Agency and its successors and assigns.

Agency Documents: means the Agency Lease, the Company Lease, the Mortgage and any other documents executed by the Agency in connection with the Project or the Financial Assistance granted in connection therewith.

Agency Lease: means the Agency Lease Agreement dated as of March 1, 2016, by and between the Agency and the Company, as the same may be amended or supplemented from time to time.

Application: means the application submitted by the Company to the Agency dated January 20, 2016, as may be supplemented or amended from time to time, requesting the Agency undertake the Project, as same may be amended or supplemented from time to time.

Authorized Representative: means for the Agency, the Chairman or Vice Chairman of the Agency; for the Company, its Member or Managing Member or any officer designated in a certificate signed by an Authorized Representative of such Company; and, for either the Agency or the Company, any additional persons designated to act on behalf of the Agency or the Company by written certificate furnished by the designating party containing the specimen signature of each designated person.

Bill of Sale: means collectively, the State Tower Bill of Sale and the Expressway Bill of Sale, each dated as of March 1, 2016 in connection with the Equipment.

Certification: means collectively, the State Tower Certification and the Expressway Certification, each dated as of March 1, 2016 in connection with the Agency's Local Labor Policy.

City: means the City of Syracuse.

Closing Date: means March 21, 2016.

Closing Memorandum: means the closing memorandum of the Agency relating to the Project.

Code: means the Internal Revenue Code of 1986, as amended, and the regulations of the United States Treasury Department promulgated thereunder.

Company: means collectively the State Tower and Expressway.

Company Documents: means the Company Lease, the Agency Lease, the Mortgage, the Environmental Compliance and Indemnification Agreement, the Bill of Sale, the Certification and any other documents executed by the Company in connection with the Project or the Financial Assistance granted in connection therewith.

Company Lease: means the Company Lease Agreement dated as of March 1, 2016 from the Company to the Agency, pursuant to which the Company leased the Project Facility to the Agency, as the same may be amended or supplemented from time to time.

Condemnation: means the taking of title to, or the use of, Property under the exercise of the power of eminent domain by any governmental entity or other Person acting under governmental authority.

County: means the County of Onondaga in the State of New York.

Environmental Compliance and Indemnification Agreement: means the Environmental Compliance and Indemnification Agreement dated as of March 1, 2016 by the Company to the Agency.

Equipment: means all materials, machinery, furnishings, fixtures and equipment installed or used at the Project Facility, as of the Closing Date and thereafter acquired for or installed in, or upon, the Project Facility, as more fully described in **Exhibit "B"** to the Agency Lease.

Expressway: means Expressway Properties, L.L.C., a limited liability company organized and existing under the laws of the State of New York having an address of 108 E. Genesee Street, Skaneateles, New York 13152 and its permitted successors and assigns.

Expressway Bill of Sale: means that certain Bill of Sale from Expressway to the Agency dated as of March 1, 2016 in connection with the Equipment.

Expressway Certification: means that certain Certification from Expressway to the Agency dated as of March 1, 2016 in connection with the Agency's Local Labor Policy.

Facility: means the buildings and other improvements located or to be constructed on the Land.

Financial Assistance: has the meaning given to such term in Section 854(14) of the Act.

Governmental Authority: means any federal, state, municipal, or other governmental department, commission, board, bureau, agency, or instrumentality, domestic or foreign.

Land: means the improved real property located at 201-19 East Genesee Street & Warren Streets, in the City of Syracuse, County of Onondaga, State of New York, more particularly described on **Exhibit "A"** attached to the Agency Lease.

Lien: means any interest in Property securing an obligation owed to a Person, whether such interest is based on the common law, statute or contract, and including, but not limited to, a security interest arising from a mortgage, encumbrance, pledge, conditional sale, or trust receipt or a lease, consignment or bailment for security purposes. The term "Lien" includes reservations, exceptions, encroachments, projections, easements, rights of way, covenants, conditions, restrictions, leases, and other similar title exceptions and encumbrances, including, but not limited to mechanics, materialmen, warehousemen, and carriers liens and other similar encumbrances effecting real property. For purposes hereof, a Person shall be deemed to be the owner of any property which it has acquired or holds subject to a conditional sale agreement or other arrangement pursuant to which title to the property has been retained by or vested in some other person for security purposes.

Mortgage: means one or more mortgages from the Agency and the Company to the Mortgagee and recorded in the Onondaga County Clerk's office subsequent to the filing and recording of the Memorandum of Agency Lease, securing construction and/or permanent financing for the Project Facility, executed in accordance with Section 4.5 of the Agency Lease, and securing the Note.

Mortgagee: means a lender, its successors and assigns, providing financing pursuant to the Note and Mortgage, relative to the costs of construction and/or equipping of the Project Facility.

Net Proceeds: means so much of the gross proceeds with respect to which that term is used as remain after payment of all expenses, costs and taxes (including attorneys' fees) incurred in obtaining such gross proceeds.

Note: means one or more notes given by the Company to the Mortgagee in connection with the Mortgage for construction or permanent financing relative to the Project Facility.

Permitted Encumbrances: means: (A) utility, access and other easements and rights of way, and restrictions. encroachments and exceptions, that benefit or do not materially impair the

utility or the value of the Property affected thereby for the purposes for which it is intended; (B) artisans', mechanics', materialmen's, warehousemen's, carriers', landlords', bankers', workmen's compensation, unemployment compensation and social security, and other similar Liens to the extent permitted by the Agency Lease, including the lien of the Mortgage; (C) Liens for taxes: (1) to the extent permitted by the Agency Lease; or (2) at the time not delinquent; (D) any Lien on the Project Facility obtained through any Agency Document or Company Document or the Mortgage; (E) Liens of judgments or awards in respect of which an appeal or proceeding for review shall be pending (or is pending within ten days after entry) and a stay of execution shall have been obtained (or is obtained within ten days after entry), or in connection with any claim or proceeding; (F) Liens on any Property hereafter acquired by the Company or any subsidiary which liens are created contemporaneously with such acquisition to secure or provide for the payment or financing of any part of the purchase price thereof; (G) Liens consisting solely of restrictions under any applicable laws or any negative covenants in any applicable agreements (but only to the extent that such restrictions and covenants do not prohibit the execution, delivery and performance by the Company of the Agency Lease and the Mortgage; and (H) existing mortgages or encumbrances on the Project Facility as of the Closing Date or thereafter incurred with the consent of the Mortgagee and the Agency.

Person: means an individual, partnership, corporation, limited liability company, trust, or unincorporated organization, and any government or agency or political subdivision or branch thereof.

Plans and Specifications: means the representations, plans and specifications, if any, and presented by the Company to the Agency in its application and any presentation relating to the renovation and equipping of the Project Facility; and any plans and specifications approved by the Mortgagee.

Project: shall have the meaning ascribed thereto in the third ***WHEREAS*** clause of this Agency Lease.

Project Facility: means the Land, the Facility and the Equipment.

Property: means any interest in any kind of property or asset, whether real, personal, or mixed, or tangible or intangible.

Resolution or Resolutions: means the Agency's resolutions adopted on March 9, 2016 authorizing the undertaking of the Project and the execution and delivery of certain documents by the Agency in connection therewith.

Sales and Use Tax or State Sales and Use Taxes: means, when used with respect to State sales and use taxes, sales and compensating use taxes and fees imposed by article twenty-eight or twenty-eight-A of the State tax law but excluding such taxes imposed in a city by section eleven hundred seven or eleven hundred eight of such article twenty-eight.

SEQRA: means the State Environmental Quality Review Act constituting Article 8 of the State Environmental Conservation Law and the regulations promulgated thereunder, as amended.

State: means the State of New York.

State Tower: means State Tower Building, LLC, a limited liability company organized and existing under the laws of the State of New York having an address of c/o Pioneer Companies, 333 West Washington Street, Suite 600, Syracuse, New York 13202 and its permitted successors and assigns.

State Tower Bill of Sale: means that certain Bill of Sale from State Tower to the Agency dated as of March 1, 2016 in connection with the Equipment.

State Tower Certification: means that certain Certification from State Tower to the Agency dated as of March 1, 2016 in connection with the Agency's Local Labor Policy.

Unassigned Rights: means:

(i) the right of the Agency in its own behalf to receive all opinions of counsel, reports, financial statements, certificates, insurance policies, binders or certificates, or other notices or communications, if any, required to be delivered to the Agency under the Agency Lease;

(ii) the right of the Agency to grant or withhold any consents or approvals required of the Agency under the Agency Lease;

(iii) the right of the Agency to enforce or otherwise exercise in its own behalf all agreements of the Company with respect to ensuring that the Project Facility shall always constitute a qualified "project" as defined in and as contemplated by the Act;

(iv) the right of the Agency to require and enforce any right of defense and any indemnity from any Person;

(v) the right of the Agency in its own behalf (or on behalf of the appropriate taxing authorities) to enforce, receive amounts payable under or otherwise exercise its rights under Sections 2.2(f), 2.2(h), 2.2(m), 2.2(q), 4.1(d), 4.5, 5.3, 5.4, 6.2, 6.3, 6.4, 8.2, 8.3, 8.5, 8.7, 8.9, 8.12, 10.2, 10.4, 11.9, 11.11 and 11.12 of the Agency Lease and Sections 2.6(g), 4.8 and 4.9 of the Company Lease; and

(vi) the right of the Agency in its own behalf to declare an Event of Default under Article X of the Agency Lease or with respect to any of the Agency's Unassigned Rights.

EXHIBIT "D"

FORM OF CONTRACT STATUS REPORT

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY

Appendix II – Contract Status Report

To be submitted with a request for an extension of the Tax Exempt Certificate

It is a goal of SIDA to promote the use of local labor, contractors and suppliers for projects that receive agency support in the form of tax exemptions and/or bond financing. As part of its request to extend the valid date of the Agency's tax-exempt certificate for the _____ project, _____ (the Company) certifies that the following information regarding the construction and purchase activities undertaken for the project as of _____ (date) is true and correct.

Item	Bid Awarded to: (Name and Address)	Date and Value of Contract	Number of Jobs	
			Total	Local*
1. Site work/Demolition				
2. Foundation and footings				
3. Building				
4. Masonry				
5. Metals				
6. Wood/casework				
7. Thermal and moisture proof				
8. Doors, windows, glazing				
9. Finishes				
10. Electrical				
11. HVAC				
12. Plumbing				
13. Specialties				
14. Machinery and Equipment				
15. Furniture and Fixtures				
16. Utilities				
17. Paving				
18. Landscaping				
19. Other (identify)				

*The number of local jobs means those jobs held by people who live in the five counties in Central New York. This number is subject to verification.

Signature: _____ Name (printed): _____

Title: _____ Date: _____

A - II

EXHIBIT "E"

FORM OF ANNUAL REPORTING REQUIREMENTS

SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY
333 West Washington Street, Suite 130, Syracuse, New York 13202

Date

COMPANY
COMPANY ADDRESS

Dear _____:

Our auditors, _____, CPAs are conducting an audit of our financial statements for the year ended December 31, _____. In connection with that audit, we request that you furnish certain information directly to our auditor with regard to the following security issued by/through the City of Syracuse Industrial Development Agency:

Sale - Leaseback Financing

Project: _____

Date of Financing:

Principal Amount Financed:

Maturity Date:

Original Interest Rate:

Please provide the following information as of December 31, [year]:

Name of Lender

Debt Retired in [year] Yes/No

Debt Refinanced in [year] Yes/No

(If Yes, please update information in Paragraph 1 above)

Debt in Default as of [date] Yes/No

Current Interest Rate(s)

Rate range, if Variable

Principal balance outstanding as of [date]

Principal payments made during [year]

Payments in Lieu of Taxes (PILOT)

paid in [year]

Total cost of goods/services purchased: $_____

New York State Sales Tax Exemptions Claimed [year]

New York Local Sales Tax Exemptions Claimed: [year]

New York State Mortgage Recording

Tax Exemption: [year]

Form of Syracuse Industrial Development Agency — Project Jobs Data [year]

From:

To: , CPAs

Re:

The following jobs information is furnished to you with regard to the above cited project:

Full Time Equivalent (FTE) Jobs Created and Retained – [year]

# of Current FTE Employees as of [closing date]
# of FTE Jobs Created during [year]
# of FTE Jobs Retained during [year]
# of FTE Construction Jobs Created during [year]

Comments:

_____

_____

_____

_____

_____
Signature

_____
Print Name

_____
Title

_____
Date

EXHIBIT "F"

FORM OF SUB-AGENT AGREEMENT

THIS SUB-AGENT APPOINTMENT AGREEMENT (the "***Agreement***"), dated as of _____, 20__, is among **STATE TOWER BUILDING, LLC**, a New York limited liability company with an office at c/o Pioneer Companies, 333 West Washington Street, Suite 600, Syracuse, New York 13202 (the "***State Tower***") and **EXPRESSWAY PROPERTIES, L.L.C.**, a New York limited liability company with an office at 108 E. Genesee Street, Skaneateles, New York 13152 (the "***Expressway***" and together with State Tower, collectively the "***Company***") and [NAME OF SUB-AGENT], a _____ of the State of New York, having an office for the transaction of business at _____ (the "***Sub-Agent***").

W I T N E S S E T H:

WHEREAS, the City of Syracuse Industrial Development Agency (the "***Agency***") was created by Chapter 641 of the Laws of 1979 of the State of New York pursuant to Title I of Article 18-A of the General Municipal Law of the State of New York (collectively, the "***Act***") as a body corporate and politic and as a public benefit corporation of the State of New York (the "***State***"); and

WHEREAS, by resolution of its members adopted on March 9, 2016 (the "***Resolution***"), the Agency agreed to undertake a project for the benefit of the Company (the "***Project***") consisting of: (A)(i) the acquisition of an interest in approximately 1.2 acres of real property improved by an existing twenty-one (21) story, approximately 211,00 square foot building and garage (the "***Building***") located at 201-19 East Genesee Street & Warren Streets, in the City of Syracuse, New York (the "***Land***"); the renovation of the Building for use as a mixed-use complex including Class A office space and retail on the first 8 floors; approximately 57 market-rate studio, one and two bedroom apartment units on the upper 13 floors; significant façade restoration; and a 100 car on-site parking garage, all located on the Land (the "***Facility***"); (iii) the acquisition and installation in and at the Land and Facility of furniture, fixtures and equipment (the "***Equipment***" and together with the Land and the Facility, the "***Project Facility***"); (B) the granting of certain financial assistance in the form of exemptions from State and local sales and use tax and mortgage recording tax (the "***Financial Assistance***"); (C) the appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, renovation and equipping of the Project Facility; and (D) the lease of the Land and Facility by the Agency pursuant to a lease agreement and the acquisition of an interest in the Equipment pursuant to a bill of sale from the Company to the Agency; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement; and

WHEREAS, under the Resolution and in the Agency Lease Agreement by and between the Company and the Agency dated as of March 1, 2016 (the "***Agency Lease***") the Agency appointed the Company as its agent for purposes of completing the Project and delegated to the Company the authority to appoint as agents of the Agency a Project operator, contractors, agents,

subagents, subcontractors, contractors and subcontractors of such agents and subagents (the "***Additional Agents***" or "***Sub-Agents***"), for the purpose of completing the Project and benefitting from the State and local sales and use tax exemption that forms a portion of the Financial Assistance all in accordance with the terms of the Resolution and the Agency Lease; and

WHEREAS, the Company and the Agency entered into a an Agency Agreement dated as of March 9, 2015 (the "***Agency Agreement***").

NOW, THEREFORE, the parties hereto hereby agree as follows:

1. The Company hereby appoints the Sub-Agent as an Additional Agent of the Agency for the purpose of assisting the Company and the Agency in the completion of the Project and benefitting from the State and local sales and use tax exemption relative to expenditures made in furtherance thereof. The Sub-Agent is only an agent of the Agency for the aforementioned purposes. The Sub-Agent hereby agrees to limit its activities as agent for the Agency under the authority of this Agreement to acts reasonably related to the completion of the Project Facility.

2. The Sub-Agent covenants, agrees and acknowledges:

a. to make all records and information regarding State and local sales and use tax exemption benefits claimed by it in connection with the Project available to the Company and the Agency upon request. The Sub-Agent agrees to comply with all procedures and policies established by the State Department of Taxation and Finance, or any similar entity, regarding the documenting or reporting of any State and local sales and use tax exemption benefits, including providing to the Company all information of the Sub-Agent necessary for the Company to complete the State Department of Taxation and Finance's "Annual Report of Sales and Use Tax Exemptions" (Form ST-340).

b. to be bound by and comply with the terms and conditions of the Agency's policies, the Resolution, the Agency Lease and Section 875(3) of the Act (as if such section were fully set forth herein) (collectively the "***Agency Documents***"). Without limiting the scope of the foregoing, the Sub-Agent acknowledges that pursuant to Section 875(3) of the Act and the Agency policies, the Agency shall recover, recapture, receive or otherwise obtain from the Sub-Agent the portion of the Financial Assistance (the "***Recapture Amount***") consisting of: (1) (a) that portion of the State and local sales and use tax exemption claimed by the Sub-Agent to which the Sub-Agent was not entitled, which is in excess of the amount of the State and local sales and use tax exemption authorized by the Agency or which is for property or services not authorized by the Agency and/or unrelated to the Project Facility; or (b) the full amount of such State and local sales and use tax exemption claimed by the Sub-Agent, if the Sub-Agent fails to comply with a material term or condition regarding the use of the property or services as represented to the Agency in the Company's application to the Agency in regard to the Project or otherwise; and (2) any interest or penalties thereon imposed by the Agency or by operation of law or by judicial order or otherwise.

c. that the failure of the Sub-Agent to promptly pay such Recapture Amount to the Agency will be grounds for the Agency, the State Commissioner of Taxation and Finance or such other entity, to collect sales and use taxes from the Sub-Agent under Article 28 of the Tax Law, or other applicable law, policy or contract, together with interest and penalties. In addition to the foregoing, the Sub-Agent acknowledges and agrees that for purposes of exemption from State sales and use taxation, "sales and use taxation" shall mean sales and compensating use taxes and fees imposed by article twenty-eight or twenty-eight-A of the Tax Law but excluding such taxes imposed in a city by section eleven hundred seven or eleven hundred eight of such article twenty-eight.

d. that all purchases made by the Sub-Agent in connection with the Project shall be made using Form ST-123 (IDA Agent or Project Operator Exempt Purchase Certificate), a copy of which is attached hereto as **Exhibit "A"**). It shall be the responsibility of the Sub-Agent (and not the Company or the Agency) to complete Form ST-123. The failure to furnish a completed Form ST-123 with each purchase will result in loss of the exemption for that purchase.

e. that it shall identify the Project on each bill and invoice for such purchases and further indicate on such bills or invoices that the Sub-Agent is making purchases of tangible personal property or services for use in the Project as agent of the Agency. For purposes of indicating who the purchaser is, the Sub-Agent acknowledges and agrees that the bill of invoice should state, "I, [NAME OF SUB-AGENT], certify that I am a duly appointed agent of the City of Syracuse Industrial Development Agency and that I am purchasing the tangible personal property or services for use in the following Agency project and that such purchases qualify as exempt from sales and use taxes under my Sub-Agent Appointment Agreement." The Sub-Agent further acknowledges and agrees that the following information shall be used by the Sub-Agent to identify the Project on each bill and invoice: [FILL IN THE NAME OF THE PROJECT, THE STREET ADDRESS OF THE PROJECT SITE, AND IDA PROJECT NUMBER].

f. that for purposes of any exemption from the State sales and use taxation as part of any Financial Assistance requested, "sales and use taxation" shall mean sales and compensating use taxes and fees imposed by article twenty-eight or twenty-eight A of the State tax law but excluding such taxes imposed in a city by section eleven hundred seven or eleven hundred eight of such article twenty-eight.

g. hat the Sub-Agent shall indemnify and hold the Agency harmless from all losses, expenses, claims, damages and liabilities arising out of or based on labor, services, materials and supplies, including equipment, ordered or used in connection with the Project Facility (including any expenses incurred by the Agency in defending any claims, suits or actions which may arise as a result of any of the foregoing), for such claims or liabilities that arise as a result of the Sub-Agent acting as agent for the Agency pursuant to this Agreement or otherwise.

The Sub-Agent shall indemnify and hold the Agency, its members, officers, employees and agents and anyone for whose acts or omissions the Agency or any one of them may be liable, harmless from all claims and liabilities for loss or damage to property or any injury to or death of

any person that may be occasioned subsequent to the date hereof by any cause whatsoever in relation only to Sub-Agent's work on or for the Project Facility, including any expenses incurred by the Agency in defending any claims, suits or actions which may arise as a result of the foregoing.

The foregoing defenses and indemnities shall survive expiration or termination of this Agreement and shall apply whether or not the claim, liability, cause of action or expense is caused or alleged to be caused, in whole or in part, by the activities, acts, fault or negligence of the Agency, its members, officers, employees and agents, anyone under the direction and control of any of them, or anyone for whose acts or omissions the Agency or any of them may be liable, and whether or not based upon the breach of a statutory duty or obligation or any theory or rule of comparative or apportioned liability, subject only to any specific prohibition relating to the scope of indemnities imposed by statutory law.

h. that as agent for the Agency or otherwise, the Sub-Agent will comply at the Sub-Agent's sole cost and expense with all the requirements of all federal, state and local laws, rules and regulations of whatever kind and howsoever denominated applicable to the Sub-Agent with respect to the Project Facility.

i. that Section 875(7) of the Act requires the Agency to post on its website all resolutions and agreements relating to the Sub-Agent's appointment as an agent of the Agency or otherwise related to the Project, including this Agreement, and that Public Officers Law Article 6 declares that all records in the possession of the Agency (with certain limited exceptions) are open to public inspection and copying. If the Sub-Agent feels that there is information about the Sub-Agent in the Agency's possession which are in the nature of trade secrets or information, the nature of which is such that if disclosed to the public or otherwise widely disseminated would cause substantial injury to the Sub-Agent's competitive position, the Sub-Agent must identify such elements in writing, supply same to the Agency prior to or contemporaneously with the execution hereof and request that such elements be kept confidential in accordance with Public Officers Law Article 6. Failure to do so will result in the posting by the Agency of all information in accordance with Section 875 of the Act.

j. The Sub-Agent agrees Local contractors and suppliers will be used for the construction and equipping of the Project unless a waiver is first received from the Agency in writing. Such waiver shall be in the Agency's sole discretion. The Sub-Agent agrees that such Local contractors shall be provided the opportunity to bid on contracts related to the Project. Local shall mean, for the purposes of this Agreement, Onondaga, Oswego, Madison, Cayuga, Cortland and Oneida Counties. Failure to comply with the local labor requirements of this Section (j) (collectively, the "***Local Labor Requirements***") may result in the revocation or recapture of benefits provided/approved to the Project by the Agency.

k. that the Sub-Agent must timely provide the Company with the necessary information to permit the Company, pursuant to General Municipal Law §874(8), to timely file an Annual Statement with the New York State Department of Taxation and Finance on "Annual Report of Sales and Use Tax Exemptions" (Form ST-340) regarding the value of sales and use

tax exemptions the Additional Agent claimed pursuant to the agency conferred on it by the Company with respect to this Project on an annual basis.

l. that the failure to comply with the foregoing will result in the loss of the exemption.

m. that if the Sub-Agent is the general contractor for the Project, then at all times following the execution of this Agreement, and during the term thereof, the Sub-Agent shall: (A) maintain or cause to be maintained the following insurance policies with an insurance company licensed in the State that has an A.M. Best rating of not less than A-: (i) "All Risk" (excluding terrorism coverage if unavailable at commercially reasonable rates as determined by the Sub-Agent) builder's risk insurance, including collapse coverage and coverage for material in storage and while in transit, for one hundred percent (100%) of the insurable replacement value of the Project on a replacement cost basis on all materials, equipment and supplies which are to become a permanent part of the Project, while awaiting erection and until completion; (ii) worker's compensation insurance including employer's liability to provide statutory benefits as required by applicable Legal Requirements; (iii) commercial general liability insurance for hazard of operation, independent contractors, products and completed operations, such liability insurance to include broad form property damage and afford coverage for explosion, collapse and underground hazards and personal injury liability insurance, and contractual liability coverage for the Sub-Agent's indemnification obligations hereunder, all with limits of not less than Five Million Dollars ($5,000,000) per occurrence on an "occurrence" basis and Ten Million Dollars ($10,000,000) in the aggregate; and (iv) comprehensive automobile liability covering owned, non-owned and hired vehicles used in connection with the construction of the Project with limits of not less than One Million Dollars ($1,000,000) combined single limit for bodily injury and property damage. The Sub-Agent shall deliver to the Agency any policies (or certificates thereof) with respect to insurance required hereunder prior to the commencement of construction or related work on the Project, and shall deliver renewal policies (or certificates thereof) at least thirty (30) days before the expiration date of any policy maintained in connection with the Project. All policies evidencing such insurance except the Workers' Compensation policy shall name the Sub-Agent as insured and the Agency as an additional insured, as its interests may appear, and all policies shall provide that the coverage with respect to the Agency be primary and non-contributory and require at least thirty (30) days' prior written notice to the Agency of cancellation, reduction in policy limits, or material change in coverage thereof; and (B) to the extent that such provisions of law are in fact applicable (without creating an obligation by contract beyond that which is created by statute), it will comply with the requirements of Section 220 of the Labor Law of the State of New York, as amended.

n. that every controversy, dispute or claim arising out of or relating to this Agreement shall be governed by the laws of the State of New York, without regard to its conflicts-of-laws provisions that if applied might require the application of the laws of another jurisdiction; and that the Sub-Agent irrevocably and expressly submits to the exclusive personal jurisdiction of the Supreme Court of the State of New York and the United States District Court for the Northern District of New York, to the exclusion of all other courts, for the purposes of litigating every controversy, dispute or claim arising out of or relating to this Agreement.

3. Failure of the Sub-Agent to comply with any of the provisions of this Agreement shall result in the immediate nullification of the appointment of the Sub-Agent and the immediate termination of this Agreement and may result in the loss of the Company's State and local sales and use tax exemption with respect to the Project at the sole discretion of the Agency. In addition, such failure may result in the recapture of the State and local sales and use taxes avoided.

4. The Company acknowledges that the assumption of certain obligations by the Sub-Agent in accordance with this Agreement does not relieve the Company of its obligations under any provisions of the Agency Lease or of any other agreement entered into by the Company in connection with the Project.

5. The Company and the Sub-Agent agree that the Agency is a third-party beneficiary of this Agreement.

6. This Agreement shall be in effect until the earlier of: (i) the completion of the work on the Project by the Sub-Agent; or (ii) the Sub-Agent's loss of status as an agent of the Agency as set forth herein. Notwithstanding the foregoing, the provisions of Sections 2(b), 2(c), 2(f), 2(g), 2(j), and 2(l) shall survive the termination of this Agreement.

IN WITNESS WHEREOF, the Company and the Sub-Agent have caused this Agreement to be executed in their respective names by their respective duty authorized officers, all as of the day and year first above written.

STATE TOWER BUILDING, LLC

By: _____
Name:
Title:

EXPRESSWAY PROPERTIES, L.L.C.

By: _____
Name:
Title:

[NAME OF SUB-AGENT]

By: _____
Name:
Title:

EXHIBIT "A"
to Form of Sub-Agent Appointment Agreement

FORM ST-123

New York State Department of Taxation and Finance

New York State Sales and Use Tax

IDA Agent or Project Operator Exempt Purchase Certificate

Effective for projects beginning on or after June 1, 2014

ST-123
(7/14)

This certificate is not valid unless all entries have been completed.
Note: To be completed by the purchaser and given to the seller. Do not use this form to purchase motor fuel or diesel motor fuel exempt from tax. See Form FT-123, *IDA Agent or Project Operator Exempt Purchase Certificate for Fuel*.

Name of seller			Name of agent or project operator		
Street address			Street address		
City, town, or village	State	ZIP code	City, town, or village	State	ZIP code
			Agent or project operator sales tax ID number (see instructions)		

Mark an **X** in one: ☐ Single-purchase certificate ☐ Blanket-purchase certificate (valid only for the project listed below)

To the seller:
You must identify the project on each bill and invoice for such purchases and indicate on the bill or invoice that the IDA or agent or project operator of the IDA was the purchaser.

Project information

I certify that I am a duly appointed agent or project operator of the named IDA and that I am purchasing the tangible personal property or services for use in the following IDA project and that such purchases qualify as exempt from sales and use taxes under my agreement with the IDA.

Name of IDA			
Name of project		IDA project number (see instructions)	
Street address of project site			
City, town, or village		State	ZIP code
Enter the date that you were appointed agent or project operator (mm/dd/yy) / /	Enter the date that agent or project operator status ends (mm/dd/yy) / /		

Exempt purchases

*(Mark an **X** in boxes that apply)*

☐ A. Tangible personal property or services (other than utility services and motor vehicles or tangible personal property installed in a qualifying motor vehicle) used to complete the project, but not to operate the completed project

☐ B. Certain utility services (gas, propane in containers of 100 pounds or more, electricity, refrigeration, or steam) used to complete the project, but not to operate the completed project

☐ C. Motor vehicle or tangible personal property installed in a qualifying motor vehicle

Certification: I certify that the above statements are true, complete, and correct, and that no material information has been omitted. I make these statements and issue this exemption certificate with the knowledge that this document provides evidence that state and local sales or use taxes do not apply to a transaction or transactions for which I tendered this document and that willfully issuing this document with the intent to evade any such tax may constitute a felony or other crime under New York State Law, punishable by a substantial fine and a possible jail sentence. I understand that this document is required to be filed with, and delivered to, the vendor as agent for the Tax Department for the purposes of Tax Law section 1838 and is deemed a document required to be filed with the Tax Department for the purpose of prosecution of offenses. I also understand that the Tax Department is authorized to investigate the validity of tax exclusions or exemptions claimed and the accuracy of any information entered on this document.

Signature of purchaser or purchaser's representative (relationship)	Date
Type or print the name, title, and relationship that appear in the signature box	

Instructions

To the purchaser

You may use Form ST-123 if you:

- have been appointed as an agent or project operator by an industrial development agency (IDA) and
- the purchases qualify for exemption from sales and use tax as described in the IDA contract.

You may use Form ST-123 as a single-purchase certificate or as a blanket certificate covering the first and subsequent purchases qualifying for the project listed.

Agent or project operator sales tax ID number – If you are registered with the Tax Department for sales tax purposes, you must enter your sales tax identification number on this certificate. If you are not required to be registered, enter *N/A*.

Industrial development agencies and authorities (IDAs) are public benefit corporations under General Municipal Law Article 18-A and the Public Authorities Law, for the purpose of promoting, developing, encouraging, and assisting in the acquisition, construction, reconstruction, improvement, maintenance, equipping, and furnishing of industrial, manufacturing, warehousing, commercial, research, and recreational facilities in New York State.

IDAs are exempt from the payment of sales and use tax on their purchases, in accordance with Tax Law section 1116(a)(1). However, IDAs do not normally make direct purchases for projects. Commonly, IDAs instead appoint a business enterprise or developer, contractor, or subcontractor as its agent or project operator. Such purchases made by the agent or project operator, acting within the authority granted by the IDA, are deemed to be made by the IDA and therefore exempt from tax.

Example 1: IDA agreement with its agent or project operator states that contractor X may make all purchases of materials and equipment necessary for completion of the project, as agent for the IDA. Contractor X rents a backhoe and a bulldozer for site preparation, purchases concrete and lumber to construct a building, and purchases machinery to be installed in the building. All these purchases by contractor X as agent of the IDA are exempt from tax.

Example 2: IDA agreement with its agent or project operator states that contractor X may make all purchases of materials and equipment to be incorporated into the project, as agent for the IDA. Contractor X makes the same purchases as in Example 1. Since the concrete, lumber, and machinery will actually be incorporated into the project, contractor X may purchase these items exempt from tax. However, rental of the backhoe and bulldozer is not exempt since these transactions are normally taxable and the IDA agreement does not authorize contractor X to make such rentals as agent of the IDA.

A contractor or subcontractor not appointed as agent or project operator of an IDA must present suppliers with Form ST-120.1, *Contractor Exempt Purchase Certificate*, when making purchases that are ordinarily exempt from tax in accordance with Tax Law sections 1115(a)(15) and 1115(a)(16). For more information, see Form ST-120.1.

Exempt purchases

To qualify, the purchases must be made within the authority granted by the IDA and used to complete the project (not to operate the completed project).

A Mark box A to indicate you are purchasing tangible personal property and services (other than utility services and motor vehicles or tangible personal property installed in a qualifying motor vehicle) exempt from tax.

B Mark box B to indicate you are purchasing certain consumer utility services used in completing the project exempt from tax. This includes gas, electricity, refrigeration, and steam and gas, electric, refrigeration, and steam services.

C Mark box C to indicate you are purchasing a motor vehicle or tangible personal property related to a qualifying motor vehicle exempt from tax.

Misuse of this certificate

Misuse of this exemption certificate may subject you to serious civil and criminal sanctions in addition to the payment of any tax and interest due. These include:

- A penalty equal to 100% of the tax due,
- A $50 penalty for each fraudulent exemption certificate issued,
- Criminal felony prosecution, punishable by a substantial fine and a possible jail sentence; and
- Revocation of your *Certificate of Authority*, if you are required to be registered as a vendor. See TSB-M-09(17)S, *Amendments that Encourage Compliance with the Tax Law and Enhance the Tax Department's Enforcement Ability*, for more information.

To the seller

When making purchases as agent or project operator of an IDA, the purchaser must provide you with this exemption certificate with all entries completed to establish the right to the exemption. You must identify the project on each bill and invoice for such purchases and indicate on the bill or invoice that the IDA or agent or project operator of the IDA was the purchaser.

As a New York State registered vendor, you may accept an exemption certificate in lieu of collecting tax and be protected from liability for the tax if the certificate is valid. The certificate will be considered valid if it is:

- accepted in good faith,
- in your possession within 90 days of the transaction, and
- properly completed (all required entries were made).

An exemption certificate is accepted in good faith when you have no knowledge that the exemption certificate is false or is fraudulently given, and you exercise reasonable ordinary due care. If you do not receive a properly completed certificate within 90 days after the delivery of the property or service, you will share with the purchaser the burden of proving the sale was exempt.

You must also maintain a method of associating an invoice (or other source document) for an exempt sale with the exemption certificate you have on file from the purchaser. You must keep this certificate at least three years after the due date of your sales tax return to which it relates or the date the return was filed, if later.

Privacy notification

New York State Law requires all government agencies that maintain a system of records to provide notification of the legal authority for any request, the principal purpose(s) for which the information is to be collected, and where it will be maintained. To view this information, visit our Web site, or, if you do not have Internet access, call and request Publication 54, *Privacy Notification*. See *Need help?* for the Web address and telephone number.

Need help?

Visit our Web site at **www.tax.ny.gov**

- get information and manage your taxes online
- check for new online services and features

Sales Tax Information Center:	(518) 485-2889
To order forms and publications:	(518) 457-5431
Text Telephone (TTY) Hotline (for persons with hearing and speech disabilities using a TTY):	(518) 485-5082

7

ONONDAGA COUNTY CLERK'S OFFICE
LISA DELL - COUNTY CLERK
401 Montgomery St - Room 200
Syracuse, NY 13202

Phone: 315-435-2226
Fax: 315-435-3455

Doc Type: AMD/L
Grantor: CITY OF SYRACUSE INDUSTRIAL
Grantee: STATE TOWER BUILDING LLC
EXPRESSWAY PROPERTIES L L C

Legal Desc: SYR LOT A&1-7&19&20 B103 S E

Prop Address: 201-19 EAST GENESEE ST

Receipt: 1276533 CP
Book/Page: 05368/0206 Inst: 11305
Date Filed: 04/11/2016 at 1:38PM
Updated: 04/12/2016 AD
Record and Return To:

BARCLAY DAMON
ATTORNEY PICK UP BOX

Submitted by: BARCLAY DAMON

Recording Fees			Miscellaneous Fees	
Addl pages:	4 x 5.00 =	$ 20.00	RMI:	$ 20.00
Addl Names:	0 x 0.50 =	$ 0.00	TP 584:	$ 5.00
Addl Refs:	1 x 0.50 =	$ 0.50	RP5217:	$ 0.00
Misc:		0.00	AFFTS:	$ 0.00
Basic		$25.50		
		==========		==========
TOTAL:		$46.00	TOTAL:	$ 25.00

MORTGAGE TAX		DEED TRANSFER TAX	
Mortgage:		Consideration	$0.00
Basic:	$0.00	Transfer Tax:	$0.00
Ins Fund:	$0.00	SWIS:	3115
Net Add:	$0.00	Map #:	103-17-08
Misc:	$0.00		==========
	==========	Total Paid	$ 71.00
TOTAL	$0.00	Control no	9006

WARNING - This sheet constitutes the Clerk's endorsement, required by Section 319 of the Real Property Law of the State of New York. Do not detach. Taxes imposed on this instrument at time of recording were paid. Certain information contained in this document is not verified by this office.

LISA DELL
Onondaga County Clerk

Book/Page 05368 / 0206 Instrument no.: 11305

CITY OF SYRACUSE
3115

AMENDED MEMORANDUM OF AGENCY LEASE AGREEMENT[1]

NAME AND ADDRESS OF LESSOR: City of Syracuse Industrial Development Agency
333 West Washington Street, Suite 130
Syracuse, New York 13202

NAME AND ADDRESS OF LESSEES: State Tower Building, LLC
c/o Pioneer Companies
333 West Washington Street, Suite 600
Syracuse, New York 13202

Expressway Properties, L.L.C.
108 E. Genesee Street
Skaneateles, New York 13152

DESCRIPTION OF LEASED PREMISES:

All that tract or parcel of land situate in the City of Syracuse, County of Onondaga and State of New York, being more particularly described in **Exhibit "A"** annexed hereto, together with the improvements thereon.

DATE OF EXECUTION OF AGENCY LEASE AGREEMENT:

As of March 1, 2016

TERM OF AGENCY LEASE AGREEMENT:

The Agency Lease Agreement shall be in effect for a term commencing as of March 1, 2016 and shall terminate no later than May 1, 2017.

[1] This Amended Memorandum of Agency Lease Agreement is being filed to correct the order of recording of the Memorandum of Agency Lease Agreement previously recorded in the Onondaga County Clerk's Office on March 24, 2016 in Book 5366 at Page 168 which should have originally been recorded following the recording of the Memorandum of the Company Lease Agreement, dated as of March 1, 2016, which was recorded on March 24, 2016 in Book 5366 at Page 173.

db 5366 p 173
db 5366 p 168.

IN WITNESS WHEREOF, the parties hereto have respectively executed this memorandum as of the 1st day of March, 2016.

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY

By: _____
William M. Ryan, Chairman

STATE TOWER BUILDING, LLC

By: _____
Mark W. Roney, Authorized Signatory

EXPRESSWAY PROPERTIES, L.L.C.

By: _____
David Loftus, Authorized Signatory

STATE OF NEW YORK)
) ss.:
COUNTY OF ONONDAGA)

On this 18th day of March, 2016, before me, the undersigned, personally appeared, **William M. Ryan**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual or the person upon behalf of which the individual acted, executed the instrument.

Lori L McRobbie
Notary Public

LORI L. McROBBIE
Notary Public, State of New York
Qualified in Onondaga Co. No. 01MC5055591
Commission Expires on Feb. 12, 20 18

18

STATE OF NEW YORK)
) ss.:
COUNTY OF ONONDAGA)

On this 21st day of March, 2016, before me, the undersigned, personally appeared **Mark M. Roney**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual or the person upon behalf of which the individual acted, executed the instrument.

Lori L McRobbie
Notary Public

LORI L. McROBBIE
Notary Public, State of New York
Qualified in Onondaga Co. No. 01MC5055591
Commission Expires on Feb. 12, 20 18

2/12/18

STATE OF NEW YORK)
) SS.:
COUNTY OF ONONDAGA)

On the 21st day of March, 2016, before me, the undersigned, personally appeared **David Loftus,** personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual or the person upon behalf of which the individual acted, executed the instrument.

Lori L McRobbie
Notary Public

Lori McRobbie

LORI L. McROBBIE
Notary Public, State of New York
Qualified in Onondaga Co. No. 01MC5055591
Commission Expires on Feb. 12, 20 18

2/12/18

EXHIBIT A

LEGAL DESCRIPTION

All that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the City of Syracuse, County of Onondaga and State of New York, known and designated a Lots Nos. 1, 2, 3, 4, 5, 6, 7, part of 19 and 20, the latter Lot also known as Lot A, all being Block 103 in said City, bounded and described as follows: Beginning at the intersection of the east line of South Warren Street and the south line of East Water Street; thence South 0° 03' 30" west, on the east line of South Warren Street, 67.68 feet to the northerly line of East Genesee Street; thence South 59° 45' 20" east along the northerly line of East Genesee Street, 196.49 feet; thence North 29° 58' 40" east, 79.51 feet to a point; thence North 59° 45' 20" west, 1.42 feet; thence North 30° 14' 40" east, 16.49 feet to a point; thence North 0° 26' 20" East, 0.67 feet to a point; thence South 89° 33' 40" east, 1.37 feet to a point; thence North 0° 26' 20" east 5.49 feet to a point in the south line of Falker property; thence North 0° 03' 40" west 75 feet to the south line of East Water Street; thence North 89° 33' 40" west, along the southerly line of East Water Street 217.83 feet to the point and place of beginning.

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CERTIFICATION

Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Agency Lease Agreement by and between the parties dated as of March 1, 2016.

The undersigned, **Mark W. Roney**, authorized signatory of State Tower Building, LLC ("***State Tower***"), does hereby certify and confirm:

(1) that State Tower has reviewed and understands the Agency's Local Labor Policy (the "***Policy***") which states as follows:

> State Tower understands and agrees that local labor, contractors and suppliers will be used for the renovation and equipping of the Project unless a written waiver is first received in accordance with the terms of the Policy. Failure to comply may result in the revocation or recapture of benefits awarded to the Project by the Agency.
>
> For purposes of this Policy, the term "local" shall mean: Cayuga, Cortland, Madison, Onondaga, Oneida and Oswego Counties.

(2) that State Tower has complied, and will, for so long as the Agency has an interest in the Project, continue to comply with, the Agency's Local Labor Policy.

Dated as of March 1, 2016

STATE TOWER BUILDING, LLC

By: _____
Mark W. Roney, Authorized Signatory

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CERTIFICATION

Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Agency Lease Agreement by and between the parties dated as of March 1, 2016.

The undersigned, David Loftus, authorized signatory of Expressway Properties, L.L.C. ("***Expressway***"), does hereby certify and confirm:

(1) that Expressway has reviewed and understands the Agency's Local Labor Policy (the "***Policy***") which states as follows:

> Expressway understands and agrees that local labor, contractors and suppliers will be used for the renovation and equipping of the Project unless a written waiver is first received in accordance with the terms of the Policy. Failure to comply may result in the revocation or recapture of benefits awarded to the Project by the Agency.
>
> For purposes of this Policy, the term "local" shall mean: Cayuga, Cortland, Madison, Onondaga, Oneida and Oswego Counties.

(2) that Expressway has complied, and will, for so long as the Agency has an interest in the Project, continue to comply with, the Agency's Local Labor Policy.

Dated as of March 1, 2016

EXPRESSWAY PROPERTIES, L.L.C.

By: _____
David Loftus, Authorized Signatory

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DCOMEAU

EVIDENCE OF COMMERCIAL PROPERTY INSURANCE

DATE (MM/DD/YYYY): 3/17/2016

THIS EVIDENCE OF COMMERCIAL PROPERTY INSURANCE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE ADDITIONAL INTEREST NAMED BELOW. THIS EVIDENCE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS EVIDENCE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE ADDITIONAL INTEREST.

PRODUCER NAME, CONTACT PERSON AND ADDRESS	PHONE (A/C, No, Ext): (617) 742-3366	COMPANY NAME AND ADDRESS	NAIC NO:
Knapp, Schenck & Company Insurance Agency One India Street Suite 204 Boston, MA 02109 Contact name:	FAX (A/C, No): (617) 742-2832 E-MAIL ADDRESS:	Affiliated FM Insurance Company 75 Remittance Drive, Suite#6183 Chicago, IL 60675-6183	IF MULTIPLE COMPANIES, COMPLETE SEPARATE FORM FOR EACH
CODE: SUB CODE: AGENCY CUSTOMER ID #: PIONCOM-01		POLICY TYPE: Commercial Property	
NAMED INSURED AND ADDRESS State Tower Building, LLC c/o Pioneer Companies, LLC 333 West Washington St., Suite 600 Syracuse, NY 13202		LOAN NUMBER	POLICY NUMBER: AY790
		EFFECTIVE DATE: 10/31/2015	EXPIRATION DATE: 10/31/2016 — CONTINUED UNTIL TERMINATED IF CHECKED
ADDITIONAL NAMED INSURED(S) Pioneer State Tower Building, LLC See attached Remarks page		THIS REPLACES PRIOR EVIDENCE DATED:	

PROPERTY INFORMATION (Use REMARKS on page 2, if more space is required) ☒ BUILDING OR ☒ BUSINESS PERSONAL PROPERTY

LOCATION / DESCRIPTION
201-19 East Genesee St. and South Warren St., Syracuse, NY 13202

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS EVIDENCE OF PROPERTY INSURANCE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

COVERAGE INFORMATION PERILS INSURED: BASIC ☐ BROAD ☐ SPECIAL ☒

COMMERCIAL PROPERTY COVERAGE AMOUNT OF INSURANCE: $ 150,000,000 DED: 10,000

	YES	NO	N/A				
☒ BUSINESS INCOME ☒ RENTAL VALUE	X			If YES, LIMIT:	14,803,326	Actual Loss Sustained; # of months:	
BLANKET COVERAGE	X			If YES, indicate value(s) reported on property identified above: $	48,350,000		
TERRORISM COVERAGE	X			Attach Disclosure Notice / DEC			
IS THERE A TERRORISM-SPECIFIC EXCLUSION?		X					
IS DOMESTIC TERRORISM EXCLUDED?		X					
LIMITED FUNGUS COVERAGE	X			If YES, LIMIT:		DED:	
FUNGUS EXCLUSION (If "YES", specify organization's form used)	X						
REPLACEMENT COST	X						
AGREED VALUE	X						
COINSURANCE		X		If YES, %			
EQUIPMENT BREAKDOWN (If Applicable)	X			If YES, LIMIT:	150,000,000	DED:	10,000
ORDINANCE OR LAW - Coverage for loss to undamaged portion of bldg	X			If YES, LIMIT:	150,000,000	DED:	10,000
- Demolition Costs	X			If YES, LIMIT:		DED:	
- Incr. Cost of Construction	X			If YES, LIMIT:		DED:	
EARTH MOVEMENT (If Applicable)	X			If YES, LIMIT:	150,000,000	DED:	100,000
FLOOD (If Applicable)	X			If YES, LIMIT:	150,000,000	DED:	100,000
WIND / HAIL INCL ☒ YES ☐ NO Subject to Different Provisions:		X		If YES, LIMIT:	150,000,000	DED:	10,000
NAMED STORM INCL ☒ YES ☐ NO Subject to Different Provisions:		X		If YES, LIMIT:	150,000,000	DED:	10,000
PERMISSION TO WAIVE SUBROGATION IN FAVOR OF MORTGAGE HOLDER PRIOR TO LOSS	X						

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

ADDITIONAL INTEREST

☐ MORTGAGEE ☐ CONTRACT OF SALE
☐ LENDERS LOSS PAYABLE ☒ Additional Interest

NAME AND ADDRESS

City of Syracuse Industrial Development Agency
333 West Washington Street, Suite 130
Syracuse, NY 13202

LENDER SERVICING AGENT NAME AND ADDRESS

AUTHORIZED REPRESENTATIVE

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EVIDENCE OF COMMERCIAL PROPERTY INSURANCE REMARKS - Including Special Conditions (Use only if more space is required)

Additional Named Insureds:
Pioneer State Tower Building, LLC
Expressway Properties, LLC

Special Conditions:
Policy provides blanket coverage for real property, personal property and business interruption coverages. Specific limits on file with carrier for this location are:
Building: $46,700,000
Business Income/Loss of Rents: $1,650,000

Time Period for Business Income/Rental Value Coverage: The period from the time of loss or damage insured by this policy, to the time when, with due diligence and dispatch, such lost or damaged property could be repaired or replaced and made ready for production or business operations.

Business Income-Rental Income coverage is included in the policy limit. $1,000,000 Extra Expense limit is provided.

Extended Period of Indemnity is 90 days.

Equipment Breakdown is a covered peril and is included in the policy limit.

Ordinance or Law-Value of Undamaged Portion is included in the policy limit. Ordinance or Law-Increased Cost of Construction is included in the policy limit.

Policy provides the time element portion of building laws coverage, Increased Time to Rebuild.

The $10,000 deductible applies to Business Interruption and Property Damage.

Windstorm and/or Hail is not an excluded peril under this policy. Coverage is subject to a $50,000 per occurrence for each location deductible within the following counties in NY: Bronx, Kings, Nassau, New York, Queens, Richmond, Suffolk, Westchester.

Policy includes Terrorism Coverage

PIONCOM-01 DCOMEAU

ACORD

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
3/17/2016

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Knapp, Schenck & Company Insurance Agency One India Street Suite 204 Boston, MA 02109	CONTACT NAME: PHONE (A/C, No, Ext): (617) 742-3366 FAX (A/C, No): (617) 742-2832 E-MAIL ADDRESS:
	INSURER(S) AFFORDING COVERAGE — NAIC #
	INSURER A : National Fire Insurance Company of Hartford
INSURED State Tower Building, LLC c/o Pioneer Companies, LLC 333 West Washington St., Suite 600 Syracuse, NY 13202	INSURER B : CNA Insurance Companies INSURER C : National Surety Corporation INSURER D : INSURER E : INSURER F :

COVERAGES CERTIFICATE NUMBER: REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	X COMMERCIAL GENERAL LIABILITY						EACH OCCURRENCE	$ 1,000,000
	CLAIMS-MADE X OCCUR	X	X	6016021194	10/31/2015	10/31/2016	DAMAGE TO RENTED PREMISES (Ea occurrence)	$ 1,000,000
							MED EXP (Any one person)	$ 15,000
							PERSONAL & ADV INJURY	$ 1,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER:						GENERAL AGGREGATE	$ 2,000,000
	POLICY X PRO-JECT X LOC						PRODUCTS - COMP/OP AGG	$ 2,000,000
	OTHER:							$
B	AUTOMOBILE LIABILITY						COMBINED SINGLE LIMIT (Ea accident)	$ 1,000,000
	X ANY AUTO			6016021227	10/31/2015	10/31/2016	BODILY INJURY (Per person)	$
	ALL OWNED AUTOS / SCHEDULED AUTOS						BODILY INJURY (Per accident)	$
	HIRED AUTOS / NON-OWNED AUTOS						PROPERTY DAMAGE (Per accident)	$
								$
C	X UMBRELLA LIAB X OCCUR						EACH OCCURRENCE	$ 25,000,000
	EXCESS LIAB CLAIMS-MADE			SUO0005400103	10/31/2015	10/31/2016	AGGREGATE	$ 25,000,000
	DED X RETENTION $ 10,000							$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY Y / N						PER STATUTE / OTH-ER	
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) N / A						E.L. EACH ACCIDENT	$
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE	$
							E.L. DISEASE - POLICY LIMIT	$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Scheduled Location: 201-19 East Genesee St. and South Warren St., Syracuse, NY 13202
Additional Named Insureds: Pioneer State Tower Building, LLC and Expressway Properties, LLC

Certificate Holder is Additional Insured for general liability on a primary and non-contributory basis as required by written contract or agreement per attached form G17957H 01/13. Blanket waiver of subrogation is provided as required by written contract or agreement per attached form G300660A 04/08.

CERTIFICATE HOLDER

City of Syracuse Industrial Development Agency
333 West Washington St., Suite 130
Syracuse, NY 13202

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

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BLANKET ADDITIONAL INSURED - OWNERS, LESSEES OR CONTRACTORS - WITH PRODUCTS-COMPLETED OPERATIONS COVERAGE – LIMITED LIABILITY

It is understood and agreed that this endorsement amends the **COMMERCIAL GENERAL LIABILITY COVERAGE PART** as follows:

SCHEDULE (OPTIONAL)

Name of Additional Insured Persons Or Organizations
(As required by "written contract" per Paragraph A. below.)

Locations of Covered Operations
(As per the "written contract," provided the location is within the "coverage territory" of this Coverage Part.)

A. **Section II - Who Is An Insured** is amended to include as an additional insured:

1. Any person or organization whom you are required by "written contract" to add as an additional insured on this Coverage Part; and
2. The particular person or organization, if any, scheduled above.

B. The insurance provided to the additional insured is limited as follows:

1. The person or organization is an additional insured only with respect to liability for "bodily injury," "property damage," or "personal and advertising injury" and only to the extent caused by:
   - **a.** Your negligent acts or omissions, or the negligent acts or omissions of those acting on your behalf, in the performance of your ongoing operations specified in the "written contract"; or
   - **b.** "Your work" that is specified in the "written contract" but only for "bodily injury" or "property damage" included in the "products-completed operations hazard," and only if:
     - **(1)** The "written contract" requires you to provide the additional insured such coverage; and
     - **(2)** This Coverage Part provides such coverage.
2. We will not provide the additional insured any broader coverage or any higher limit of insurance than:
   - **a.** The maximum permitted by law;
   - **b.** Required by the "written contract";
   - **c.** Described in **B.1.** above; or
   - **d.** Afforded to you under this policy,

   whichever is less.
3. Notwithstanding anything to the contrary in Condition **4. Other Insurance** (Section **IV**), this insurance is excess of all other insurance available to the additional insured whether on a primary, excess, contingent or any other basis. But if required by the "written contract" to be primary and non-contributory, this insurance will be primary and non-contributory relative to insurance on which the additional insured is a Named Insured.
4. The insurance provided to the additional insured does not apply to "bodily injury," "property damage," or "personal and advertising injury" arising out of:
   - **a.** Acts or omissions of the additional insured, or of anyone, other than you, acting on the additional insured's behalf.

b. The rendering of, or the failure to render, any professional architectural, engineering, or surveying services, including:

(1) The preparing, approving, or failing to prepare or approve maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; and

(2) Supervisory, inspection, architectural or engineering activities; or

c. Any premises or work for which the additional insured is specifically listed as an additional insured on another endorsement attached to this Coverage Part.

C. SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS is amended as follows:

1. The **Duties In The Event of Occurrence, Offense, Claim or Suit** condition is amended to add the following additional conditions applicable to the additional insured:

An additional insured under this endorsement will as soon as practicable:

(1) Give us written notice of an "occurrence" or an offense which may result in a claim or "suit" under this insurance, and of any claim or "suit" that does result;

(2) Except as provided in Paragraph **B.3** of this endorsement, agree to make available any other insurance the additional insured has for a loss we cover under this Coverage Part;

(3) Send us copies of all legal papers received, and otherwise cooperate with us in the investigation, defense, or settlement of the claim or "suit"; and

(4) Tender the defense and indemnity of any claim or "suit" to any other insurer or self insurer whose policy or program applies to a loss we cover under this Coverage Part. But if the "written contract" requires this insurance to be primary and non-contributory, this provision **(4)** does not apply to insurance on which the additional insured is a Named Insured.

We have no duty to defend or indemnify an additional insured under this endorsement until we receive from the additional insured written notice of a claim or "suit."

D. Only for the purpose of the insurance provided by this endorsement, **SECTION V – DEFINITIONS** is amended to add the following definition:

"Written contract" means a written contract or written agreement that requires you to make a person or organization an additional insured on this Coverage Part, provided the contract or agreement:

1. Is currently in effect or becomes effective during the term of this policy; and

2. Was executed prior to:

a. The "bodily injury" or "property damage"; or

b. The offense that caused the "personal and advertising injury"

for which the additional insured seeks coverage under this Coverage Part.

All other terms and conditions of the Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

REAL ESTATE GENERAL LIABILITY ENDORSEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

Coverage afforded under this extension of coverage endorsement does not apply to any person or organization covered as an additional insured on any other endorsement now or hereafter attached to this Coverage Part.

I. BROADENED NAMED INSURED

Any organization, other than a partnership or joint venture, over which a Named Insured shown in the Declarations maintained an ownership interest of more than 50% on the effective date of the policy will qualify as a Named Insured if there is no other similar insurance available to that organization. Any such organization will cease to qualify as a Named Insured as of the date during the policy period when a Named Insured shown in the Declarations no longer maintains an ownership interest of more than 50% in the organization.

This provision **I.** does not apply to any organization for which coverage is excluded by endorsement.

II. NEWLY FORMED OR ACQUIRED ORGANIZATIONS

A. Paragraph **3. of SECTION II – WHO IS AN INSURED** is deleted and replaced by the following:

3. Any organization you newly acquire or form, other than a partnership or joint venture, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:

a. Coverage under this provision is afforded only until the end of the policy period or the next anniversary of this policy's effective date after you acquire or form the organization, whichever is earlier;

b. Coverage **A** does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and

c. Coverage **B** does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.

B. The last paragraph of **SECTION II – WHO IS AN INSURED** is deleted and replaced by the following:

Except as provided in Paragraph **3.** above, provisions **I.** and **V.** of the Real Estate General Liability Endorsement, or by the attachment of another endorsement (if any), no person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

This provision **II.** does not apply to any organization for which coverage is excluded by endorsement.

III. ADDITIONAL INSURED – TENANTS

A. Section II – Who Is An Insured is amended to include as an insured any tenant of yours, (called additional insured) when you and such tenant have agreed in writing in a contract or agreement that such tenant be added as an additional insured on your policy, but only if the contract or agreement:

1. Is in effect or becomes effective during the term of this policy; and

2. Was executed prior to the:

a. "Bodily injury" or "property damage"; or

b. Offense that caused the "personal and advertising injury".

for which the additional insured seeks coverage under this policy.

B. The insurance provided to the additional insured is limited as follows:

1. The tenant is an additional insured only where the tenant's liability is solely and directly caused by:

a. Your acts or omissions; or

b. The acts or omissions of those acting on your behalf, other than the additional insured or its employees;

in the performance of your ongoing operations at premises you own or operate.

2. The insurance provided to the additional insured does not apply to liability arising out of the acts or omissions of the additional insured or its employees.

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3. The Limits of Insurance applicable to the additional insured are those specified in the contract or agreement or in the Declarations of this policy, whichever is less. These Limits of Insurance are included within, and not in addition to, the Limits of Insurance shown in the Declarations.

4. The insurance provided to the additional insured does not apply to any "occurrence" or offense which takes place after the additional insured ceased to be your tenant at the premises where the "occurrence" or offense occurred.

IV. BLANKET WAIVER OF SUBGROGATION

The **Transfer Of Rights Of Recovery Against Others To Us** Condition **(SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS)** is amended by the addition of the following:

We waive any right of recovery we may have against any person or organization because of payments we make for injury or damage arising out of your ongoing operations or "your work" done under a contract with that person or organization and included in the "products-completed operations hazard." This waiver applies only when you have agreed in writing to do so in a contract or agreement, but only if the contract or agreement:

1. Is in effect or becomes effective during the term of this policy; and

2. Was executed prior to loss.

V. EXTENDED ADDITIONAL INSURED COVERAGE

Any person or organization added by endorsement as an additional insured is an insured, but only to the extent described in the endorsement.

When the additional insured is:

1. An individual, then his/her spouse is an insured;

2. A partnership, then its partners and their spouses are insureds;

3. A limited liability company, then its members and managers are insureds;

4. An organization other than a partnership, joint venture, or limited liability company, then its executive officers, directors and shareholders are insureds;

but only with respect to locations and operations covered by the additional insured endorsement, and only with respect to their roles within their organizations.

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4. Notice of cancellation will state the effective date of cancellation. The policy period will end on this date. If notice is mailed, proof of mailing will be sufficient proof of notice.

B. PREMIUM REFUND

If this policy is cancelled, the Insurer will send the Named Insured any premium refund due. If the Insurer cancels the refund will be pro rata. If the Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if the Insurer has not made or offered a refund.

C. NON-RENEWAL

1. The Insurer can non-renew the policy by mailing or delivering written notice to the Named Insured as set forth in paragraph E. at the last mailing address known to the Insurer, and to the Named Insured's authorized agent or broker, at least sixty (60) days but not more than one hundred and twenty (120) days prior to the effective date of non-renewal. If notice is mailed, proof of mailing will be sufficient proof of notice.

2. Late notice of non-renewal will state specific explanation of the reason for non-renewal.

D. CONDITIONAL RENEWAL

1. If the Insurer conditions renewal of the policy upon:

   a. Change of limits;
   b. Change in type of coverage;
   c. Reduction of coverage;
   d. Increased deductible;
   e. Addition of exclusion;
   f. Increased premiums in excess of 10%, exclusive of any premium increase due to and commensurate with insured value added, or as a result of experience rating, retrospective rating or audit;

   The Insurer shall send notice as provided in paragraph **E.** below.

2. Solely with respect to any liability coverages, if the policy is extended pursuant to this paragraph **D**, the aggregate limits of this policy as shown in the Declarations will be increased in proportion to any policy extension provided in accordance with the above.

E. NOTICE

1. If the Insurer decides not to renew the policy or to conditionally renew the policy as provided in paragraphs **C** and **D** above, the Insurer will mail or deliver written notice to the Named Insured at the address shown in the policy and to the Named Insured's authorized agent or broker at least sixty (60) days but not more than one hundred and twenty (120) days before:

   a. The expiration date; or
   b. The anniversary date if this is a continuous policy.

2. If notice is mailed, proof of mailing will be sufficient proof of notice. Notice will include the specific reason for non-renewal or conditional renewal, including the amount of any premium increase for conditional renewal and description of any other changes.

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3. If the Insurer violates any of the provisions of this subsection by sending the Named Insured an incomplete or late conditional renewal notice or a late non-renewal notice:

   a. Coverage will remain in effect at the same terms and conditions of the policy at the lower of the current rates or the prior period's rates until sixty (60) days after such notice is mailed or delivered, unless the Named Insured, during this sixty (60) day period, has replaced the coverage or elects to cancel.

   b. On or after the expiration date of the policy, coverage will remain in effect at the same terms and conditions of the policy for another policy period, at the lower of the current rates or the prior period's rates, unless the Named Insured during this additional policy period, has replaced the coverage or elects to cancel.

   The Insurer will not send notice of non-renewal or conditional renewal if the Named Insured or its authorized agent or broker or another insurer of the Named Insured mails or delivers notice that the policy has been replaced or is no longer desired.

All other terms and conditions of the Policy remain unchanged.

This endorsement, which forms a part of and is for attachment to the Policy issued by the designated Insurers, takes effect on the effective date of said Policy at the hour stated in said Policy, unless another effective date is shown below, and expires concurrently with said Policy.

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VII. LOSS PAYMENT

A. Unless otherwise specified in this Policy, in the event of covered loss or damage to **insured property**, the Insurer will:

1. pay the amount of loss or damage;
2. pay the cost of repairing or replacing such **insured property**;
3. take all or any part of the **insured property** at an agreed or appraised value; or
4. repair, rebuild or replace the **insured property** with other property of like kind and quality.

B. The Insurer will determine the value of such **insured property**, or the cost of its repair or replacement, in accordance with the **VALUATION** section or this Policy.

C. If the **Named Insured** has complied with all of the terms and conditions of this Policy, the Insurer will pay amounts due hereunder within 60 days after it receives a sworn proof of loss provided that the Insurer and **Named Insured** have reached agreement on the amount of loss or damage or an appraisal award has been made. Such payments will be made to the **Named Insured** or to the owner of property up to the amount of their respective financial interest in such property. All covered debris removal costs, including any additional debris removal costs, will be paid by the Insurer provided all such costs are reported to it in writing within 180 days of the **occurrence**.

D. The Insurer will not pay more than the **Named Insured**'s financial interest in the **insured property**.

E. The Insurer, at its expense, may elect to defend the **Named Insured** against suits arising from claims of owners of **insured property**.

VIII. LOSS PAYEES AND MORTGAGEES

A. **Loss Payees**

If there is loss of or damage to **insured property**, in which the **Named Insured** and any third party, whether or not named in the Schedule of Loss Payees or Mortgagees, have an insurable interest:

1. the Insurer will adjust losses with the **Named Insured**, and
2. make payments jointly to the **Named Insured** and such third party, in their order of precedence, as interests may appear.

If the Insurer pays such third party, such payments will satisfy the **Named Insured**'s claims against the Insurer for that third party's property. The Insurer will not pay such owners more than their financial interest in the **insured property**.

B. **Lender Loss Payees and Mortgagees**

1. As used in this Section:
   a. a Lender Loss Payee is any creditor who is shown on the Schedule of Loss Payees or Mortgagees or on a certificate of insurance on file with the Insurer as a Lender Loss Payee and whose interest in **insured property** is established by a written instruments including warehouse receipts, bills of lading, financing statements or security agreements;
   b. a Mortgagee is any mortgagee or trustee who is who is shown on the Schedule of Loss Payees or Mortgagees or on a certificate of insurance on file with the Insurer as a Mortgagee with respect to the **building** for which the mortgagee or trustee is named.
2. The Insurer will pay to each specified Lender Loss Payee or Mortgagee as its interest may appear. The Insurer will pay to each specified Mortgagee under all present or future mortgages upon the **building**, in order of precedence of the mortgages.

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3. Each such Lender Loss Payee and Mortgagee has the right to receive loss payment, even though:

   a. the Insurer denied the **Named Insured**'s claim because the **Named Insured** failed to comply with the terms of this Policy; or

   b. such Lender Loss Payee or Mortgagee starts foreclosure or similar action on the **insured property**,

   provided such loss payee:

   i. pays any premium due at the Insurer's request;

   ii. submits a signed, sworn proof of loss in accordance with the requirements of this policy;

   iii. has notified us of any change in ownership, or substantial change in risk known to such Lender Loss Payee or Mortgagee.

   If such requirements are met, all of the terms of this **Coverage Part** will then apply directly to such Lender Loss Payee or Mortgagee.

4. With respect to any such Lender Loss Payees or Mortgagees,

   1. the Insurer may cancel this policy, including the interest of any Lender Loss Payee or Mortgagee, by giving such Lender Loss Payee or Mortgagee, or its agent, written notice:

      a. 10 days prior to the effective date of cancellation, if cancellation is for nonpayment of premium;

      b. 60 days prior to effective date of cancellation, if cancellation is for any other reason.

   2. If a loss hereunder is made payable, in whole or in part, to a designated Lender Loss Payee or Mortgagee not named in this Policy, that interest may be canceled by giving to such loss payee 10 days written notice of cancellation.

   3. If the Insurer pays such Lender Loss Payee or Mortgagee for loss under this Policy, and denies payment to the **Named Insured**, the Insurer will, to the extent of the payment made to such Lender Loss Payee or Mortgagee, be subrogated to all the rights of such Lender Loss Payee or Mortgagee. However, any subrogation by the Insurer will not impair the right of such Lender Loss Payee or Mortgagee to recover the full amount of its claim. At our option, the Insurer may pay the whole principal of the **Named Insured**'s debt plus accrued interests. In this event, the **Named Insured** will pay its remaining debt to the Insurer.

   4. If the **Named Insured** fails to render proof of loss, the Lender Loss Payee or Mortgagee, upon notice, will render proof of loss within 60 days of notice and will be subject to the provisions of the policy relating to an Appraisal, Payment of Loss and No Action Against the Insurers.

C. **Mortgagee Loss Payee**

With respect to any Mortgagee as defined above:

1. The interest of the Mortgagee in **real property** will not be invalidated by:

   a. any act or neglect of the mortgagor or owner of the **real property**;

   b. foreclosures, notice of sale, or similar proceeding with respect to the **real property**;

   c. change in the title or ownership of the **real property**; or

   d. change to an occupancy of the **location** more hazardous than that permitted by this policy.

2. The Mortgagee will notify the Insurer of any known change in ownership or occupancy or increase in hazard of the **real property** that has come to the knowledge of said Mortgagee. The Mortgagee may immediately pay the increased premium associated with such known change. If the Mortgagee fails immediately to notify the Insurer of such known change or fails to pay the increased premium, all coverage under this policy will cease at the time of such premium due date.

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D. **Contract of Sale Loss Payee**

A Contract of Sale Loss Payee is a person or entity who is shown on the Schedule of Loss Payees or Mortgagees or on a certificate of insurance on file with the Insurer and with whom the **Named Insured** has entered a contract for the sale of **Insured Property;** provided that for **Insured Property** in which both the **Named Insured** and such Contract of Sale Loss Payee have an insurable interest, the Insurer will:

1. adjust losses with the **Named Insured**; and
2. pay any claim for loss or damage jointly to the **Named Insured** and such Contract of Sale Loss Payee, as interests may appear.

Such Contract of Sale Loss Payee will be included as a **Named Insured** solely as set forth in Paragraph **X. Other Insurance**.

E. **Building Owner Loss Payee**

1. A **Building** Owner Loss Payee is the owner of the described **building** who is shown on the Schedule of Loss Payees or Mortgagees or on a certificate of insurance on file with the Insurer and in which **building** the **Named Insured** is a tenant.
2. Loss or damage to such **building** will be adjusted with such **Building** Owner Loss Payee. Any loss payment made to such **Building** Owner Loss Payee will satisfy the **Named Insured**'s claims against the Insurer for such **Building** Owner Loss Payee property.
3. Loss or damage to tenants' improvements and betterments will be adjusted with the **Named Insured** unless the lease provides otherwise.

IX. NO BENEFIT TO BAILEE

This insurance shall in no way inure directly or indirectly to the benefit of any transportation carrier or bailee.

X. OTHER INSURANCE

If the **Named Insured** has any other insurance the Insurer will pay only for the amount of covered loss or damage in excess of the amount due from that other insurance, whether the **Named Insured** can collect on it or not. However, the Insurer will not pay more than the applicable Limit of Insurance.

For **Insured Property** that is the subject of a contract of sale, the word **Named Insured** includes the Contract of Sale Loss Payee as set forth above in paragraph VIII. Loss Payees and Mortgagees.

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XI. POLICY PERIOD/COVERAGE TERRITORY

The Insurer will cover loss or damage commencing during the **policy period** and within the **coverage territory** unless otherwise specified.

XII. RECOVERED PROPERTY

If either the **Named Insured** or Insurer recover any property after loss settlement, that party must give the other prompt notice. At the **Named Insured**'s option, the property (other than **money** or **securities**) will be returned to the **Named Insured**. The **Named Insured** must then return to the Insurer the amount it paid to the **Named Insured** for the **insured property**. The Insurer will pay recovery expenses and the expenses to repair the recovered **insured property**, subject to the Limit of Insurance.

With respect to **money** or **securities**, any recoveries, less the cost of obtaining them, made after settlement of loss or damage covered by this **coverage part** will be distributed as follows:

A. to the **Named Insured**, until the **Named Insured** is fully reimbursed for any loss or damage that the **Named Insured** sustains that exceeds the Limit of Insurance and the Deductible amount, if any;

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CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 3/18/2016

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER ONEGROUP NY, Inc. 5232 Witz Drive N. Syracuse NY 13212-6501	CONTACT NAME: Carole Krytusa PHONE (A/C, No, Ext): 315-457-1830 FAX (A/C, No): 315-457-7902 E-MAIL ADDRESS:
	INSURER(S) AFFORDING COVERAGE — NAIC #
INSURED PIODE State Tower Building LLC Pioneer Companies LLC etal 333 West Washington Street Suite 600 Syracuse NY 13202-5254	INSURER A : Wesco Insurance Company, Limited — 11000 INSURER B : INSURER C : INSURER D : INSURER E : INSURER F :

COVERAGES **CERTIFICATE NUMBER:** 2088088831 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
	COMMERCIAL GENERAL LIABILITY						EACH OCCURRENCE	$
	☐ CLAIMS-MADE ☐ OCCUR						DAMAGE TO RENTED PREMISES (Ea occurrence)	$
							MED EXP (Any one person)	$
							PERSONAL & ADV INJURY	$
	GEN'L AGGREGATE LIMIT APPLIES PER:						GENERAL AGGREGATE	$
	☐ POLICY ☐ PRO-JECT ☐ LOC						PRODUCTS - COMP/OP AGG	$
	OTHER:							$
	AUTOMOBILE LIABILITY						COMBINED SINGLE LIMIT (Ea accident)	$
	☐ ANY AUTO						BODILY INJURY (Per person)	$
	☐ ALL OWNED AUTOS ☐ SCHEDULED AUTOS						BODILY INJURY (Per accident)	$
	☐ HIRED AUTOS ☐ NON-OWNED AUTOS						PROPERTY DAMAGE (Per accident)	$
								$
	☐ UMBRELLA LIAB ☐ OCCUR						EACH OCCURRENCE	$
	☐ EXCESS LIAB ☐ CLAIMS-MADE						AGGREGATE	$
	☐ DED ☐ RETENTION $							$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY Y / N			MAC12288005	3/18/2016	3/18/2017	X PER STATUTE ☐ OTH-ER	
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? ☐ N / A (Mandatory in NH)						E.L. EACH ACCIDENT	$500,000
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE	$500,000
							E.L. DISEASE - POLICY LIMIT	$500,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Verification of coverage for closing

CERTIFICATE HOLDER

City of Syracuse Industrial Development Agency
333 West Washington St Suite 130
Syracuse NY 13202

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

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STATE OF NEW YORK
WORKERS' COMPENSATION BOARD

CERTIFICATE OF NYS WORKERS' COMPENSATION INSURANCE COVERAGE

1a. Legal Name and address of Insured (Use street address only) State Tower Building LLC Pioneer Companies LLC etal 333 West Washington Street Suite 600 Syracuse NY 13202-5254 Work Location of Insured (Only required if coverage is specifically limited to certain locations in New York State, i.e. a Wrap -Up Policy)	1b. Business Telephone Number of Insured 315-200-1850 1c. NYS Unemployment Insurance Employer Registration Number of Insured 1d. Federal Employer Identification Number of Insured 810973349
2. Name and Address of the Entity Requesting Proof of Coverage (Entity Being Listed as the Certificate Holder) City of Syracuse Industrial Development Agency 333 West Washington St Suite 130 Syracuse NY 13202	3a. Name of Insurance Carrier Sentinal Insurance Company, Limited 3b. Policy Number of entity listed in box "1a" MAC12288005 3c. Policy effective period: 3/18/2016 to 3/18/2017 3d. The Proprietor, Partners or Executive Officers are: ( ) included (only check here if all partners/officers included) (x) all excluded or certain partners/officers excluded.

This certifies that the insurance carrier indicated above in box "3" insures the business referenced above in box "1a" for workers' compensation under the New York State Workers' Compensation Law. (To use this form, New York (NY) must be listed under Item 3A on the **INFORMATION PAGE of the workers' compensation insurance policy).** The Insurance Carrier or its licensed agent will send this Certificate of Insurance to the entity listed above as the certificate holder in box "2"

The Insurance Carrier will also notify the above certificate holder within 10 days IF a policy is canceled due to nonpayment of premiums or within 30 days IF there are reasons other than nonpayment of premiums that cancel the policy or eliminate the insured from the coverage indicated on this Certificate. (These notices may be sent by regular mail.) Otherwise, this Certificate is valid for one year after this form is approved by the insurance carrier or its licensed agent, or until the policy expiration date listed in box "3c", whichever is earlier.

Please Note: Upon the cancellation of the workers' compensation policy indicated on this form, if the business continues to b e named on a permit, license or contract issued by a certificate holder, the business must provide that certificate h older with a new Certificate of Workers' Compensation Coverage or other authorized proof that the business is complying with the mandatory coverage requirements of the New York State Workers' Compensation Law.

Under penalty of perjury, I certify that I am an authorized representative or licensed agent of the insurance carrier referenced above and that the named insured has the coverage as depicted on this form.

Approved by: Pierre Morrisseau
(Print name of authorized representative or licensed agent of insurance carrier)

Approved by: [signature] 3/18/2016
(Signature) (Date)

Title: CEO

Telephone Number of authorized representative or licensed agent o f insurance carrier: 1-315-363-2100

Please Note: Only insurance carriers and their licensed agents are authorized to issue Form C -105.2. Insurance *brokers are NOT authorized to issue it.*

Workers' Compensation Law

Section 57. Restriction on issue of permits and the entering into contracts unless compensation is secured.

1. The head of a state or municipal department, board, commission or office authorized or required by law to issue any per mit for or in connection with any work involving the employment of employees in a hazardous employment defined b y this chapter, and notwithstanding any general or special statute requiring or authorizing the issue of such per mits, shall not issue such permit unless proof duly subscribed by an insurance carrier is produced in a form satisfactory to the chair, that compensation for all employees has been secured as provided by this chapter. Nothing herein, however, shall be construed as creating any liability on the part of such state or municipal department, board, commission or office to pay any compensation to any such employee if so employed.

2. The head of a state or municipal department, board, commission or office authorized or required by law to enter into any contract for or in connection with any work involving the employment of employees in a hazardous employment defined by this chapter, notwithstanding any general or special statute requiring or authorizing any such contract, shall not enter into any such contract unless proof duly subscribed by an insurance carrier is produced in a form satisfactory to the chair, that compensation for all employees has been secured as provided by this chapter.

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ENVIRONMENTAL COMPLIANCE AND INDEMNIFICATION AGREEMENT

THIS ENVIRONMENTAL COMPLIANCE AND INDEMNIFICATION AGREEMENT (the "***Agreement***") is made as of March 1, 2016, between **STATE TOWER BUILDING, LLC** and **EXPRESSWAY PROPERTIES, L.L.C.** (collectively, the "***Indemnitor***" or the "***Company***"), for the benefit of the **CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY** (the "***Agency***").

RECITALS

WHEREAS, the Agency has undertaken at the request of the Indemnitor, a project (the "***Project***") consisting of: (A)(i) the acquisition of an interest in approximately 1.2 acres of real property improved by an existing twenty-one (21) story, approximately 211,000 square foot building and garage (the "***Building***") located at 201-19 East Genesee Street & Warren Streets, in the City of Syracuse, New York, as more fully described on Schedule A annexed hereto (the "***Land***"); the renovation of the Building for use as a mixed-use complex including Class A office space and retail on the first 8 floors; approximately 57 market-rate studio, one and two bedroom apartment units on the upper 13 floors; significant façade restoration; and a 100 car on-site parking garage, all located on the Land (the "***Facility***"); (iii) the acquisition and installation in and at the Land and Facility of furniture, fixtures and equipment (the "***Equipment***" and together with the Land and the Facility, the "***Project Facility***"); (B) the granting of certain financial assistance in the form of exemptions from State and local sales and use tax and mortgage recording tax (the "***Financial Assistance***"); (C) the appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, renovation and equipping of the Project Facility; and (D) the lease of the Land and Facility by the Agency pursuant to a lease agreement and the acquisition of an interest in the Equipment pursuant to a bill of sale from the Company to the Agency; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement.

NOW, THEREFORE, in consideration of the premises, Ten Dollars ($10.00), and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Indemnitor, intending to be legally bound, jointly and severally, hereby agree as follows:

1. **Recitals; Definitions.**

(a) The foregoing recitals are incorporated into this Agreement by this reference.

(b) Capitalized terms used herein and not otherwise defined shall have the meaning set forth in the Schedule of Definitions attached to the Agency Lease as Exhibit "C."

2. **Representations and Warranties.**

(a) Except as disclosed in Schedule B annexed hereto, Indemnitor represents and warrants that it has no knowledge of any deposit, storage, disposal, burial, discharge,

spillage, uncontrolled loss, seepage or filtration of oil, petroleum or chemical liquids or solids, liquid or gaseous products or any hazardous wastes or hazardous substances (collectively, "***Hazardous Substances***"), as those terms are used in the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 or in any other federal, state or local law governing hazardous substances, as such laws may be amended from time to time (collectively, the "***Hazardous Waste Laws***"), at, upon, under or within the Project Facility or any contiguous real estate, and (ii) it has not caused or permitted to occur, and shall not permit to exist, any condition which may cause a discharge of any Hazardous Substances at, upon, under or within the Project Facility or on any contiguous real estate.

(b) Except as disclosed in the reports listed on Schedule B annexed hereto, Indemnitor further represents and warrants that (i) it has not been nor will be involved in operations at or near the Project Facility which operations could lead to (A) the imposition of liability on Indemnitor or on any subsequent or former owner of the Project Facility or (B) the creation of a lien on the Project Facility under the Hazardous Waste Laws or under any similar laws or regulations; and (ii) it has not permitted, and will not permit, any tenant or occupant of the Project Facility to engage in any activity that could impose liability under the Hazardous Waste Laws on such tenant or occupant, on Agency, the Indemnitor or on any other owner of any of the Project Facility.

3. **Covenants.**

(a) Indemnitor shall comply strictly and in all respects with the requirements of the Hazardous Waste Laws and related regulations and with all similar laws and regulations and shall notify Agency immediately in the event of any discharge or discovery of any Hazardous Substance at, upon, under or within the Project Facility which is not otherwise already disclosed in Schedule B. Indemnitor shall promptly forward to Agency copies of all orders, notices, permits, applications or other communications and reports in connection with any discharge or the presence of any Hazardous Substance or any other matters relating to the Hazardous Waste Laws or any similar laws or regulations, as they may affect the Project Facility.

(b) Promptly upon the written request of Agency, Indemnitor shall provide Agency, at Indemnitor's expense, with an environmental site assessment or environmental audit report prepared by an environmental engineering firm acceptable to the requesting Person, to assess with a reasonable degree of certainty the presence or absence of any Hazardous Substances and the potential costs in connection with abatement, cleanup or removal of any Hazardous Substances found on, under, at or within the Project Facility.

4. **Indemnity.**

(a) Indemnitor shall at all times indemnify and hold harmless Agency against and from any and all claims, suits, actions, debts, damages, costs, losses, obligations, judgments, charges, and expenses, of any nature whatsoever suffered or incurred by Agency, whether as contract vendor, owner, mortgagee, as mortgagee in possession, or as successor-in-interest to Indemnitor by foreclosure deed or deed in lieu of foreclosure, under or on account of the

Hazardous Waste Laws or any similar laws or regulations, including the assertion of any lien thereunder, with respect to:

(1) any discharge of Hazardous Substances, the threat of a discharge of any Hazardous Substances, or the presence of any Hazardous Substances affecting the Project Facility whether or not the same originates or emanates from the Project Facility or any contiguous real estate including any loss of value of the Project Facility as a result of any of the foregoing;

(2) any costs of removal or remedial action incurred by the United States Government or any costs incurred by any other person or damages from injury to, destruction of, or loss of natural resources, including reasonable costs of assessing such injury, destruction or loss incurred pursuant to any Hazardous Waste Laws;

(3) liability for personal injury or property damage arising under any statutory or common law tort theory, including, without limitation, damages assessed for the maintenance of a public or private nuisance or for the carrying on of an abnormally dangerous activity at or near the Project Facility; and/or

(4) any other environmental matter affecting the Project Facility within the jurisdiction of the Environmental Protection Agency, any other federal agency, or any state or local agency.

The obligations of Indemnitor under this Agreement shall arise whether or not the Environmental Protection Agency, any other federal agency or any state or local agency has taken or threatened any action in connection with the presence of any Hazardous Substances.

(b) In the event of any discharge of Hazardous Substances, the threat of a discharge of any Hazardous Substances, or the presence of any Hazardous Substances affecting the Project Facility, whether or not the same originates or emanates from the Project Facility or any contiguous real estate, and/or if Indemnitor shall fail to comply with any of the requirements of the Hazardous Waste Laws or related regulations or any other environmental law or regulation, Agency may at its election, but without the obligation so to do, give such notices and/or cause such work to be performed at the Project Facility and/or take any and all other actions as Agency shall deem necessary or advisable in order to abate the discharge of any Hazardous Substance, remove the Hazardous Substance or cure the noncompliance of Indemnitor.

(c) Indemnitor acknowledges that Agency has relied upon the representations, warranties, covenants and indemnities of Indemnitor in this Agreement. All of the representations, warranties, covenants and indemnities of this Agreement shall survive the repayment of Indemnitor's obligations under the Agency Lease or other Company Documents.

5. **Attorney's Fees**. If Agency retains the services of any attorney in connection with the subject of the indemnity herein, Indemnitor shall pay Agency's costs and reasonable attorneys' fees thereby incurred. Agency may employ an attorney of its own choice.

6. **Interest**. In the event that Agency incurs any obligations, costs or expenses under this Agreement, Indemnitor shall pay such Person immediately on demand, and if such payment is not received within ten (10) days, interest on such amount shall, after the expiration of the ten-day period, accrue at the interest rate set forth in the Agency Lease until such amount, plus interest, is paid in full.

7. **No Waiver**. Notwithstanding any terms of the Company Documents to the contrary, the liability of Indemnitor under this Agreement shall in no way be limited or impaired by: (i) any extensions of time for performance required by any of the Company Documents; (ii) any sale, assignment or foreclosure of the Agency Lease or any sale or transfer of all or part of the Project Facility; (iii) the accuracy or inaccuracy of the representations and warranties made by Indemnitor under any of the Company Documents; or (iv) the release of Indemnitor or any other person from performance or observance of any of the agreements, covenants, terms or conditions contained in the Company Documents by operation of law, Agency's voluntary act, or otherwise; and, in any such case, whether with or without notice to Indemnitor and with or without consideration.

8. **Waiver by Indemnitor**. Indemnitor waives any right or claim of right to cause a marshalling of Indemnitor's assets or to cause Agency to proceed against any of the security for the Agency Lease before proceeding under this Agreement against Indemnitor or to proceed against Indemnitor in any particular order; Indemnitor agrees that any payments required to be made hereunder shall become due on demand; Indemnitor expressly waives and relinquishes all rights and remedies (including any rights of subrogation) accorded by applicable law to indemnitors or guarantors.

9. **Releases**. Any one or more of Indemnitor and any other party liable upon or in respect of this Agreement or the Agency Lease may be released without affecting the liability of any party not so released.

10. **Amendments.** No provision of this Agreement may be changed, waived, discharged or terminated orally, by telephone or by any other means except by an instrument in writing signed by the party against whom enforcement of the change, waiver, discharge or termination is sought.

11. **Joint and Several Liability**. In the event that this Agreement is executed by more than one party as Indemnitor, the liability of such parties is joint and several. A separate action or actions may be brought and prosecuted against each Indemnitor, whether or not an action is brought against any other person or whether or not any other person is joined in such action or actions.

12. **Consent to Jurisdiction.** Indemnitor consents to the exercise of personal jurisdiction over Indemnitor by any federal or state court in the State of New York and consent to the laying of venue in any jurisdiction or locality in the City of Syracuse. Service shall be effected by any means permitted by the court in which any action is filed.

13. **Notices.** All notices, certificates, and other communications hereunder shall be in writing, shall be sufficiently given, and shall be deemed given when (a) sent to the

applicable address stated below by registered or certified mail, return receipt requested, and actually received by the intended recipient or by overnight courier or such other means as shall provide the sender with documentary evidence of such delivery, or (b) delivery is refused by the addressee as evidenced by the affidavit of the Person who attempted to effect such delivery. The addresses to which notices, certificates, and other communications hereunder shall be delivered are as follows:

(a) If to the Agency, to:

City of Syracuse Industrial Development Agency
333 West Washington Street, Suite 130
Syracuse, New York 13202
Attention: Chairman

With a copy to:

City of Syracuse
233 East Washington Street
Syracuse, New York 13202
Attn: Corporation Counsel

(b) To the Company:

State Tower Building, LLC
c/o Pioneer Companies
333 West Washington Street, Suite 600
Syracuse, New York 13202
Attn: Melissa Zell and Mark Roney

and

Expressway Properties, L.L.C.
108 E. Genesee Street
Skaneateles, New York 13152
Attn: W. Davies Birchenough, Jr.

With a copy to:

Bousquet Holstein, PLLC
110 West Fayette Street
One Lincoln Center, Suite 900
Syracuse, New York 13202
Attn: Terri M. Roney, Esq.

The Agency and the Company, may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates, and other communications shall be sent.

14. **Waivers.** The parties waive trial by jury in any action brought on, under or by virtue of this Agreement. Indemnitor waives any right to require Agency at any time to pursue any remedy in such Person's power whatsoever. The failure of Agency to insist upon strict compliance with any of the terms hereof shall not be considered to be a waiver of any such terms, nor shall it prevent Agency from insisting upon strict compliance with this Agreement or any other Company Document at any time thereafter.

15. **Severability**. If any clause or provisions herein contained operates or would prospectively operate to invalidate this Agreement in whole or in part, then such clause or provision shall be held for naught as though not contained herein, and the remainder of this Agreement shall remain operative and in full force and effect.

16. **Inconsistencies Among the Company Documents**. Nothing contained herein is intended to modify in any way the obligations of Indemnitor under the Agency Lease or any other Company Document. Any inconsistencies among the Company Documents shall be construed, interpreted and resolved so as to benefit Agency.

17. **Successors and Assigns**. This Agreement shall be binding upon Indemnitor's successors, assigns, heirs, personal representatives and estate and shall inure to the benefit of Agency and its successors and assigns.

18. **Controlling Laws.** This Agreement shall be governed by and construed in accordance with the laws of the State of New York.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, Indemnitor has executed this Agreement as of the date first above written.

STATE TOWER BUILDING, LLC

By: _____
Mark W. Roney, Authorized Signatory

EXPRESSWAY PROPERTIES, L.L.C.

By: _____
David Loftus, Authorized Signatory

STATE OF NEW YORK)
) SS.:
COUNTY OF ONONDAGA)

On the 21st day of March, 2016, before me, the undersigned, personally appeared **Mark W. Roney,** personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual or the person upon behalf of which the individual acted, executed the instrument.

_____
Notary Public

LORI L. McROBBIE
Notary Public, State of New York
Qualified in Onondaga Co. No. 01MC5055591
Commission Expires on Feb. 12, 20 18

STATE OF NEW YORK)
) SS.:
COUNTY OF ONONDAGA)

On the 21st day of March, 2016, before me, the undersigned, personally appeared **David Loftus,** personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual or the person upon behalf of which the individual acted, executed the instrument.

_____
Notary Public

LORI L. McROBBIE
Notary Public, State of New York
Qualified in Onondaga Co. No. 01MC5055591
Commission Expires on Feb. 12, 20 18

SCHEDULE A

LEGAL DESCRIPTION

All that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the City of Syracuse, County of Onondaga and State of New York, known and designated a Lots Nos. 1, 2, 3, 4, 5, 6, 7, part of 19 and 20, the latter Lot also known as Lot A, all being Block 103 in said City, bounded and described as follows: Beginning at the intersection of the east line of South Warren Street and the south line of East Water Street; thence South 0° 03' 30" west, on the east line of South Warren Street, 67.68 feet to the northerly line of East Genesee Street; thence South 59° 45' 20" east along the northerly line of East Genesee Street, 196.49 feet; thence North 29° 58' 40" east, 79.51 feet to a point; thence North 59° 45' 20" west, 1.42 feet; thence North 30° 14' 40" east, 16.49 feet to a point; thence North 0° 26' 20" East, 0.67 feet to a point; thence South 89° 33' 40" east, 1.37 feet to a point; thence North 0° 26' 20" east 5.49 feet to a point in the south line of Falker property; thence North 0° 03' 40" west 75 feet to the south line of East Water Street; thence North 89° 33' 40" west, along the southerly line of East Water Street 217.83 feet to the point and place of beginning.

SCHEDULE "B"

EXCEPTIONS

NONE

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CLOSING RECEIPT

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY
LEASE/SUBLEASE TRANSACTION
STATE TOWER BUILDING PROJECT

CLOSING RECEIPT executed March 21, 2016 by the City of Syracuse Industrial Development Agency (the "***Agency***") and **STATE TOWER BUILDING, LLC** and **EXPRESSWAY PROPERTIES, L.L.C.** (collectively, the "***Company***") in connection with a certain project (the "***Project***") consisting of: (A)(i) the acquisition of an interest in approximately 1.2 acres of real property improved by an existing twenty-one (21) story, approximately 211,000 square foot building and garage (the "***Building***") located at 201-19 East Genesee Street & Warren Streets, in the City of Syracuse, New York (the "***Land***"); the renovation of the Building for use as a mixed-use complex including Class A office space and retail on the first 8 floors; approximately 57 market-rate studio, one and two bedroom apartment units on the upper 13 floors; significant façade restoration; and a 100 car on-site parking garage, all located on the Land (the "***Facility***"); (iii) the acquisition and installation in and at the Land and Facility of furniture, fixtures and equipment (the "***Equipment***" and together with the Land and the Facility, the "***Project Facility***"); (B) the granting of certain financial assistance in the form of exemptions from State and local sales and use tax and mortgage recording tax (the "***Financial Assistance***"); (C) the appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, renovation and equipping of the Project Facility; and (D) the lease of the Land and Facility by the Agency pursuant to a lease agreement and the acquisition of an interest in the Equipment pursuant to a bill of sale from the Company to the Agency; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement.

W I T N E S S E T H :

(1) The Agency has executed, delivered, sealed and acknowledged, where appropriate, the documents to which it is a party, and acknowledges receipt from the Company of its administrative fee.

(2) The Company has executed, delivered, sealed and acknowledged, where appropriate, the documents to which it is a party.

(Signature page to Closing Receipt)

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY

By: _____
William M. Ryan, Chairman

STATE TOWER BUILDING, LLC

By: _____
Mark W. Roney, Authorized Signatory

EXPRESSWAY PROPERTIES, L.L.C.

By: _____
David Loftus, Authorized Signatory

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City of Syracuse
Industrial Development Agency
333 West Washington Street, Suite 130
Syracuse, NY 13202
Tel (315) 473-3275 Fax (315) 435-3669

March 1, 2016

State Tower Building, LLC
c/o Pioneer Companies
333 West Washington Street, Suite 600
Syracuse, New York 13202
Attn: Mark W. Roney

Re: City of Syracuse Industrial Development Agency
State Tower Building Project
Sales Tax Appointment Letter

Dear Mr. Roney:

Pursuant to a resolution duly adopted on March 9, 2016, the City of Syracuse Industrial Development Agency (the "***Agency***") State Tower Building, LLC ("***State Tower***") and Expressway Properties, LLC (the "***Expressway***" and together with State Tower, collectively the "***Company***") the true and lawful agents of the Agency to undertake a project (the "***Project***") consisting of: (A)(i) the acquisition of an interest in approximately 1.2 acres of real property improved by an existing twenty-one (21) story, approximately 211,00 square foot building and garage (the "***Building***") located at 201-19 East Genesee Street & Warren Streets, in the City of Syracuse, New York (the "***Land***"); the renovation of the Building for use as a mixed-use complex including Class A office space and retail on the first 8 floors; approximately 57 market-rate studio, one and two bedroom apartment units on the upper 13 floors; significant façade restoration; and a 100 car on-site parking garage, all located on the Land (the "***Facility***"); (iii) the acquisition and installation in and at the Land and Facility of furniture, fixtures and equipment (the "***Equipment***" and together with the Land and the Facility, the "***Project Facility***"); (B) the granting of certain financial assistance in the form of exemptions from State and local sales and use tax and mortgage recording tax (the "***Financial Assistance***"); (C) the appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, renovation and equipping of the Project Facility; and (D) the lease of the Land and Facility by the Agency pursuant to a lease agreement and the acquisition of an interest in the Equipment pursuant to a bill of sale from the Company to the Agency; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement. The amount of State and local sales and use tax exemption benefits comprising the Financial Assistance approved by the Agency for the benefit of the Project shall not exceed, in the aggregate, $803,886.

This appointment includes, and this letter evidences, authority to purchase on behalf of the Agency all materials to be incorporated into and made an integral part of the Project Facility and the following activities as they relate to any renovation, improvement and equipping of any of any buildings, whether or not any materials, equipment or supplies described below are incorporated into or become an integral part of such buildings: (1) all purchases, leases, rentals and other uses of tools, machinery and equipment in connection with renovation, improvement and equipping; (2) all purchases, rentals, uses or consumption of supplies, materials, utilities and services of every kind and description used in connection with renovation, improvement and equipping; and (3) all purchases, leases, rentals and uses of equipment, machinery and other tangible personal property (including installation costs), installed or placed in, upon or under such building or facility, including all repairs and replacements of such property, and with respect to such specific purchases or rentals, are exempt from any sales or use tax imposed by the State of New York or any governmental instrumentality located within the State of New York.

This agency appointment includes the power to delegate such agency, in whole or in part, to a Project operator, contractors, agents, subagents, subcontractors, contractors and subcontractors of such agents and subagents (collectively, "***Additional Agents***"). However, if an Additional Agent is going to be purchasing or renting construction materials, equipment, tools and/or supplies that do not become part of the Project Facility, such Additional Agent must be specifically appointed by State Tower in accordance and compliance with the terms of the Agency Lease ("***Appointed Additional Agents***"). Additional Agents who purchase construction materials, equipment and/or supplies that become part of the Project Facility need not be specifically appointed as an agent of the Agency. State Tower hereby agrees to complete "IDA Appointment of Project Operator or Agent for Sales Tax Purposes" (Form ST-60) for itself and each Appointed Additional Agent who provide materials, equipment, supplies or services to the Project Facility and deliver said form to the Agency within fifteen (15) days of appointment such that the Agency can execute and deliver said form to the State Department of Taxation and Finance within thirty (30) days of appointment. The Agency's obligation to execute any Form ST-60 relative to an Appointed Additional Agent is subject to the satisfaction of the conditions in the Agency Lease relative to such appointments.

State Tower agrees, whenever requested by the Agency, to provide, or cause its Additional Agents whether appointed or not, to provide and certify, or cause to be certified, such information regarding use of local labor, job creation, exemptions from State and local sales and use tax, real property taxes and mortgage recording taxes and other topics as the Agency from time to time reasonably considers necessary or appropriate, including, but not limited to, such information as to enable the Agency to make any reports required by law or governmental regulation, including but not limited to those required by §875 of the Act.

State Tower acknowledges and agrees that pursuant to Section 875(3) of the Act, and in connection with Agency policy, the Agency shall recover, recapture, receive or otherwise obtain from State Tower the portion of the Financial Assistance (the "***Recapture Amount***") consisting of: (1) (a) that portion of the State and local Sales and Use Tax exemption to which State Tower,

or its Additional Agents, was not entitled, which is in excess of the amount of the State and local Sales and Use tax exemption authorized by the Agency or which is for property or services not authorized by the Agency or unrelated to the Project Facility; or (b) the full amount of such State and local Sales and Use Tax exemption, if State Tower fails to comply with a material term or condition regarding the use of the property or services as provided in the Agency Documents; (2) together with any interest or penalties thereon imposed by the Agency or by operation of law or by judicial order or otherwise. The failure of State Tower to promptly pay such Recapture Amount to the Agency will be grounds for the State Commissioner of Taxation and Finance (the "***Commissioner***") to collect the State Sales and Use Taxes from State Tower under Article 28 of the State Tax Law, together with interest and penalties and for the Agency to take, or cause to be taken, any and all action necessary to collect the local portion of the sales tax comprising the Recapture Amount.

Each supplier or vendor should identify the Project Facility on each bill or invoice and indicate thereon which of State Tower or its Additional Agents acted as agent for the Agency in making the purchase.

In order to be entitled to use this exemption, you and each Appointed Additional Agent should present to the supplier or other vendor of materials for the Project Facility, a completed "IDA Agent or Project Operator Exempt Purchase Certificate" (Form ST-123)[1].

In addition, General Municipal Law §874(8) requires you to file an Annual Statement with the New York State Department of Taxation and Finance ("***NYSDTF***") on "Annual Report of Sales and Use Tax Exemptions" (Form ST-340) regarding the value of sales and use tax exemptions you, your Additional Agents have claimed pursuant to the agency we have conferred on you with respect to this project. The penalty for failure to file such statement is the removal of your authority to act as our agent. In addition, you must provide a copy of the completed Form ST-340 to the Agency within ten (10) days of the date it is due to be filed with the NYSDTF.

The agency created by this letter is limited to the Project Facility, and will expire on the earlier of: (i) **May 1, 2017**, (ii) the issuance of a certificate of occupancy by the City; or (iii) the termination of the Agency Lease. You may apply to extend this agency authority by showing good cause.

This letter is provided for the sole purpose of evidencing, in part, the exemption from New York State Sales and Use Taxes **for this project only**. No other principal/agent relationship is intended or may be implied or inferred by this letter.

[1] Additional Agents who have not been specifically appointed as an agent of the Agency should use Form ST 120.1 for purchases or rentals of construction materials, equipment, tools and/or supplies that are affixed to or become part of the Project Facility.

The Agency shall not be liable, either directly or indirectly or contingently, upon any such contract, agreement, invoice, bill or purchase order in any manner and to any extent whatsoever (including payment or performance obligations), and State Tower shall be the sole party liable thereunder. By acceptance of this letter, the vendor hereby acknowledges the limitations on liability described herein.

Very truly yours

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY

By: _____
William M Ryan, Chairman

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City of Syracuse
Industrial Development Agency
333 West Washington Street, Suite 130
Syracuse, NY 13202
Tel (315) 473-3275 Fax (315) 435-3669

March 1, 2016

Expressway Properties, L.L.C.
108 E. Genesee Street
Skaneateles, New York 13152
Attn: W. Davies Birchenough, Jr.

Re: City of Syracuse Industrial Development Agency
State Tower Building Project
Sales Tax Appointment Letter

Dear Mr. Birchenough:

Pursuant to a resolution duly adopted on March 9, 2016, the City of Syracuse Industrial Development Agency (the "***Agency***") State Tower Building, LLC ("***State Tower***") and Expressway Properties, LLC ("***Expressway***" and together with State Tower, collectively the "***Company***") the true and lawful agents of the Agency to undertake a project (the "***Project***") consisting of: (A)(i) the acquisition of an interest in approximately 1.2 acres of real property improved by an existing twenty-one (21) story, approximately 211,000 square foot building and garage (the "***Building***") located at 201-19 East Genesee Street & Warren Streets, in the City of Syracuse, New York (the "***Land***"); the renovation of the Building for use as a mixed-use complex including Class A office space and retail on the first 8 floors; approximately 57 market-rate studio, one and two bedroom apartment units on the upper 13 floors; significant façade restoration; and a 100 car on-site parking garage, all located on the Land (the "***Facility***"); (iii) the acquisition and installation in and at the Land and Facility of furniture, fixtures and equipment (the "***Equipment***" and together with the Land and the Facility, the "***Project Facility***"); (B) the granting of certain financial assistance in the form of exemptions from State and local sales and use tax and mortgage recording tax (the "***Financial Assistance***"); (C) the appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, renovation and equipping of the Project Facility; and (D) the lease of the Land and Facility by the Agency pursuant to a lease agreement and the acquisition of an interest in the Equipment pursuant to a bill of sale from the Company to the Agency; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement. The amount of State and local sales and use tax exemption benefits comprising the Financial Assistance approved by the Agency for the benefit of the Project shall not exceed, in the aggregate, $803,886.

This appointment includes, and this letter evidences, authority to purchase on behalf of the Agency all materials to be incorporated into and made an integral part of the Project Facility and the following activities as they relate to any renovation, improvement and equipping of any of any buildings, whether or not any materials, equipment or supplies described below are incorporated into or become an integral part of such buildings: (1) all purchases, leases, rentals and other uses of tools, machinery and equipment in connection with renovation, improvement and equipping; (2) all purchases, rentals, uses or consumption of supplies, materials, utilities and services of every kind and description used in connection with renovation, improvement and equipping; and (3) all purchases, leases, rentals and uses of equipment, machinery and other tangible personal property (including installation costs), installed or placed in, upon or under such building or facility, including all repairs and replacements of such property, and with respect to such specific purchases or rentals, are exempt from any sales or use tax imposed by the State of New York or any governmental instrumentality located within the State of New York.

This agency appointment includes the power to delegate such agency, in whole or in part, to a Project operator, contractors, agents, subagents, subcontractors, contractors and subcontractors of such agents and subagents (collectively, "***Additional Agents***"). However, if an Additional Agent is going to be purchasing or renting construction materials, equipment, tools and/or supplies that do not become part of the Project Facility, such Additional Agent must be specifically appointed by Expressway in accordance and compliance with the terms of the Agency Lease ("***Appointed Additional Agents***"). Additional Agents who purchase construction materials, equipment and/or supplies that become part of the Project Facility need not be specifically appointed as an agent of the Agency. Expressway hereby agrees to complete "IDA Appointment of Project Operator or Agent for Sales Tax Purposes" (Form ST-60) for itself and each Appointed Additional Agent who provide materials, equipment, supplies or services to the Project Facility and deliver said form to the Agency within fifteen (15) days of appointment such that the Agency can execute and deliver said form to the State Department of Taxation and Finance within thirty (30) days of appointment. The Agency's obligation to execute any Form ST-60 relative to an Appointed Additional Agent is subject to the satisfaction of the conditions in the Agency Lease relative to such appointments.

Expressway agrees, whenever requested by the Agency, to provide, or cause its Additional Agents whether appointed or not, to provide and certify, or cause to be certified, such information regarding use of local labor, job creation, exemptions from State and local sales and use tax, real property taxes and mortgage recording taxes and other topics as the Agency from time to time reasonably considers necessary or appropriate, including, but not limited to, such information as to enable the Agency to make any reports required by law or governmental regulation, including but not limited to those required by §875 of the Act.

Expressway acknowledges and agrees that pursuant to Section 875(3) of the Act, and in connection with Agency policy, the Agency shall recover, recapture, receive or otherwise obtain from Expressway the portion of the Financial Assistance (the "***Recapture Amount***") consisting of: (1) (a) that portion of the State and local Sales and Use Tax exemption to which Expressway,

or its Additional Agents, was not entitled, which is in excess of the amount of the State and local Sales and Use tax exemption authorized by the Agency or which is for property or services not authorized by the Agency or unrelated to the Project Facility; or (b) the full amount of such State and local Sales and Use Tax exemption, if Expressway fails to comply with a material term or condition regarding the use of the property or services as provided in the Agency Documents; (2) together with any interest or penalties thereon imposed by the Agency or by operation of law or by judicial order or otherwise. The failure of Expressway to promptly pay such Recapture Amount to the Agency will be grounds for the State Commissioner of Taxation and Finance (the "***Commissioner***") to collect the State Sales and Use Taxes from Expressway under Article 28 of the State Tax Law, together with interest and penalties and for the Agency to take, or cause to be taken, any and all action necessary to collect the local portion of the sales tax comprising the Recapture Amount.

Each supplier or vendor should identify the Project Facility on each bill or invoice and indicate thereon which of Expressway or its Additional Agents acted as agent for the Agency in making the purchase.

In order to be entitled to use this exemption, you and each Appointed Additional Agent should present to the supplier or other vendor of materials for the Project Facility, a completed "IDA Agent or Project Operator Exempt Purchase Certificate" (Form ST-123)[1].

In addition, General Municipal Law §874(8) requires you to file an Annual Statement with the New York State Department of Taxation and Finance ("***NYSDTF***") on "Annual Report of Sales and Use Tax Exemptions" (Form ST-340) regarding the value of sales and use tax exemptions you, your Additional Agents have claimed pursuant to the agency we have conferred on you with respect to this project. The penalty for failure to file such statement is the removal of your authority to act as our agent. In addition, you must provide a copy of the completed Form ST-340 to the Agency within ten (10) days of the date it is due to be filed with the NYSDTF.

The agency created by this letter is limited to the Project Facility, and will expire on the earlier of: (i) **May 1, 2017**, (ii) the issuance of a certificate of occupancy by the City; or (iii) the termination of the Agency Lease. You may apply to extend this agency authority by showing good cause.

This letter is provided for the sole purpose of evidencing, in part, the exemption from New York State Sales and Use Taxes **for this project only**. No other principal/agent relationship is intended or may be implied or inferred by this letter.

[1] Additional Agents who have not been specifically appointed as an agent of the Agency should use Form ST 120.1 for purchases or rentals of construction materials, equipment, tools and/or supplies that are affixed to or become part of the Project Facility.

The Agency shall not be liable, either directly or indirectly or contingently, upon any such contract, agreement, invoice, bill or purchase order in any manner and to any extent whatsoever (including payment or performance obligations), and Expressway shall be the sole party liable thereunder. By acceptance of this letter, the vendor hereby acknowledges the limitations on liability described herein.

Very truly yours

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY

By: _____
William M Ryan, Chairman

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New York State Department of Taxation and Finance

IDA Appointment of Project Operator or Agent
For Sales Tax Purposes

ST-60
(4/13)

The industrial development agency or authority (IDA) must submit this form within 30 days of the appointment of a project operator or agent, whether appointed directly by the IDA or indirectly by the operator or another agent.

For IDA use only

Name of IDA: City of Syracuse Industrial Development Agency		IDA project number (use OSC numbering system for projects after 1998): 31021604
Street address: 333 West Washington Street, Suite 130		Telephone number: (315) 473-3275
City: Syracuse	State: NY	ZIP code: 13202
Name of IDA project operator or agent: State Tower Building, LLC	Mark an X in the box if directly appointed by the IDA: [X]	Employer identification or social security number: 81-0973349
Street address: c/o Pioneer Companies, 333 West Washington Street, Suite 600	Telephone number: (315) 471-2181	Primary operator or agent? [X] Yes [ ] No
City: Syracuse	State: NY	ZIP code: 13202
Name of project: State Tower Building, LLC Project	Purpose of project *(see instructions)*: other - commercial	
Street address of project site: 201-19 East Genesee Street		
City: Syracuse	State: NY	ZIP code:

Description of goods and services intended to be exempted from New York State and local sales and use taxes

building materials, equipment, fixtures and furnishings installed in the Project Facility

Date project operator or agent appointed *(mm/dd/yy)*: 03/01/16	Date project operator or agent status ends *(mm/dd/yy)*: 05/01/17	Mark an X in the box if this is an extension to an original project: [ ]
Estimated value of goods and services that will be exempt from New York State and local sales and use tax: $10,048,570	Estimated value of New York State and local sales and use tax exemption provided: $803,886	

Certification: I certify that the above statements are true, complete, and correct, and that no material information has been omitted. I make these statements with the knowledge that willfully providing false or fraudulent information with this document may constitute a felony or other crime under New York State Law, punishable by a substantial fine and possible jail sentence. I also understand that the Tax Department is authorized to investigate the validity of any information entered on this document.

Print name of officer or employee signing on behalf of the IDA: William M. Ryan	Print title: Chairman	
Signature	Date: 3-18-16	Telephone number: (315) 473-3275

Instructions

Filing requirements

An IDA must file this form within 30 days of the date the IDA appoints any project operator or other person as agent of the IDA, for purposes of extending any sales and compensating use tax exemptions.

The IDA must file a separate form for each person it appoints as agent, whether directly or indirectly, and regardless of whether the person is the primary project operator or agent. If the IDA authorizes a project operator or agent to appoint other persons as agent of the IDA, the operator or agent making such an appointment must advise the IDA that it has done so, so that the IDA can file a form within 30 days of the date of the new agent's appointment. The IDA should not file this form for a person hired to work on an IDA project if that person is not appointed as agent of the IDA. The IDA need not file this form if the IDA does not extend any sales or use tax exemption benefits for the project.

If an IDA modifies a project, such as by extending it beyond its original completion date, or by increasing or decreasing the amount of sales and use tax exemption benefits authorized for the project, the IDA must, within 30 days of the change, file a new form with the new information.

If an IDA amends, revokes, or cancels the appointment of an agent, or if an agent's appointment becomes invalid for any reason, the IDA must, within 30 days, send a letter to the address below for filing this form, indicating that the appointment has been amended, revoked, or cancelled, or is no longer valid, and the effective date of the change. It should attach to the letter a copy of the form it originally filed. The IDA need not send a letter for a form that is not valid merely because the "Completion date of project" has passed

Purpose of project

For *Purpose of project*, enter one of the following:

- Services
- Agriculture, forestry, fishing
- Finance, insurance, real estate
- Transportation, communication, electric, gas, sanitary services
- Construction
- Wholesale trade
- Retail trade
- Manufacturing
- Other (specify)

Mailing instructions

Mail completed form to:

NYS TAX DEPARTMENT
IDA UNIT
W A HARRIMAN CAMPUS
ALBANY NY 12227

Privacy notification

The Commissioner of Taxation and Finance may collect and maintain personal information pursuant to the New York State Tax Law, including but not limited to, sections 5-a, 171, 171-a, 287, 308, 429, 475, 505, 697, 1096, 1142, and 1415 of that Law; and may require disclosure of social security numbers pursuant to 42 USC 405(c)(2)(C)(i).

This information will be used to determine and administer tax liabilities and, when authorized by law, for certain tax offset and exchange of tax information programs as well as for any other lawful purpose.

Information concerning quarterly wages paid to employees is provided to certain state agencies for purposes of fraud prevention, support enforcement, evaluation of the effectiveness of certain employment and training programs and other purposes authorized by law.

Failure to provide the required information may subject you to civil or criminal penalties, or both, under the Tax Law.

This information is maintained by the Manager of Document Management, NYS Tax Department, W A Harriman Campus, Albany NY 12227; telephone (518) 457-5181.

Need help?

Internet access: ***www.tax.ny.gov***
(for information, forms, and publications)

Sales Tax Information Center: (518) 485-2889

To order forms and publications: (518) 457-5431

Text Telephone (TTY) Hotline
(for persons with hearing and speech disabilities using a TTY): (518) 485-5082

BARCLAY DAMON LLP

Susan R. Katzoff
Partner

March 28, 2016

VIA CERTIFIED MAIL
7015 0640 0003 3543 9936

New York State Tax Department
IDA Unit
Building 8, Room 738
W.A. Harriman Campus
Albany, New York 12227

Re: IDA Appointment of Project Operator or Agent for Sales Tax Purposes
City of Syracuse Industrial Development Agency Appointment of
State Tower Building, LLC and Expressway Properties, L.L.C.
State Tower Building, LLC Project
IDA Project No. 31021604

Dear Ladies and Gentlemen:

Enclosed for filing on behalf of the City of Syracuse Industrial Development Agency, please find form ST-60 in connection with the appointment by the IDA of State Tower Building, LLC and Expressway Properties, L.L.C. as its agents for sales tax purposes in connection with the IDA project identified therein.

Please do not hesitate to contact me with any questions. Thank you.

7015 0640 0003 3543 9936

ENDER: *COMPLETE THIS SECTION*

Complete Items 1, 2, and 3.
Print your name and address on the reverse so that we can return the card to you.
Attach this card to the back of the mailpiece, or on the front if space permits.

Article Addressed to:

New York State Tax Department
IDA Unit
Building 8, Room 738
W.A. Harriman Campus
Albany, New York 12227

9590 9403 0673 5196 5135 46

Article Number *(Transfer from service label)*
7015 0640 0003 3543 9936

COMPLETE THIS SECTION ON DELIVERY

A. Signature
X ☐ Agent ☐ Addressee

B. Received by *(Printed Name)* C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

REC'D NY TAX DEPT
ALBANY, NY 12227
MAR 3 0 2016

3. Service Type
☐ Adult Signature
☐ Adult Signature Restricted Delivery
☑ Certified Mail®
☐ Certified Mail Restricted Delivery
☐ Collect on Delivery
☐ Collect on Delivery Restricted Delivery
☐ Insured Mail
☐ Insured Mail Restricted Delivery (over $500)
☐ Priority Mail Express®
☐ Registered Mail™
☐ Registered Mail Restricted Delivery
☑ Return Receipt for Merchandise
☐ Signature Confirmation™
☐ Signature Confirmation Restricted Delivery

PS Form 3811, April 2015 PSN 7530-02-000-9053 Domestic Return Receipt

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail Only
For delivery information, visit our website at www.usps.com®

OFFICIAL USE

Certified Mail Fee $
Extra Services & Fees (check box, add fee as appropriate)
☐ Return Receipt (hardcopy) $
☐ Return Receipt (electronic) $
☐ Certified Mail Restricted Delivery $
☐ Adult Signature Required $
☐ Adult Signature Restricted Delivery $
Postage $
Total Postage and Fees $
Sent To
Street and Apt. No., or PO Box No.
City, State, ZIP+4®

Postmark Here

16

New York State Department of Taxation and Finance

IDA Appointment of Project Operator or Agent

For Sales Tax Purposes

ST-60
(4/13)

The industrial development agency or authority (IDA) **must** submit this form within 30 days of the appointment of a project operator or agent, whether appointed directly by the IDA or indirectly by the operator or another agent.

For IDA use only

Name of IDA: City of Syracuse Industrial Development Agency		IDA project number (use OSC numbering system for projects after 1998): 31021604	
Street address: 333 West Washington Street, Suite 130		Telephone number: (315) 473-3275	
City: Syracuse		State: NY	ZIP code: 13202
Name of IDA project operator or agent: Expressway Properties, L.L.C.	Mark an X in the box if directly appointed by the IDA: [X]	Employer identification or social security number: 75-3189791	
Street address: 108 E. Genesee Street	Telephone number: ( )	Primary operator or agent? [X] Yes [ ] No	
City: Skaneateles		State: NY	ZIP code: 13152
Name of project: State Tower Building, LLC Project	Purpose of project *(see instructions)*: other - commercial		
Street address of project site: 201-19 East Genesee Street			
City: Syracuse		State: NY	ZIP code:

Description of goods and services intended to be exempted from New York State and local sales and use taxes

building materials, equipment, fixtures and furnishings installed in the Project Facility

Date project operator or agent appointed *(mm/dd/yy)*: 03/01/16	Date project operator or agent status ends *(mm/dd/yy)*: 05/01/17	Mark an X in the box if this is an extension to an original project. [ ]
Estimated value of goods and services that will be exempt from New York State and local sales and use tax: $10,048,570	Estimated value of New York State and local sales and use tax exemption provided: $803,886	

Certification: I certify that the above statements are true, complete, and correct, and that no material information has been omitted. I make these statements with the knowledge that willfully providing false or fraudulent information with this document may constitute a felony or other crime under New York State Law, punishable by a substantial fine and possible jail sentence. I also understand that the Tax Department is authorized to investigate the validity of any information entered on this document.

Print name of officer or employee signing on behalf of the IDA: William M. Ryan	Print title: Chairman	
Signature: [signature]	Date: 3-18-16	Telephone number: (315) 473-3275

Instructions

Filing requirements

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Purpose of project

For *Purpose of project*, enter one of the following:

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- Finance, insurance, real estate
- Transportation, communication, electric, gas, sanitary services
- Construction
- Wholesale trade
- Retail trade
- Manufacturing
- Other (specify)

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IDA UNIT
W A HARRIMAN CAMPUS
ALBANY NY 12227

Privacy notification

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This information will be used to determine and administer tax liabilities and, when authorized by law, for certain tax offset and exchange of tax information programs as well as for any other lawful purpose.

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(for information, forms, and publications)

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To order forms and publications: (518) 457-5431

Text Telephone (TTY) Hotline (for persons with hearing and speech disabilities using a TTY): (518) 485-5082

BARCLAY DAMON LLP

Susan R. Katzoff
Partner

March 28, 2016

VIA CERTIFIED MAIL
7015 0640 0003 3543 9936

New York State Tax Department
IDA Unit
Building 8, Room 738
W.A. Harriman Campus
Albany, New York 12227

Re: IDA Appointment of Project Operator or Agent for Sales Tax Purposes
City of Syracuse Industrial Development Agency Appointment of
State Tower Building, LLC and Expressway Properties, L.L.C.
State Tower Building, LLC Project
IDA Project No. 31021604

Dear Ladies and Gentlemen:

Enclosed for filing on behalf of the City of Syracuse Industrial Development Agency, please find form ST-60 in connection with the appointment by the IDA of State Tower Building, LLC and Expressway Properties, L.L.C. as its agents for sales tax purposes in connection with the IDA project identified therein.

Please do not hesitate to contact me with any questions. Thank you.

7015 0640 0003 3543 9936

SENDER: COMPLETE THIS SECTION

Complete Items 1, 2, and 3.
Print your name and address on the reverse so that we can return the card to you.
Attach this card to the back of the mailpiece, or on the front if space permits.

Article Addressed to:

New York State Tax Department
IDA Unit
Building 8, Room 738
W.A. Harriman Campus
Albany, New York 12227

9590 9403 0673 5196 5135 46

Article Number *(Transfer from service label)*
7015 0640 0003 3543 9936

COMPLETE THIS SECTION ON DELIVERY

A. Signature
X ☐ Agent ☐ Addressee

B. Received by *(Printed Name)* C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

REC'D NY TAX DEPT
ALBANY, NY 12227
MAR 3 0 2016

3. Service Type
☐ Adult Signature
☐ Adult Signature Restricted Delivery
☑ Certified Mail®
☐ Certified Mail Restricted Delivery
☐ Collect on Delivery
☐ Collect on Delivery Restricted Delivery
☐ Insured Mail
☐ Insured Mail Restricted Delivery (over $500)
☐ Priority Mail Express®
☐ Registered Mail™
☐ Registered Mail Restricted Delivery
☒ Return Receipt for Merchandise
☐ Signature Confirmation™
☐ Signature Confirmation Restricted Delivery

Form 3811 April 2015 PSN 7530-02-000-9053 Domestic Return Receipt

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail Only
For delivery information, visit our website at www.usps.com®

OFFICIAL USE

Certified Mail Fee
$
Extra Services & Fees (check box, add fee as appropriate)
☐ Return Receipt (hardcopy) $
☐ Return Receipt (electronic) $
☐ Certified Mail Restricted Delivery $
☐ Adult Signature Required $
☐ Adult Signature Restricted Delivery $
Postage
$
Total Postage and Fees
$
Sent To
Street and Apt. No., or PO Box No.
City, State, ZIP+4®

Postmark Here

17

ONONDAGA COUNTY CLERK'S OFFICE
LISA DELL - COUNTY CLERK
401 Montgomery St - Room 200 Phone: 315-435-2226
Syracuse, NY 13202 Fax: 315-435-3455

Doc Type: MTG
Mortgagor: STATE TOWER BUILDING LLC
EXPRESSWAY PROPERTIES LLC
Mortgagee: FIRST NIAGARA BANK N A

Legal Desc: SYR LOT A & L1-7&19 B103 S E

Prop Address: 201-219 E GENESEE ST

Receipt: 1273371 RS
Book/Page: 17975/0032 Inst: 9372
Date Filed: 03/24/2016 at 2:14PM
Updated: 03/25/2016 MO
Record and Return To:

FIRST NIAGARA BANK
726 EXCHANGE ST STE 106
BUFFALO NY 14210

Submitted by: CHICAGO TITLE

Recording Fees			Miscellaneous Fees	
Addl pages:	15 x 5.00 =	$ 75.00	RMI:	$ 20.00
Addl Names:	0 x 0.50 =	$ 0.00	TP 584:	$ 0.00
Addl Refs:	0 x 0.50 =	$ 0.00	RP5217:	$ 0.00
Misc:		0.00	AFFTS:	$ 5.00
Basic		$25.50		
TOTAL:		$100.50	TOTAL:	$ 25.00

MORTGAGE TAX		DEED TRANSFER TAX	
Mortgage:	$2550000.00	Consideration	
Basic:	$0.00	Transfer Tax:	$0.00
Ins Fund:	$0.00	SWIS:	
Net Add:	$0.00	Map #:	
Misc:	$0.00		
		Total Paid	$ 125.50
TOTAL	$0.00	Control no	DG15248

WARNING - This sheet constitutes the Clerk's endorsement, required by Section 319 of the Real Property Law of the State of New York. Do not detach. Taxes imposed on this instrument at time of recording were paid. Certain information contained in this document is not verified by this office.

LISA DELL
Onondaga County Clerk

Book/Page 17975 / 0032 Instrument no.: 9372

15

10

ONONDAGA COUNTY
BASIC TAX $ 1
MTG. INS. FUND TAX $ 1
NET ADDITIONAL TAX $ 1
TOTAL MTG. TAX PAID $ 3

WHEN RECORDED, RETURN TO:
FIRST NIAGARA BANK, N.A.
Commercial Collateral Control Unit
726 Exchange Street, Suite 900
Buffalo, NY 14210

Property Address: 201-219 East Genesee Street
Syracuse, NY 13202

Tax ID Number(s): 103-17-8.0

MORTGAGE AND SECURITY AGREEMENT

THIS MORTGAGE AND SECURITY AGREEMENT is made as of March 21, 2016 (as amended, supplemented, replaced or otherwise modified, the "Mortgage") by **STATE TOWER BUILDING, LLC**, a limited liability company organized under the law of New York, with an address at 333 W. Washington Street, Suite 600, Syracuse, NY 13202 and **EXPESSSWAY PROPERTIES, LLC**, a limited liability company organized under the law of New York, with an address at 108 East Genesee Street, Skaneateles, NY 13152, as tenants-in-common ("Mortgagor") and **CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY**, a body corporate and politic and a public instrumentality of the State of New York, with an address of 333 West Washington Street, Suite 130, Syracuse, NY 13202 ("Agency") to **FIRST NIAGARA BANK, N.A.**, a national banking association, with a banking office at 726 Exchange Street, Buffalo, NY 14210, Attention: Commercial Loan Administration ("Mortgagee").

ARTICLE 1. Definitions

The following terms shall have the following respective meanings when used herein.

1.1 **Agency Lease Agreement:** The Agency Lease Agreement dated as of March 1, 2016 between the Agency as landlord and the Mortgagor as tenant as the same may be amended or supplemented from time to time.

1.2 **Awards:** Any and all awards heretofore or hereafter made by any federal, state, county, municipal or other governmental authority, or by whomsoever made in any condemnation, eminent domain, or equivalent proceeding, to the present or subsequent owners of any interest encumbered by this Mortgage for the acquisition for public purposes of said interest, or any portion thereof, and for severance and consequential damages on account thereof, including any award for any change of grade of any street affecting said interest, and also any award for any damage to said interest; and all proceeds of insurance on or in connection with the Real Property, the Fixtures, and the Improvements.

1.3 **Company Lease Agreement:** The Company Lease Agreement dated as of March 1, 2016 between the Mortgagor, as landlord, and the Agency, as tenant as the same may be amended or supplemented from time to time.

1.4 **Fixtures:** All fixtures and all personal property now or hereafter affixed to or installed on the Real Property or the Improvements, including without limitation, heating, ventilation, air conditioning, plumbing, gas and electric fixtures and equipment, engines, motors, incinerators, pumps, fire prevention equipment and floor coverings, now owned or hereafter acquired, all insurance policies covering the Premises and the proceeds thereof, all insurance, conversion and condemnation awards and the Improvements, all lease, rental and sale agreements related to the Real Property and Improvements, any security deposits, down payments and any other payments related to the Real Property, all income or profit, all contracts related to the Premises, all books and records, all options or agreements, all plans and specifications and all renewals and replacements thereof and articles in substitution therefor and all proceeds thereof

WHEN RECORDED, RETURN TO:
FIRST NIAGARA BANK, N.A.
Commercial Collateral Control Unit
726 Exchange Street, Suite 900
Buffalo, NY 14210

Property Address: 201-219 East Genesee Street
Syracuse, NY 13202

Tax ID Number(s): 103-17-8.0

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1.2 Awards: Any and all awards heretofore or hereafter made by any federal, state, county, municipal or other governmental authority, or by whomsoever made in any condemnation, eminent domain, or equivalent proceeding, to the present or subsequent owners of any interest encumbered by this Mortgage for the acquisition for public purposes of said interest, or any portion thereof, and for severance and consequential damages on account thereof, including any award for any change of grade of any street affecting said interest, and also any award for any damage to said interest; and all proceeds of insurance on or in connection with the Real Property, the Fixtures, and the Improvements.

1.3 Company Lease Agreement: The Company Lease Agreement dated as of March 1, 2016 between the Mortgagor, as landlord, and the Agency, as tenant as the same may be amended or supplemented from time to time.

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(collectively, the "Fixtures"). All capitalized terms defined in the Uniform Commercial Code in New York State shall have the same meanings in this definition.

1.5 Improvements: All buildings, structures and other improvements now or hereafter constructed or located on the Real Property and any related Fixtures.

1.6 Indebtedness: All indebtedness and other liabilities of Mortgagor to Mortgagee and affiliates of Mortgagee, now owing or existing or hereunder incurred or created, originally contracted with Mortgagee or with others, and all amendments, extensions, renewals and replacements of any of the foregoing, including, without limitation, all charges, expenses, commitment or facility fees arising under the Note, this Mortgage or any other loan documents evidencing or securing the loan, collateral management or other fees, treasury management obligations, foreign exchange obligations, obligations due pursuant to any Interest Rate Protection Agreement entered into by Mortgagor, reasonable attorneys' fees and expenses relating to collection of the foregoing and any other amount payable by Mortgagor under this Mortgage and any other agreement between the parties whether executed in connection herewith or otherwise; provided, however, that the maximum principal amount secured by this Mortgage does not, and shall not under any contingency, exceed TWO MILLION FIVE HUNDRED FIFTY THOUSAND AND 00/100 U.S. DOLLARS ($2,550,000.00).

1.7. Interest Rate Protection Agreement: Any agreement, device or arrangement designed to protect such Mortgagor from fluctuations of interest rates, exchange rates or forward rates, including, but not limited to, dollar-denominated or cross-currency exchange agreements, forward currency exchange agreements, interest rate caps, collars or floors, forward rate currency or interest rate options, puts, warrants, swaps, swaptions, U.S. Treasury locks and U.S. Treasury options, and any and all cancellations, buybacks, reversals, terminations or assignments of any of the foregoing.

1.8 Note: The Term Note dated of even date herewith made by Mortgagor payable to the order of Mortgagee in the principal sum of $2,550,000.00, plus interest and other sums as provided therein, and all extensions, modifications, renewals and replacements thereof.

1.9 Premises: The Real Property, Improvements, Fixtures, Rents and Awards.

1.10 Real Property: The land described on Schedule A attached hereto; all appurtenances and all the estate and rights of Mortgagor thereto; all the right, title, and interest of Mortgagor in and to all streets, alleys, highways, public ways, and waterways adjacent thereto; and all public and private easements and rights of way now or hereafter benefiting, existing, or used or useable in connection therewith. The Real Property is the same land described in a deed recorded in the Onondaga County Clerk's Office on June 1, 1999 in Book 4327 of Deeds at Page 33.

1.11 Rents: All credits, cash, deposits (whether for security or otherwise), rents, advance rentals, issues, profits revenues, royalties, fees, charges, accounts, benefits and other payments and income of every nature of and from any portion of the Premises, including, without limitation, minimum rents, additional rents, termination payments, forfeited security deposits, liquidated damages following an Event of Default or demand, as applicable, and all proceeds payable under any policy of insurance covering loss or rents resulting from untenantability due to destruction or damage to the Premises, or any part thereof, together with the immediate and continuing right to collect and receive the same, whether due or hereafter becoming due, and together with all rights and claims of any kind that Mortgagor may have against any tenant, lessee or licensee under the leases or against any other occupant of the Real Property or Improvements, and all rents, oil and gas or other mineral royalties, revenues, fees, charges, accounts and other payments, and bonuses, issues and profits from any portion of the Premises, excepting herefrom the Company Lease and the Agency Lease Agreement.

ARTICLE II. Grant of Mortgage

To secure the payment of the Indebtedness to Mortgagee, Mortgagor and Agency hereby grant a security interest in and to, and mortgages, to Mortgagee all right, title and interest of Mortgagor and Agency, now owned, or hereafter acquired, in and to the Premises to Mortgagee. It is hereby agreed and understood that the Agency has not granted any interest in the Unassigned Rights (as such term is defined in the Agency Lease Agreement).

ARTICLE III. Covenants and Representations of Mortgagor

Mortgagor covenants and agrees with, and represents to, Mortgagee as follows:

3.1 Payment of Indebtedness: Mortgagor will pay the Indebtedness when and as due.

3.2 Payment of Taxes and Assessments: Mortgagor will pay prior to the addition of any penalty or interest thereon all taxes, assessments, payments in lieu of taxes, charges, sewer bills and water rates, levied against the Premises or levied upon or by reason of the recording of this Mortgage or the recording of any supplemental instrument or agreement (collectively, "Taxes") and provide Mortgagee with copies of receipts for the payment thereof.

3.3 Insurance: Mortgagor will keep the Premises continuously insured for the benefit of, and by insurers acceptable to, Mortgagee against such risks and in such form and amount as Mortgagee may from time to time require with deductibles acceptable to Mortgagee. Mortgagor will maintain flood insurance and fire, vandalism, earthquake (if requested), loss of rents and extended coverage casualty insurance for the full replacement value of the buildings and other improvements on the Premises. Mortgagor shall also maintain comprehensive general public liability insurance in such amounts as are acceptable to Mortgagee. Mortgagor will have endorsed on such policies a standard mortgagee and lender loss payee clause in the name of Mortgagee and provide that all moneys payable pursuant to such insurance be payable to Mortgagee, its successors and/or assigns as its interests may appear. Mortgagor will deliver each policy to Mortgagee. All insurance required hereunder shall be placed with companies licensed to do business in the State of New York and having a Best rating of "A" or better with a size class rating of XIV or larger. Acceptance of any insurance policy shall not constitute approval by Mortgagee of the insurer, coverage, form, amount or sufficiency of the policy. Mortgagor will comply promptly with all applicable requirements of any insurance rating authorities. Mortgagor will give immediate notice to Mortgagee of any damage by fire or other casualty to the Premises. Any insurance proceeds received by Mortgagee may, at Mortgagee's sole option, be paid wholly or in part to finance repair or replacement of improvements to the Premises or for other purposes proposed by Mortgagor which are acceptable to Mortgagee, without affecting the lien of this Mortgage for the full amount of Indebtedness owing prior to receipt of such proceeds, or may be applied by Mortgagee on the Indebtedness. If the Premises is located in an area which has been identified by any governmental agency, authority or body as a flood hazard area or the like, then Mortgagor shall maintain a flood insurance policy covering the Premises in an amount not less than the original principal amount of the Indebtedness secured hereunder or the maximum limit of coverage available under the federal program, whichever amount is less.

3.4 Statement of Amount Due: Mortgagor will within ten (10) days of receipt of Mortgagee's request, furnish a written statement duly acknowledged of the amount due on this Mortgage and whether any offsets or defenses exist against the Indebtedness.

3.5 Notice of Transfer or Casualty: Mortgagor will give immediate notice to Mortgagee of any damage by fire or other casualty to the Premises or of any conveyance, transfer or change of ownership of the Premises or any part thereof or interest therein.

3.6 Demolition or Alteration: Mortgagor will not remove, replace (except for replacements in the ordinary course of business), demolish or structurally alter any of the Improvements without the prior written consent of Mortgagee.

3.7 Inspection: Mortgagor will comply with all government requirements respecting the Premises and will not use the Premises in any way that violates any law, ordinance, rule, regulation or requirement, or in any way that violates any enforceable restrictive covenant on the use of the Premises. Mortgagor will keep and maintain all Improvements, Fixtures and other property constituting the Premises in good order and in rentable and tenantable condition and state of repair. No building, Fixture or other property on the Premises will be removed, demolished or altered without the prior written consent of Mortgagee. Mortgagor will promptly repair or replace to the satisfaction of Mortgagee any buildings or improvements of the Premises damaged by casualty, and will not suffer any waste. Mortgagee and its agents shall have the right to enter and inspect the Premises at any reasonable time.

3.8 Rents: Mortgagor will not accept prepayments of installments of rent more than one month in advance of the time when such rent is due. Mortgagor represents that (a) there is no pledge or assignment of any of the Rents except to Mortgagee; (b) that Mortgagor will make no such pledge or assignment, except to Mortgagee, so long as

any portion of the Indebtedness remains unpaid; and (c) no Rents have been paid by any tenants or occupants thereof except rentals which have become due prior to the date hereof.

3.9 Tenancies: Mortgagor will not enter into, cancel, abridge or otherwise modify tenancies, subtenancies, leases or subleases of the Premises, except in the ordinary course of business, nor accept prepayments of installments of rent without Mortgagee's prior written consent, and reference is hereby made to Section 291(f) of the Real Property Law of the State of New York.

3.10 Liens and Encumbrances: Mortgagor will keep the Premises free from all liens and encumbrances, except (a) the lien in favor of Mortgagee, (b) encumbrances of record on the date of this Mortgage which are acceptable to Mortgagee, (c) liens for taxes attaching prior to payment becoming due, if payment is made when due and (d) easements granted to utility companies which may benefit the Premises.

3.11 Representations and Warranties: Mortgagor represents and warrants: (a) good and marketable title to the Premises; (b) the execution and delivery of this Mortgage has been duly authorized and that no other authorization is required; (c) the loan or other financial accommodations included in the Indebtedness secured by this Mortgage were obtained solely for a business or commercial purpose; (d) there is no pledge or assignment of any Rents except to Mortgagee; (e) all leases of the Premises are valid and enforceable; and (e) Mortgagor has the right to consolidate, modify and extend this Mortgage.

3.12 Partial Payments: Mortgagor agrees that any payment or part payment of principal or interest or of any other sum or sums due or to become due hereunder or the doing of any act or acts under the terms hereof by any then owner of the Premises or person liable upon the Indebtedness shall for the purpose of any applicable statute of limitations be deemed to be a payment by or act of every person included in the term Mortgagor.

3.13 Protection of Premises; Cure of Defaults: Mortgagor will maintain the Premises in good repair and condition and cause or permit no waste thereof. Mortgagor agrees that if, in the reasonable opinion of Mortgagee, the Premises are in danger of destruction or deterioration, Mortgagee may enter upon the Premises and perform such acts thereon or with respect thereto as it may deem suitable for preservation or protection of the Premises, and may thereafter remove from the Premises or hold possession thereof at its option. Mortgagee may also perform such acts and make such expenditures as Mortgagee may reasonably deem appropriate or desirable to cure material defaults in any agreement affecting the Premises.

3.14 Change of Law: Mortgagor agrees that in the event of the passage of any law changing in any way the laws for the taxation of mortgages or debts secured by mortgages, for state or local purposes, or the manner of collection of any such taxes, so as to affect this Mortgage, Mortgagee shall have the right to give thirty (30) days written notice to Mortgagor requiring the payment of the Indebtedness or payment by Mortgagor of any such additional taxes imposed, at Mortgagor's option. If such notice is given, the Indebtedness or such additional taxes shall become immediately due and payable at the expiration of said thirty (30) days.

3.15 Fees and Expenses: To the extent permitted by law, Mortgagor will pay all filing, registration, and recording fees and all expenses incident to the preparation, execution, acknowledgement, filing and recording of this Mortgage, and any financing statements, releases, continuation statements, and any instruments of further assurance, and all federal, state, county and municipal stamp taxes and other taxes, duties, imposts, assessments, and charges arising out of or in connection with the execution and delivery of this Mortgage. Mortgagor shall further pay all reasonable costs and expenses of Mortgagee, including, without limitation, reasonable attorneys' fees, for the release, discharge and satisfaction of this Mortgage and any other lien or encumbrance relating to this Mortgage, and the preparation of any and all documents necessary to effectuate the foregoing. Mortgagor will pay all costs incidental to the loan(s) secured hereby, including, without limitation, appraisers' fees (whether internal or third party) or review fee for external appraisals, fees for environmental consultants or environmental reviews (whether internal or third party), title examination and insurance fees, surveyors' fees, mortgage tax, recording taxes or fees, flood determination fees, and the fees of Mortgagee's architects, engineers, inspectors, and disbursing agents, if any, are to be paid by Mortgagor upon Mortgagee's request. Mortgagor will pay for a certificate of a qualified entity indicating whether the Premises are in a Special Flood Hazard Area as designated by FEMA. Such certificate(s) will be ordered by Mortgagee, at Mortgagor's expense, as necessary to comply with laws, rules and guidelines. If Mortgagor requests and Mortgagee agrees to the assignment of this Mortgage and the related Indebtedness, Mortgagor agrees to pay to Mortgagee Mortgagee's assignment fee for such service. Mortgagor further agrees to reimburse Mortgagee for all such expenses within ten (10) days of receipt of Mortgagee's demand therefor.

3.16 Certain Rights and Obligations: Mortgagee may take, but is not obligated to take, such action as Mortgagee deems appropriate to protect the Premises or the status or priority of the lien of this Mortgage, including, but not limited to: (a) entry upon the Premises to protect the Premises from deterioration or damage, or to cause the Premises to be put in compliance with any governmental, insurance rating or contract requirements; (b) payment of amounts due on liens having priority over this Mortgage; (c) payment of any tax or charge (not paid when due) for purposes of assuring the priority or enforceability of this Mortgage; (d) obtaining insurance on the Premises; (e) commencement or defense of any legal action or proceeding to assert or protect the validity or priority of the lien of this Mortgage; (f) enforcement of this Mortgage; or (g) reappraisal of the Premises, if required by Mortgagee's policies, at Mortgagor's expense. On demand, Mortgagor shall reimburse Mortgagee for all such amounts spent in taking any such action, with interest, and the amount thereof shall be Indebtedness secured by this Mortgage and shall, to the extent permitted by law, be in addition to the maximum amount of the Indebtedness heretofore stated.

3.17 Comply With Covenants: Mortgagor will not use the Premises in any manner which will violate an enforceable restrictive covenant affecting the same.

3.18 Environmental Matters: Mortgagor covenants and agrees with and represents to Mortgagee, as follows:

(a) That Mortgagor has not obtained any information, notice or request from any governmental agency, other entity or person (collectively, "Authority") for information, or provided any information or notice to any such Authority, or been under investigation for or concerning the unpermitted or unauthorized presence or release of hazardous substances, hazardous wastes or other raw materials or wastes (including petroleum products) as such are defined by any applicable federal, state or local law, on, above, within, in the vicinity of, related to or affecting the Premises. Mortgagor has not received any notice that it has liability or responsibility under any Environmental Requirement with respect to the Premises.

(b) That Mortgagor has performed all of its obligations under, has obtained all necessary approvals, permits, authorizations or other consents required by, and is not in material violation of, any applicable federal, state or local health, safety or environmental law, ordinance, rule, regulation, order or judgment (the "Environmental Requirements").

(c) That Mortgagor shall conduct its operations in compliance with the provisions of all applicable Environmental Requirements related to any natural or environmental resource or media located on, above, within or in the vicinity of, related to, or affected by, the Premises. No underground storage tanks are located on the Premises. Mortgagor shall conduct its operations in compliance with the provisions of all applicable federal, state or local laws, ordinances, rules, regulations and orders related to any natural or environmental resource or media located on, above, within or in the vicinity of, related to, or affected by, the Premises.

(d) That Mortgagor shall promptly notify Mortgagee in writing if (i) Mortgagor receives any information or notice or request from any Authority for information and shall promptly forward copies of such to Mortgagee, or (ii) if Mortgagor provides any information or notice to any such Authority, concerning the unpermitted or unauthorized presence or release of hazardous substances, hazardous wastes or other raw materials or wastes (including petroleum products) as such terms are defined by any applicable federal, state or local law, on, above, within, in the vicinity of, related to or affecting the Premises or (iii) any of the representations or warranties contained herein become false or misleading.

(e) That Mortgagor, upon Mortgagee's request, shall promptly provide Mortgagee, at Mortgagor's expense, with a completed environmental questionnaire, site assessment or environmental audit report prepared by a firm acceptable to Mortgagee, to assess with a reasonable degree of certainty the environmental condition of the Premises.

(f) That Mortgagor shall at all times indemnify, defend, reimburse and hold harmless Mortgagee (and its affiliates, employees, agents, officers and directors) from and against any and all claims, suits, actions, damages, judgments, expenses, demands, losses, penalties, costs, settlements, fines or liabilities of whatever kind or nature (including, without limitation, arising from personal injury or property damage) known or unknown, contingent or otherwise, incurred by Mortgagee (in any capacity) in any way related to any environmental condition or threat on, above, within, in the vicinity of, related to or affected by the Premises whether or not it originates or emanates from the Premises, or any costs of removal or remedial action or damages from injury to, destruction of or loss of natural

resources, or liability for injury or property damage and/or any other environmental matter, including, without limitation, attorney and consultant fees, investigation and laboratory fees, court costs, and litigation expenses. The provisions of this paragraph shall survive termination of this Mortgage and shall apply to any and all such claims, expenses, demands, losses, costs, fines or liabilities of whatever kind or nature, notwithstanding the discharge of this Mortgage and the payment of the Indebtedness.

3.19 **Real Estate Tax and Insurance Account:** Mortgagee will engage, at Mortgagor's expense, for a lifetime monitoring service to monitor real property tax accounts affecting the real property. If requested by Mortgagee, Mortgagor will pay to Mortgagee by depositing into a non-interest bearing deposit account with Mortgagee ("Imposition Account") on the first day of each month during the term hereof, a sum equal to one-twelfth (1/12) of the annual aggregate amount, as estimated from time to time by Mortgagee, of the aggregate of all taxes, flood insurance, if applicable, assessments, and sewer charges (collectively "Impositions") on the Premises. On the date hereof, if requested by Mortgagee, Mortgagor will deposit with Mortgagee a lump sum in the amount necessary to establish a fund which, with the monthly payments, will be sufficient for payment of all such expenses when due, which will be held by Mortgagee and applied by Mortgagee to the payment of such Impositions as they become due and payable. If such payments shall be deemed by Mortgagee to be insufficient to pay such Impositions, Mortgagor will pay the amount of such deficiency, on demand, to Mortgagee.

Mortgagee shall have no obligation to apply any sums held by Mortgagee pursuant to this Section 3.19 to the payment of such Impositions unless directed to do so by Mortgagor in writing delivered during a period of time when no uncured Event of Default shall exist setting forth the particular Imposition to be paid. Notwithstanding the foregoing, Mortgagee may, in its discretion but shall not be required to, pay any such Imposition without written direction from Mortgagor or contrary to the direction of Mortgagor. So long as no Event of Default shall exist and after giving written notice to Mortgagee, Mortgagor may in good faith contest any Imposition and permit such Imposition to remain unpaid during the period under any such contest provided that (a) the amounts held by Mortgagee in the Imposition Account are at all times sufficient to pay such contested Impositions and all other non-contested Impositions as and when the same shall come due and payable or Mortgagor shall, upon demand by Mortgagee, deposit amounts sufficient for these purposes with Mortgagee, (b) Mortgagor shall deposit with Mortgagee as and when the same shall accrue all late charges, interest and penalties which result from the contest or which would ultimately be payable in the event such contest is unsuccessful, and (c) no portion of the Premises shall be at risk of forfeiture or foreclosure on account of the non-payment of any amounts under contest or otherwise. Upon the occurrence and during the continuation of any Event of Default or if any conditions set forth in clauses (a), (b) or (c) of this paragraph shall fail to be satisfied, then Mortgagee may, in its discretion but shall not be required to, pay any such contested Imposition out of the Imposition Account or otherwise even if such payment is to prejudice Mortgagor's ability thereafter to contest such items.

3.20 **Security Agreement/Fixture Filing:**

(a) This Mortgage shall also constitute a security agreement and financing statement within the meaning of Article 9 of the New York Uniform Commercial Code (as amended from time to time, "UCC"). Mortgagor hereby grants to Mortgagee a security interest in the Fixtures, whether now owned or hereafter acquired, and all proceeds thereof in order to secure the Indebtedness. Notwithstanding the filing of any financing statement covering any of the Premises in the records normally pertaining to personal property, at Mortgagee's option, all of the Fixtures, for all purposes and in all proceedings, legal or equitable, shall be regarded (to the extent permitted by law) as part of the Real Property. The mention in any such financing statement of any of the Premises shall not be construed as in any way altering any of the rights of Mortgagee or adversely affecting the priority of the lien granted hereby or by the loan documents, but such mention in the financing statement is hereby declared to be for the protection of Mortgagee in the event any court shall at any time hold that notice of Mortgagee's priority of interest, to be effective against any third party, must be filed in the UCC records.

(b) Mortgagor hereby agrees that it shall execute and hereby authorizes Mortgagee to file such documents, instruments and further assurances (including, without limitation, any financing or continuation statements), in each case in form and substance satisfactory to Mortgagee, as Mortgagee may, from time to time, reasonably consider necessary to create, perfect and preserve Mortgagee's security interest hereunder. Mortgagor hereby irrevocably authorizes Mortgagee to cause financing statements (and amendments and continuations thereof) and any such documents, instruments and assurances to be recorded and filed, at such times and places as may be required or permitted by law to so create, perfect and preserve such security interest, and Mortgagor shall pay all reasonable costs

and expenses incurred by Mortgagee in connection therewith, including, without limitation, reasonable attorneys' fees and costs of filing or recordation.

(c) This Mortgage shall also constitute a "fixture filing" for the purposes of the UCC against all of the Premises which is or is to become Fixtures related to the Premises. Mortgagor is the "Debtor" and its name and mailing address are set forth in the preamble of this Mortgage. Mortgagee is the "Secured Party" and its name and mailing address from which information concerning the security interest granted herein may be obtained are also set forth in the preamble of this Mortgage. The definition of Fixtures is set forth herein. Mortgagor is the record owner of the applicable fee title.

(d) At Mortgagee's request, Mortgagor shall execute and deliver to Mortgagee all further documents and perform all other acts which Mortgagee reasonably deems necessary or appropriate to perfect or protect its security for the Indebtedness, and Mortgagor shall pay all reasonable costs and expenses incurred by Mortgagee in connection therewith, including, without limitation, reasonable attorneys' fees and costs of filing or recordation.

3.21 Condemnation: Immediately after obtaining knowledge of the institution of condemnation or eminent domain proceedings on any part of the Premises, Mortgagor shall notify Mortgagee. Mortgagee may participate in such proceedings. Any awards made for any taking by eminent domain or in any condemnation proceeding, or for consequential damages on account thereof, are hereby assigned to Mortgagee with power to collect, receive and apply same on the Indebtedness, whether or not then due and payable, but such application shall not affect any obligation to continue making payments in accordance with the terms of any note or other obligation evidencing the Indebtedness.

3.22 Due on Sale Clause: Mortgagor shall not sell, convey or otherwise transfer any interest in the Premises (whether voluntarily or by operation of law), or agree to do so, without Mortgagee's prior written consent, including (a) any sale, conveyance, encumbrance, assignment, or other transfer of, or the grant of a security interest in, all or any part of the legal or equitable title to the Premises, except as otherwise permitted hereunder; or (b) any sale, conveyance, encumbrance, assignment, or other transfer of, or the grant of a security interest in, any share of stock of Mortgagor, if a corporation or any partnership interest in Mortgagor, if a partnership, or any membership interest, if a limited liability entity, except in favor of Mortgagee. Any default under this Section shall cause an immediate acceleration of the Indebtedness without any demand by Mortgagee. Notwithstanding the foregoing, provided that no Event of Default has occurred and is continuing, the following transfers shall not violate this Section: (i) transfers of equity interests that do not result in a change of control; (ii) transfers into inter vivos or testamentary trusts for estate planning purposes (so long as the persons responsible for voting or managing the interests transferred into the trust remain the same); (iii) transfers among existing equity holders (so long as there is no change in control); (iv) transfers to affiliates; and (v) transfers resulting from rolling Expressway Properties, LLC into State Tower Building, LLC. Mortgagor shall promptly provide Mortgagee with all documents reflecting such transfer, sale or conveyance.

ARTICLE IV. Events of Default

In addition to any Events of Default which may appear in the Loan Agreement, if any, or the Note, if any, the existence of any of the following conditions or the occurrences of any of the following events shall constitute events of default hereunder ("Events of Default"):

4.1 Sale or Transfer: Sale or transfer of the Premises or any part thereof, or of any legal or equitable interest therein without the prior written consent of Mortgagee;

4.2 Other Liens: The existence of any mortgage, encumbrance, security interest, or lien to secure debt other than in favor of Mortgagee affecting all or any part of the Premises;

4.3 Legal or Equitable Title Sold: If legal or equitable title to, or any interest in, the Premises is directly or indirectly sold or transferred in whole or in part, or if any rentals from the Premises are assigned to anyone while this Mortgage shall remain a lien thereon;

4.4 Failure to Comply with Terms of Lease: Failure of Mortgagor to perform or comply with the terms of any lease of the Premises or any part thereof;

4.5 **Failure to Perform Other Covenants:** Failure by or on behalf of Mortgagor to perform any covenant or agreement herein, which failure continues for twenty (20) days after receipt by Mortgagor of Mortgagee's demand for cure of the same.

4.6 **Material Adverse Change:** A material adverse change in the Premises; or

4.7 **Material Misrepresentation of Facts for Obtaining Mortgage:** Any certificate, statement, representation, warranty or audit heretofore or hereafter furnished by or on behalf of Mortgagor, or any third party, pursuant to or in connection with this Mortgage, or otherwise (including, without limitation, representations and warranties contained herein), or as an inducement to Mortgagee to extend any credit to or to enter into any agreement with Mortgagor proves to have been false in any material respect at the time as of which the facts therein set forth were stated or certified, or to have omitted any substantial contingent or unliquidated liability or claim against any such third party; or, if upon the date of execution of this Mortgage, there shall have been any materially adverse change in any of the facts disclosed by any such certificate, statement, representation, warranty or audit, which change shall not have been disclosed in writing to Mortgagee at or prior to the time of such execution.

ARTICLE V. Remedies

Upon the occurrence of an Event of Default, Mortgagee shall have the absolute right, at its option and election and in its sole discretion, to exercise alternatively or cumulatively any or all of the following remedies:

5.1 **Accelerate Indebtedness:** Declare the Indebtedness immediately due and payable;

5.2 **Foreclose Mortgage:** Institute judicial or non-judicial proceedings to foreclose the lien of this Mortgage to the fullest extent permitted by applicable law;

5.3 **Take Possession of Premises:** Enter into and take possession of all or any of the Premises (and Mortgagor agrees to peaceably surrender the same immediately upon receipt of Mortgagee's demand therefor) whether in connection with a judicial or non-judicial proceeding to foreclose or not, to the extent permitted by applicable law; lease and re-lease all or any of the Premises; collect the Rents and apply the same against the Indebtedness; collect reasonable rent from Mortgagor if Mortgagor remains in possession after Mortgagee's demand to surrender; dispossess by summary proceeding any tenant (including Mortgagor) defaulting in the payment of rent; provided, however, that no such acts by or on behalf of Mortgagee shall constitute Mortgagee a "mortgagee in possession." The rights enumerated herein shall inure to the benefit of any receiver appointed respecting the Premises;

5.4 **Receiver:** Obtain the appointment of a receiver of rents, issues and profits without notice and whether or not in connection with an action to foreclose this Mortgage;

5.5 **Right of Setoff:** Upon and at any time and from time to time after any occurrence or existence of any Event of Default, Mortgagee shall have the right to place an administrative hold on, and setoff against each obligation of Mortgagor pursuant to the Note, each obligation of Mortgagee or any other direct or indirect subsidiary of First Niagara Financial Group, Inc. (in any capacity) owing to Mortgagor, whether now existing or hereafter arising or accruing, whether or not then due and whether pursuant to any deposit account or certificate of deposit or any other manner. Such setoff shall become effective at the time Mortgagee opts therefor even though evidence thereof is not entered in the records of Mortgagee until later;

5.6 **Sell in One or More Parcels:** In the event of a judicial or non-judicial foreclosure hereof, cause the Premises to be sold at one or more sales and in one or more parcels, any provision of law to the contrary notwithstanding;

5.7 **Fixtures:** Mortgagee shall have all rights and remedies contemplated hereunder, including, without limitation, the right to take possession of the Fixtures, and for this purpose, Mortgagee shall have the right to enter upon any Premises on which any or all of the Fixtures are situated without being deemed guilty of trespass and without liability for damages thereby occasioned, and take possession of and operate the Fixtures or remove them therefrom. Mortgagee shall have the further right, as Mortgagee may determine, to repair, refurbish or otherwise prepare the Fixtures for sale, lease or other use or disposition, and to sell at public or private sale or otherwise dispose of, lease or utilize the Fixtures and any part thereof in any manner authorized or permitted by law and to apply the proceeds thereof toward payment of any costs and expenses incurred by Mortgagee including, to the fullest extent not prohibited by

applicable law, attorneys' fees and expenses, and toward payment of the indebtedness secured hereby, in such order and manner as Mortgagee may determine. To the fullest extent not prohibited by applicable law, Mortgagor expressly waives any notice of sale or other disposition and any other rights or remedies of a debtor or formalities prescribed by law relative to a sale or disposition or to exercise any other right or remedy existing. To the extent any notice is required and cannot be waived, Mortgagor agrees that if such notice is deposited for mailing, postage prepaid, certified or registered mail, to the owner of record of the Premises, directed to such owner at the last address actually furnished to Mortgagee at least five (5) days before the time of sale or disposition, such notice shall be deemed reasonable and shall fully satisfy any requirements for giving of such notice. Mortgagee shall have the right to dispose of any or all of the Fixtures at the same time and place upon giving the same notice, if any, provided for in this Mortgage, and in the same manner as the nonjudicial foreclosure sale provided under the terms and conditions of this Mortgage; and

5.8 Other: Exercise any other remedy and obtain any other relief as may be available to Mortgagee in law or equity.

ARTICLE VI. Miscellaneous

6.1 Releases: Mortgagee may, without the consent of Mortgagor or any other person liable for the payment of the Indebtedness, release any portion or portions of or interest or interests in the Premises from the lien of this Mortgage, either with or without consideration, and may release or discharge in whole or in part any other property which it may at any time hold as security for payment of the Indebtedness or any part thereof and may take any other bond, note or obligation as evidence of the Indebtedness, payable at such time and on such terms as Mortgagee may approve.

6.2 Application of Payments: If Mortgagee receives from or on behalf of Mortgagor any sum less than the full amount then due and payable, Mortgagee may, but shall not be obligated to, accept the same and if it elects to accept any such payment, it may hold the same or any part thereof, without liability for interest, in a special account and may from time to time apply the same or any part thereof to the Indebtedness or to the payment of any taxes, assessments, sewer or water charges or insurance premiums which Mortgagee deems desirable to maintain the lien of this Mortgage, or to any expenses, including costs and attorneys' fees and disbursements, incurred by Mortgagee in attempting to collect any amount owing on the Indebtedness and in bringing foreclosure proceedings with respect to this Mortgage.

6.3 Notice: All notices, elections or demands permitted or required herein shall be in writing, signed by the party giving such notice, election or demand, and given personally or by mail, addressed to the appropriate party at the address designated for such party in the heading of this Mortgage, or such other address in the continental United States as the party who is to receive such notice may designate by notice to the other party. Notice by mail shall be by registered or certified United States mail, addressed to the party to be notified, and with the proper amount of postage affixed thereto. The effective date of the notice, election or demand shall be the date of personal delivery or the third business day following the date of mailing, as the case may be. Rejection or other refusal to accept, or inability to deliver because of a change of address of which no notice was given shall be deemed to be receipt of the notice, election or demand sent.

6.4 Parties: Except as expressly set forth herein, if more than one party join in the execution of this Mortgage, the covenants and agreements herein contained shall be the joint and several obligation of each and all of them and of their respective heirs, executors, administrators, successors and assigns, and relative words herein shall be read as if written in the plural when appropriate. Notwithstanding anything in this Section 6.4 to the contrary, the Agency shall not be jointly and severally liable but shall only have those obligations specifically set forth herein. Any reference herein to Mortgagee shall be deemed to include and apply to every subsequent holder of this Mortgage and any reference herein to Mortgagor shall be deemed to include and apply to every subsequent owner of the Premises and every person liable upon the Indebtedness, unless the language or circumstances clearly requires the contrary.

6.5 Waiver: No course of dealing and no delay or omission by Mortgagee in exercising any right or remedy hereunder or with respect to any indebtedness of Mortgagor to Mortgagee shall operate as a waiver thereof or of any other right or remedy and no single or partial exercise thereof shall preclude any other or further exercise thereof or the exercise of any other right or remedy. Mortgagee may remedy any default by Mortgagor to Mortgagee or any other person, firm or corporation in any reasonable manner without waiving the default remedied and without waiving any other prior or subsequent default by Mortgagor and shall be reimbursed for any and all of its expenses in so remedying such default. All rights and remedies of Mortgagee hereunder are cumulative.

6.6 Property Encumbered: This Mortgage does not cover real property principally improved or to be improved by one or more structures containing in the aggregate not more than six (6) residential units, each having its own separate cooking facilities.

6.7 Trust Fund Provisions: This Mortgage is subject to the trust fund provisions of Section 13 of the Lien Law of the State of New York.

6.8 Governing Law: This Mortgage, and the rights and obligations of the parties hereto, shall be construed and interpreted in accordance with the internal laws of the State of New York, without regard to principles of conflicts of laws.

6.9 Limitation of Liability: To the fullest extent permitted by applicable law, Mortgagor shall not assert, and hereby waives any claim against Mortgagee, on any theory of liability, for special, indirect, consequential or punitive damages (but excluding direct or actual damages) arising out of, in connection with or as a result of, this Mortgage, any related loan documents, the transactions contemplated hereby or thereby or any loan or the use of the proceeds.

6.10 JURISDICTION: MORTGAGOR KNOWINGLY, VOLUNTARILY, INTENTIONALLY AND IRREVOCABLY (a) CONSENTS IN EACH ACTION AND OTHER LEGAL PROCEEDING COMMENCED BY MORTGAGEE AND ARISING OUT OF OR OTHERWISE RELATING TO THIS MORTGAGE, ANY OF THE OBLIGATIONS, OR ANY COLLATERAL TO THE JURISDICTION OF ANY COURT THAT IS EITHER A COURT OF RECORD OF THE STATE OF NEW YORK OR A COURT OF THE UNITED STATES LOCATED IN THE STATE OF NEW YORK, (b) WAIVES EACH OBJECTION TO THE LAYING OF VENUE OF ANY SUCH ACTION OR OTHER LEGAL PROCEEDING, (c) WAIVES IN EACH SUCH ACTION AND OTHER LEGAL PROCEEDING EACH RIGHT TO ASSERT ANY NONMANDATORY COUNTERCLAIM, ANY SETOFF OR ANY DEFENSE BASED UPON ANY STATUTE OF LIMITATIONS OR CLAIM OF LACHES, (d) WAIVES EACH RIGHT TO ATTACK ANY FINAL JUDGMENT THAT IS OBTAINED AS A RESULT OF ANY SUCH ACTION OR OTHER LEGAL PROCEEDING AND (e) CONSENTS TO EACH SUCH FINAL JUDGMENT BEING SUED UPON IN ANY COURT HAVING JURISDICTION WITH RESPECT THERETO AND ENFORCED IN THE JURISDICTION IN WHICH SUCH COURT IS LOCATED AS IF ISSUED BY SUCH COURT.

6.11 WAIVER OF TRIAL BY JURY: MORTGAGOR (a) KNOWINGLY, VOLUNTARILY, INTENTIONALLY AND IRREVOCABLY WAIVES EACH RIGHT MORTGAGOR MAY HAVE TO A TRIAL BY JURY WITH RESPECT TO, AND IN, ANY ACTION OR OTHER LEGAL PROCEEDING, WHETHER BASED ON ANY CONTRACT OR NEGLIGENT, INTENTIONAL OR OTHER TORT OR OTHERWISE, ARISING OUT OF OR OTHERWISE RELATING TO (i) THIS MORTGAGE, ANY OF THE OBLIGATIONS, OR ANY COLLATERAL, (ii) ANY TRANSACTION ARISING OUT OF OR OTHERWISE RELATING TO THIS MORTGAGE, ANY OF THE OBLIGATIONS, OR ANY COLLATERAL OR (iii) ANY NEGOTIATION, ADMINISTRATION, PERFORMANCE OR ENFORCEMENT OF THIS MORTGAGE, ANY OF THE OBLIGATIONS, OR ANY COLLATERAL AND (b) CERTIFIES THAT NEITHER MORTGAGEE NOR ANY REPRESENTATIVE OF MORTGAGEE HAS REPRESENTED TO MORTGAGOR THAT MORTGAGEE WILL NOT SEEK TO ENFORCE THE WAIVER MADE BY MORTGAGOR IN THIS SECTION 6.11.

6.12 Counterparts: This Mortgage may be executed in any number of counterparts, each of which shall constitute an original, but all of which together shall constitute one and the same agreement.

6.13 Changes in Rate of Interest: The Note contains provisions allowing for changes in the interest rate and the monthly payment. This Mortgage shall continue to secure the Indebtedness, with the same priority of lien, notwithstanding any change in the rate of interest on the Note. None of the Indebtedness can be modified, altered, amended or waived orally.

6.14 Notice to Junior Lien Claimants: All actual and potential junior lien claimants are hereby placed on notice that the indebtedness secured by this mortgage is subject to change(s) as set forth in Section 6.13. By taking or accepting its interest in the mortgaged property subject to this mortgage, every junior lien claimant understands, acknowledges and agrees that the priority and validity of the lien of this Mortgage shall not be impaired or limited in any way by any change. Notwithstanding the magnitude or nature of any of the foregoing, the same shall under no

circumstances be deemed to constitute a "novation" with respect to any obligation secured by this Mortgage, or otherwise impair or reduce the priority of the lien of this Mortgage.

6.15 City of Syracuse Industrial Development Agency Special Obligations:

Notwithstanding any other term or condition contained in this Mortgage:

(a) This Mortgage is executed by the Agency solely for the purpose of subjecting its leasehold interest in the Premises to the lien of this Mortgage and for no other purpose. All representations, covenants and warranties of "the Mortgagor" herein are hereby deemed to have been made by Mortgagor and not by the Agency.

(b) The obligations and agreements of the Agency contained herein shall not constitute or give rise to an obligation of the State of New York or the City of Syracuse, New York, and neither the State of New York nor the City of Syracuse, New York shall be liable hereon. All obligations of the Agency hereunder shall constitute a special obligation payable solely from the revenues and other monies, if any, derived from the Premises, and neither the members of the Agency nor any person executing this Mortgage on its behalf shall be liable personally under this Mortgage. No recourse shall be had for the payment of the principal of, or interest on the indebtedness which this Mortgage secures, or for any claim based hereon, or otherwise in respect hereof, or based upon or in respect of this Mortgage, or any mortgage supplemental hereto, against any past, present, or future member, officer, agent, servant, or employee, as such, of the Agency or of any successor or political subdivision, either directly or through the Agency or any such successor, all such liability of such members, officers, agents (except for the Mortgagor), servants and employees being, to the extent permitted by law, expressly waived and released by the acceptance hereof and as part of the consideration for the execution of this Mortgage and the instruments evidencing the indebtedness it secures. Any judgment or decree shall be enforceable against the Agency only to the extent of its interest in the Premises and any such judgment shall not be subject to execution on or by a lien on assets of the Agency other than its interest in the Premises.

(c) No order or decree of specific performance with respect to any of the obligations of the Agency hereunder shall be sought or enforced against the Agency unless the party seeking such order or decree shall first have requested the Agency in writing to take the action sought in such order or decree of specific performance, and thirty (30) days shall have elapsed from the date of receipt of such request, and the Agency shall have refused to comply with such request (or, if compliance therewith would reasonably be expected to take longer than thirty (30) days, shall have failed to institute and diligently pursue action to cause compliance with such request) or failed to respond within such notice period. If the Agency refuses to comply with such request and the Agency's refusal to comply is based on its reasonable expectation that it will incur fees and expenses, the party seeking such order or decree may, at its option, place in an account with the Agency an amount or undertaking sufficient to cover such reasonable fees and expenses whereupon the Agency shall agree to comply with such request. If the Agency refuses to comply with such request and the Agency's refusal to comply is based on its reasonable expectation that it or any of its members, officers, directors, servants, agents or employees shall be subject to potential liability, the party seeking such order or decree may, at its option, (1) agree to protect, defend, indemnify and hold harmless the Agency and its members, officers, directors, servants, agents (other than the Mortgagor) and employees against any liability incurred as a result of its compliance with such demand, and (2) if requested by the Agency, furnish to the Agency reasonably satisfactory security to protect the Agency and its members, officers, directors, servants, agents (other than the Mortgagor) and employees against all liability reasonably expected to be incurred as a result of compliance with such request whereupon the Agency shall agree to comply with such request. The agreement on the part of the Mortgagee shall not be construed in any way so as to effect or impair the lien of this Mortgage or the Mortgagee's right to foreclose hereunder as provided by law or construed in any way so as to limit or restrict any of the rights or remedies of the Mortgagee in any foreclosure proceedings.

6.16 Mortgagor's Obligations to Comply with the Agency Lease Agreement and the Company Lease Agreement: Mortgagor shall (i) pay all other sums of money due and payable at any time and from time to time under the Company Lease Agreement and the Agency Lease Agreement (each as and between the Agency and the Mortgagor) as and when such sums become due and payable, but in any event before the expiration of any grace period provided in the Company Lease Agreement and/or the Agency Lease Agreement, as applicable, for the payment of any such sum, and (ii) at all times fully perform, observe and comply with all other terms, covenants and conditions of the Company Lease Agreement and Agency Lease Agreement to be performed, observed or complied with by Mortgagor as lessor under the Company Lease Agreement and lessee under the Agency Lease Agreement. If the Company Lease Agreement and/or the Agency Lease Agreement do not provide for a grace period for the payment of a sum of money,

Mortgagor shall make the payment on or before the date on which the payment becomes due and payable. Mortgagor shall deliver evidence of the payment to Mortgagee within ten (10) days after receipt of a written request from Mortgagee for evidence of the payment.

6.17 **Agency Executing at the Direction of Mortgagor:** Mortgagor directs the Agency to execute and deliver this Mortgage to Mortgagee, and further agrees to indemnify the Agency (and its members, officers, directors, agents, servants and employees) for all fees and costs incurred in connection with the execution, delivery, recording, performing and enforcing of this Mortgage, including but not limited to reasonable attorney's fees.

6.18 **Hold Harmless Provision:** The Mortgagor hereby acknowledges that the terms of the Agency Lease Agreement, as amended and restated from time to time, is in full force and effect, including but not limited to the "Hold Harmless Provisions" contained in Section 8.2 thereof and incorporates same in this instrument and makes same applicable hereto as if fully set forth herein.

[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, Mortgagor and Agency have duly executed this Mortgage on the date first set forth herein.

STATE TOWER BUILDING, LLC

By: _____
MARK RONEY, Authorized Signatory

EXPRESSWAY PROPERTIES, LLC

By: _____
DAVID LOFTUS, Authorized Signatory

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY

By: _____
WILLIAM M. RYAN, Chairman

Rev. 08/27/2014

STATE OF NEW YORK)
) SS:
COUNTY OF ONONDAGA)

On the 21 day of March in the year 2016, before me, the undersigned, personally appeared MARK RONEY, known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

_____
Notary Public

JAMES J. CANFIELD
Notary Public, State of New York
Qualified in Onondaga Co. No. 02CA4710442
My Commission Expires April 30, 20[illegible]

STATE OF NEW YORK)
) SS:
COUNTY OF ONONDAGA)

On the 21 day of March, in the year 2016, before me, the undersigned, personally appeared DAVID LOFTUS, known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

Notary Public

JAMES J. CANFIELD
Notary Public, State of New York
Qualified in Onondaga Co. No. 02CA4710442
My Commission Expires April 30, 2018

STATE OF NEW YORK)
) SS:
COUNTY OF ONONDAGA)

On the 18th day of March in the year 2016, before me, the undersigned, personally appeared WILLIAM M. RYAN, known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

Notary Public

LORI L. McROBBIE
Notary Public, State of New York
Qualified in Onondaga Co. No. 01MC5055591
Commission Expires on Feb. 12, 20 19

SCHEDULE A

Property Description

ALL THAT CERTAIN PLOT, PIECE OR PARCEL OF LAND, with the buildings and improvements thereon erected, situate, lying and being in the City of Syracuse, County of Onondaga and State of New York, known and designated as Lot Nos. 1, 2, 3, 4, 5, 6, 7, part of 19 and 20, the latter Lot also known as Lot A, all being Block 103 in said City, bounded and described as follows: Beginning at the intersection of the east line of South Warren Street and the south line of East Water Street; thence South 0° 03' 30" West, on the east line of South Warren Street, 67.68 feet to the northerly line of East Genesee Street; thence South 59° 45' 20" East along the northerly line of East Genesee Street, 196.49 feet; thence North 29° 58' 40" East, 79.51 feet to a point; thence North 59° 45' 20" West, 1.42 feet; thence North 30° 14' 40" East, 16.49 feet to a point; thence North 0° 26' 20" East, 0.67 feet to a point; thence South 89° 33' 40" East, 1.37 feet to a point; thence North 0° 26' 20" East 5.49 feet to a point in the south line of Falker property; thence North 0° 03' 40" West 75 feet to the south line of East Water Street; thence North 89° 33' 40" West, along the southerly line of East Water Street 217.83 feet to the point and place of beginning.

18

ONONDAGA COUNTY CLERK'S OFFICE
LISA DELL - COUNTY CLERK
401 Montgomery St - Room 200 Phone: 315-435-2226
Syracuse, NY 13202 Fax: 315-435-3455

Doc Type: A/L&R
Mortgagor: STATE TOWER BUILDING LLC
EXPRESSWAY PROPERTIES LLC
Mortgagee: FIRST NIAGARA BANK N A

Legal Desc: SYR LOT A & L1-7&19 B103 S E

Prop Address: 201-219 E GENESEE ST

Receipt: 1273371 RS
Book/Page: 17975/0048 Inst: 9373
Date Filed: 03/24/2016 at 2:15PM
Updated: 03/25/2016 MO
Record and Return To:

FIRST NIAGARA BANK
726 EXCHANGE ST STE 106
BUFFALO NY 14210

Submitted by: CHICAGO TITLE

Recording Fees			Miscellaneous Fees	
Addl pages:	9 x 5.00 =	$ 45.00	RMI:	$ 20.00
Addl Names:	0 x 0.50 =	$ 0.00	TP 584:	$ 0.00
Addl Refs:	1 x 0.50 =	$ 0.50	RP5217:	$ 0.00
Misc:		0.00	AFFTS:	$ 5.00
Basic		$25.50		
TOTAL:		$71.00	TOTAL:	$ 25.00

MORTGAGE TAX		DEED TRANSFER TAX	
Mortgage:	$2550000.00	Consideration	
Basic:	$0.00	Transfer Tax:	$0.00
Ins Fund:	$0.00	SWIS:	
Net Add:	$0.00	Map #:	
Misc:	$0.00		
		Total Paid	$ 96.00
TOTAL	$0.00	Control no	DG15249

WARNING - This sheet constitutes the Clerk's endorsement, required by Section 319 of the Real Property Law of the State of New York. Do not detach. Taxes imposed on this instrument at time of recording were paid. Certain information contained in this document is not verified by this office.

LISA DELL
Onondaga County Clerk

Book/Page 17975 / 0048 Instrument no.: 9373

WHEN RECORDED, RETURN TO:
FIRST NIAGARA BANK, N.A.
Commercial Collateral Control Unit
726 Exchange Street, Suite 900
Buffalo, NY 14210

ONONDAGA
BASIC TAX $ ___
MTG. INS. FUND TAX $ ___
INT ADDITIONAL TAX $ -0-
TOTAL MTG. TAX PAID $ ___

Property Address: 201-219 East Genesee Street
Syracuse, NY 13202

Tax ID Number(s): 103-17-8.0

FIRST NIAGARA

ASSIGNMENT OF LEASES AND RENTS

THIS ASSIGNMENT OF LEASES AND RENTS (this "Assignment"), dated as of March 21, 2016, by **STATE TOWER BUILDING, LLC**, a limited liability company organized under the law of New York, with an address at 333 W. Washington Street, Suite 600, Syracuse, NY 13202 and **EXPESSSWAY PROPERTIES, LLC**, a limited liability company organized under the law of New York, with an address at 108 East Genesee Street, Skaneateles, NY 13152, as tenants-in-common ("Assignor") and the **CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY**, a body corporate and politic and a public instrumentality of the State of New York, with an address of 333 West Washington Street, Suite 130, Syracuse, NY 13202 ("Agency"), to **FIRST NIAGARA BANK, N.A.**, a national banking association with a banking office at 726 Exchange Street, Buffalo, NY 14210, Attention: Commercial Loan Administration ("Lender"), evidences:

I. DEFINITIONS

1.1 AGENCY LEASE AGREEMENT: The Agency Lease Agreement dated as of March 1, 2016 between the Agency as landlord and the Mortgagor as tenant as the same may be amended or supplemented from time to time.

1.2 BUSINESS DAY: A day of the year which is neither a Saturday or Sunday nor a legal holiday on which banks are required or authorized by law to closing in New York State.

1.3 COMPANY LEASE AGREEMENT: The Company Lease Agreement dated as of March 1, 2016 between the Mortgagor, as landlord, and the Agency, as tenant as the same may be amended or supplemented from time to time.

1.4 INDEBTEDNESS: As used herein, "Indebtedness" shall mean all indebtedness and other liabilities of Assignor, to Lender and affiliates of Lender of every kind and character, arising under the Mortgage, this Assignment or any other loan documents evidencing or securing the loan or by operation of law, whether direct, indirect, primary, absolute, contingent, as borrower or guarantor, matured or unmatured, now owing or existing or hereafter incurred or created, originally contracted with Lender or with others, and all amendments, extensions, renewals and replacements thereof, including, without limitation, all principal, interest, charges, expenses, commitment or facility fees, collateral management or other fees, treasury management obligations, foreign exchange obligations, obligations due pursuant to any Interest Rate Protection Agreement entered into by Assignor, reasonable attorneys' fees and expenses related to collection of the foregoing and any other amount payable by Assignor hereunder and any other agreement between the parties whether executed in connection herewith or otherwise. "Interest Rate Protection Agreement" shall mean any agreement, device or arrangement designed to protect such Assignor from fluctuations of interest rates, exchange rates or forward rates, including, but not limited to, dollar-denominated or cross-currency exchange agreements, forward currency exchange agreements, interest rate caps, collars or floors, forward rate currency or interest rate options, puts, warrants, swaps, swaptions, U.S. Treasury locks and U.S. Treasury options, and any and all cancellations, buybacks, reversals, terminations or assignments of any of the foregoing.

No leases are recorded in the Onondaga County Clerk's office. The amount of the Mortgage is $2,550,000.00. NB 1795 p 32

WHEN RECORDED, RETURN TO:
FIRST NIAGARA BANK, N.A.
Commercial Collateral Control Unit
726 Exchange Street, Suite 900
Buffalo, NY 14210

Property Address: 201-219 East Genesee Street
Syracuse, NY 13202

Tax ID Number(s): 103-17-8.0

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1.2 BUSINESS DAY: A day of the year which is neither a Saturday or Sunday nor a legal holiday on which banks are required or authorized by law to closing in New York State.

1.3 COMPANY LEASE AGREEMENT: The Company Lease Agreement dated as of March 1, 2016 between the Mortgagor, as landlord, and the Agency, as tenant as the same may be amended or supplemented from time to time.

1.4 INDEBTEDNESS: As used herein, "Indebtedness" shall mean all indebtedness and other liabilities of Assignor, to Lender and affiliates of Lender of every kind and character, arising under the Mortgage, this Assignment or any other loan documents evidencing or securing the loan or by operation of law, whether direct, indirect, primary, absolute, contingent, as borrower or guarantor, matured or unmatured, now owing or existing or hereafter incurred or created, originally contracted with Lender or with others, and all amendments, extensions, renewals and replacements thereof, including, without limitation, all principal, interest, charges, expenses, commitment or facility fees, collateral management or other fees, treasury management obligations, foreign exchange obligations, obligations due pursuant to any Interest Rate Protection Agreement entered into by Assignor, reasonable attorneys' fees and expenses related to collection of the foregoing and any other amount payable by Assignor hereunder and any other agreement between the parties whether executed in connection herewith or otherwise. "Interest Rate Protection Agreement" shall mean any agreement, device or arrangement designed to protect such Assignor from fluctuations of interest rates, exchange rates or forward rates, including, but not limited to, dollar-denominated or cross-currency exchange agreements, forward currency exchange agreements, interest rate caps, collars or floors, forward rate currency or interest rate options, puts, warrants, swaps, swaptions, U.S. Treasury locks and U.S. Treasury options, and any and all cancellations, buybacks, reversals, terminations or assignments of any of the foregoing.

1.5 LEASES: All agreements now existing or hereafter arising for the rental of space in or affecting the Premises or the right to enter upon, occupy, possess or use the Premises, including subleases, and other agreements for the leasing or rental of the Premises or any part thereof, now existing or hereafter made, and all proceeds of any of the foregoing, including, without limitation, all revenues, receipts, income, fees, charges, accounts, accounts receivable and other payments and receivables; all rents and other amounts now or hereafter due thereon; all proceeds thereof; and all replacements and substitutions and all renewals, extensions and modifications thereof from time to time amended excepting therefrom the Company Lease Agreement and the Agency Lease Agreement.

1.6 MORTGAGE: The Mortgage given by Assignor and Agency to Lender of even date herewith encumbering the real property described on Schedule A hereto, as such mortgage may be amended, supplemented, replaced or otherwise modified from time to time.

1.5 PREMISES: The real property and additional interests so defined as the Premises in the Mortgage.

II. ASSIGNMENT

As continuing collateral security for the payment of the Indebtedness, Assignor and Agency hereby assigns to Lender each's right, title and interest in and to the Leases, such assignment being present, absolute and unconditional; provided, however, that in the absence of an Event of Default (as hereafter defined), Lender agrees that Assignor may collect the payment of any rents, issues, income, royalties and profits and retain and use the rents and other amounts now or hereafter due on the Leases. Upon the occurrence of an Event of Default, Assignor's right to collect such rents, issues, income and profits shall immediately terminate without further notice thereof to Assignor. Lender shall have the right to notify the tenants under the Leases of the existence of this Assignment at any time.

The above assignment shall not be deemed to impose upon Lender any of the obligations or duties of the landlord or Assignor or Agency provided in any Lease.

It is hereby agreed and understood that the Agency has not assigned its interest in the Unassigned Rights (as such term is defined in the Leaseback Agreement).

III. COVENANTS AND REPRESENTATIONS OF ASSIGNOR

3.1 EXISTING LEASES: Any existing Leases submitted to Lender by or on behalf of Assignor are now valid and enforceable according to their terms, and have not, since their execution, been altered or amended in any manner which would cause a reduction of the rental or other sums due to Assignor or to create greater financial obligations on the part of Assignor, and no rents thereunder have been collected more than one (1) month in advance of the time when such rent is due.

3.2 COMPLIANCE WITH LEASES: Assignor will duly perform all the duties of, and comply with all the terms, covenants, conditions, provisions and agreements required of or made by Assignor in accordance with the Leases.

3.3 NEW LEASES; CANCELLATION AND AMENDMENT: Assignor will not, without Lender's prior written consent: (a) enter into any new Lease, except in the ordinary course of business; (b) cancel, abridge, or modify any Lease, except in the ordinary course of business; (c) transfer, mortgage or otherwise encumber the rents or other amounts due under Leases; or (d) accept prepayments of installments of rent to become due in excess of one (1) month.

3.4 AUTHORITY: Assignor has (a) the right to the rents presently due or to become due under the existing Leases; (b) has not previously assigned such rents or any part thereof except to Lender; (c) has the right and authority to make this Assignment; (d) has performed or will perform all necessary acts to authorize payment of the rents to Lender; and (e) will execute and deliver to Lender any and all other documents and perform all acts requested by Lender in connection with the Leases and this Assignment.

3.5 ATTORNEY-IN-FACT: Lender is hereby appointed attorney-in-fact of Assignor with full power and authority to act in the name of Assignor after the occurrence of any Event of Default in the exercise of any remedy permitted Lender hereunder but nothing herein shall in any way obligate Lender to act in any manner on behalf of

Assignor or relieve Assignor from its duty to perform according to the provisions of the Leases and this Assignment. The rights and powers granted to Lender hereby shall be irrevocable so long as the Indebtedness remains unpaid.

IV. EVENTS OF DEFAULT

The occurrence of any of the events or existence of any of the conditions described in this Article IV shall constitute an event of default hereunder ("Event of Default"):

4.1 NONPAYMENT OF INDEBTEDNESS: Failure by Assignor to pay the Indebtedness when due.

4.2 EVENT OF DEFAULT: The failure to comply with the provisions hereof or any other document evidencing or securing the Indebtedness.

V. REMEDIES

Upon demand or the occurrence of an Event of Default, Lender may, at its option and sole discretion, exercise, alternatively or cumulatively, any or all of the following remedies, without in any way waiving such Event of Default, without further notice or demand on Assignor, without regard to the adequacy of the security for the obligations secured hereby, without releasing Assignor or any guarantor of any Indebtedness from any obligation, and with or without bringing any action or proceeding to foreclose the Mortgage or any other lien or security interest granted by any other document evidencing or securing the Indebtedness:

5.1 COLLECT RENTS: Demand, recover and receive any and all rents and income from the Leases and apply the same to the Indebtedness.

5.2 PERFORM LEASES: Perform such acts as may be required of Assignor by the Leases.

5.3 LEASE AND SUBLEASE PREMISES: Lease, sublease, license or otherwise permit the use of the Premises or any part thereof which is now or may become vacant for such periods as Lender may deem proper.

5.4 MAINTAIN ACTIONS: Maintain any and all actions or proceedings to recover rents or other income from the Premises or to remove tenants, subtenants or occupants therefrom.

5.5 PAY EXPENSES: Pay all sums Lender deems necessary toward taxes, assessments, utility charges, prior liens, insurance premiums, service contracts, or repairs affecting the Premises and the obligations of Assignor under the Leases, and for exercising any remedies hereunder, and if the income of the Premises is not sufficient to cover such payments, together with sums then due on the Indebtedness secured hereby, Assignor will promptly reimburse Lender to the extent thereof and such sums shall be secured hereby.

5.6 RENEGOTIATE LEASES: Renegotiate (including the making of rent concessions and making of tenant improvements), cancel, accept the surrender of, and enforce the terms of, the Leases.

5.7 RIGHT OF SETOFF: Upon and at any time and from time to time after any occurrence or existence of any Event of Default, Lender shall have the right to place an administrative hold on, and setoff against each obligation of Assignor pursuant to this Assignment, each obligation of Lender or any other direct or indirect subsidiary of First Niagara Financial Group, Inc. (in any capacity) owing to Assignor, whether now existing or hereafter arising or accruing, whether or not then due and whether pursuant to any deposit account or any other manner. Such setoff shall become effective at the time Lender opts therefor even though evidence thereof is not entered in the books and records of Lender until later.

5.8 OTHER: Exercise any other right or remedy available to Lender in law or equity.

In the exercise of any of the foregoing rights and powers, Lender shall not be liable to Assignor for any loss or damage thereby sustained unless due solely to the willful misconduct of Lender.

VI. MISCELLANEOUS

6.1 WAIVERS: Nothing contained in this Assignment shall operate as or be deemed to be an extension of the time for payment of the Indebtedness or to in any way affect any of Lender's rights, powers or remedies to enforce payment of the Indebtedness or any part thereof, no delay or omission by Lender in exercising any right or remedy hereunder or with respect to any Indebtedness shall operate as a waiver thereof or of any other right or remedy, and no single or partial exercise thereof shall preclude any other or further exercise thereof or the exercise of any other right or remedy. Lender may remedy any default by Assignor hereunder in any reasonable manner without waiving the default remedied and without waiving any other prior or subsequent default by Assignor.

6.2 SUCCESSORS AND ASSIGNS: This Assignment shall be binding upon Assignor and its successors and assigns, and shall inure to the benefit of Lender and its successors and assigns, including without limitation any future holder of the Mortgage or a participating interest in the Indebtedness.

6.3 GOVERNING LAW: This Assignment and the rights and obligations of the parties hereto shall be construed and interpreted in accordance with the internal laws of the State of New York, without regard to the principles of conflict of laws.

6.4 LIMITATION OF LIABILITY: To the fullest extent permitted by applicable law, Assignor shall not assert, and hereby waives any claim against Lender, on any theory of liability, for special, indirect, consequential or punitive damages (but excluding direct or actual damages) arising out of, in connection with or as a result of, this Assignment, any related loan documents, the transactions contemplated hereby or thereby or any loan or the use of the proceeds.

6.5 JURISDICTION: ASSIGNOR KNOWINGLY, VOLUNTARILY, INTENTIONALLY AND IRREVOCABLY (a) CONSENTS IN EACH ACTION AND OTHER LEGAL PROCEEDING COMMENCED BY LENDER AND ARISING OUT OF OR OTHERWISE RELATING TO THIS ASSIGNMENT, ANY OF THE OBLIGATIONS, ANY OF THE LEASES OR RENTS OR ANY OTHER COLLATERAL TO THE JURISDICTION OF ANY COURT THAT IS EITHER A COURT OF RECORD OF THE STATE OF NEW YORK OR A COURT OF THE UNITED STATES LOCATED IN THE STATE OF NEW YORK, (b) WAIVES EACH OBJECTION TO THE LAYING OF VENUE OF ANY SUCH ACTION OR OTHER LEGAL PROCEEDING, (c) WAIVES IN EACH SUCH ACTION AND OTHER LEGAL PROCEEDING EACH RIGHT TO ASSERT ANY NONMANDATORY COUNTERCLAIM, ANY SETOFF OR ANY DEFENSE BASED UPON ANY STATUTE OF LIMITATIONS OR CLAIM OF LACHES, (d) WAIVES EACH RIGHT TO ATTACK ANY FINAL JUDGMENT THAT IS OBTAINED AS A RESULT OF ANY SUCH ACTION OR OTHER LEGAL PROCEEDING AND (e) CONSENTS TO EACH SUCH FINAL JUDGMENT BEING SUED UPON IN ANY COURT HAVING JURISDICTION WITH RESPECT THERETO AND ENFORCED IN THE JURISDICTION IN WHICH SUCH COURT IS LOCATED AS IF ISSUED BY SUCH COURT.

6.6 WAIVER OF TRIAL BY JURY: ASSIGNOR KNOWINGLY, VOLUNTARILY, INTENTIONALLY AND IRREVOCABLY WAIVES EACH RIGHT ASSIGNOR MAY HAVE TO A TRIAL BY JURY WITH RESPECT TO, AND IN, ANY ACTION OR OTHER LEGAL PROCEEDING OF ANY NATURE, RELATING TO (a) THIS ASSIGNMENT, ANY RELATED LOAN DOCUMENT OR ANY COLLATERAL RELATED HERETO, (b) ANY TRANSACTION CONTEMPLATED BY ANY SUCH DOCUMENTS OR (c) ANY NEGOTIATION, PERFORMANCE OR ENFORCEMENT OF THIS ASSIGNMENT, OR ANY COLLATERAL RELATED HERETO. ASSIGNOR CERTIFIES THAT NEITHER LENDER NOR ANY REPRESENTATIVE THEREOF HAS REPRESENTED TO ASSIGNOR THAT LENDER WILL NOT SEEK TO ENFORCE THE WAIVER MADE BY ASSIGNOR IN THIS SECTION. ASSIGNOR ACKNOWLEDGES THAT IT HAS BEEN REPRESENTED BY INDEPENDENT LEGAL COUNSEL AS NECESSARY AND APPROPRIATE.

6.7 CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY SPECIAL OBLIGATIONS:

Notwithstanding any other term or condition contained in this Assignment:

(a) This Assignment is executed by the Agency solely for the purpose of subjecting its leasehold interest in the Real Property and Improvements to this Assignment and for no other purpose. All representations, covenants and warranties of "the Assignor" herein are hereby deemed to have been made by Assignor and not by the Agency.

(b) The obligations and agreements of the Agency contained herein shall not constitute or give rise to an obligation of the State of New York or the City of Syracuse, New York, and neither the State of New York nor the City of Syracuse, New York shall be liable hereon. All obligations of the Agency hereunder shall constitute a special obligation payable solely from the revenues and other monies, if any, derived from the Premises, and neither the members of the Agency nor any person executing this Assignment on its behalf shall be liable personally under this Assignment. No recourse shall be had for the payment of the principal of, or interest on the indebtedness which this Assignment secures, or for any claim based hereon, or otherwise in respect hereof, or based upon or in respect of this Assignment, or any assignment supplemental hereto, against any past, present, or future member, officer, agent, servant, or employee, as such, of the Agency or of any successor or political subdivision, either directly or through the Agency or any such successor, all such liability of such members, officers, agents (except for the Assignor), servants and employees being, to the extent permitted by law, expressly waived and released by the acceptance hereof and as part of the consideration for the execution of this Assignment and the instruments evidencing the indebtedness it secures. Any judgment or decree shall be enforceable against the Agency only to the extent of its interest in the Premises and any such judgment shall not be subject to execution on or by a lien on assets of the Agency other than its interest in the Premises.

(c) No order or decree of specific performance with respect to any of the obligations of the Agency hereunder shall be sought or enforced against the Agency unless the party seeking such order or decree shall first have requested the Agency in writing to take the action sought in such order or decree of specific performance, and thirty (30) days shall have elapsed from the date of receipt of such request, and the Agency shall have refused to comply with such request (or, if compliance therewith would reasonably be expected to take longer than thirty (30) days, shall have failed to institute and diligently pursue action to cause compliance with such request) or failed to respond within such notice period. If the Agency refuses to comply with such request and the Agency's refusal to comply is based on its reasonable expectation that it will incur fees and expenses, the party seeking such order or decree may, at its option, place in an account with the Agency an amount or undertaking sufficient to cover such reasonable fees and expenses whereupon the Agency shall agree to comply with such request. If the Agency refuses to comply with such request and the Agency's refusal to comply is based on its reasonable expectation that it or any of its members, officers, directors, servants, agents or employees shall be subject to potential liability, the party seeking such order or decree may, at its option, (1) agree to protect, defend, indemnify and hold harmless the Agency and its members, officers, directors, servants, agents (other than the Assignor) and employees against any liability incurred as a result of its compliance with such demand, and (2) if requested by the Agency, furnish to the Agency reasonably satisfactory security to protect the Agency and its members, officers, directors, servants, agents (other than the Assignor) and employees against all liability reasonably expected to be incurred as a result of compliance with such request whereupon the Agency shall agree to comply with such request. The agreement on the part of the Lender shall not be construed in any way so as to effect or impair this Assignment or the Lender's right to enforce hereunder as provided by law or construed in any way so as to limit or restrict any of the rights or remedies of the Lender in any enforcement proceedings.

6.8 ASSIGNOR'S OBLIGATIONS TO COMPLY WITH THE COMPANY LEASE AGREEMENT AND THE AGENCY LEASE AGREEMENT: Assignor shall (i) pay all other sums of money due and payable at any time and from time to time under the Company Lease Agreement and the Agency Lease Agreement (each as and between the Agency and the Assignor) as and when such sums become due and payable, but in any event before the expiration of any grace period provided in the Company Lease Agreement and/or the Agency Lease Agreement, as applicable, for the payment of any such sum, and (ii) at all times fully perform, observe and comply with all other terms, covenants and conditions of the Company Lease Agreement and Agency Lease Agreement to be performed, observed or complied with by Assignor as lessor under the Company Lease Agreement and lessee under the Agency Lease Agreement. If the Company Lease Agreement and/or the Agency Lease Agreement do not provide for a grace period for the payment of a sum of money, Assignor shall make the payment on or before the date on which the payment becomes due and payable. Assignor shall deliver evidence of the payment to Lender within ten (10) days after receipt of a written request from Lender for evidence of the payment.

6.9 AGENCY EXECUTING AT THE DIRECTION OF ASSIGNOR: Assignor directs the Agency to execute and deliver this Assignment to Lender, and further agrees to indemnify the Agency (and its members, officers, directors, agents, servants and employees) for all fees and costs incurred in connection with the execution, delivery, recording, performing and enforcing of this Assignment, including but not limited to reasonable attorney's fees.

6.10 HOLD HARMLESS PROVISION: The Assignor hereby acknowledges that the terms of the Agency Lease Agreement, as amended and restated from time to time, is in full force and effect, including but not limited to the "Hold Harmless Provisions" contained in Section 8.2 thereof and incorporates same in this instrument and makes same applicable hereto as if fully set forth herein.

[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, Assignor and Agency have duly executed this Assignment as of the date set forth above.

STATE TOWER BUILDING, LLC

By: _____
MARK RONEY, Authorized Signatory

EXPRESSWAY PROPERTIES, LLC

By: _____
DAVID LOFTUS, Authorized Signatory

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY

By: _____
WILLIAM M. RYAN, Chairman

Rev. 02/18/2015

STATE OF NEW YORK)
) SS:
COUNTY OF ONONDAGA)

On the 4 day of March, in the year 2016, before me, the undersigned, personally appeared MARK RONEY, known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

_____
Notary Public

JAMES J. CONNOR
Notary Public, State of New York
Qualified in Onondaga Co. No. 02CA4710442
My Commission Expires April 30, 2018

STATE OF NEW YORK)
) SS:
COUNTY OF ONONDAGA)

On the 21 day of March, in the year 2016, before me, the undersigned, personally appeared DAVID LOFTUS, known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

Notary Public

JAMES J. CANFIELD
Notary Public, State of New York
Qualified in Onondaga Co. No. 02CA4710442
My Commission Expires April 30, 2018

STATE OF NEW YORK)
) SS:
COUNTY OF ONONDAGA)

On the 15th day of March, in the year 2016, before me, the undersigned, personally appeared WILLIAM M. RYAN, known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

Notary Public

LORI L. McROBBIE
Notary Public, State of New York
Qualified in Onondaga Co. No. 01MC5055591
Commission Expires on Feb. 12, 2018

Schedule A

Real Property Description

ALL THAT CERTAIN PLOT, PIECE OR PARCEL OF LAND, with the buildings and improvements thereon erected, situate, lying and being in the City of Syracuse, County of Onondaga and State of New York, known and designated as Lot Nos. 1, 2, 3, 4, 5, 6, 7, part of 19 and 20, the latter Lot also known as Lot A, all being Block 103 in said City, bounded and described as follows: Beginning at the intersection of the east line of South Warren Street and the south line of East Water Street; thence South 0° 03' 30" West, on the east line of South Warren Street, 67.68 feet to the northerly line of East Genesee Street; thence South 59° 45' 20" East along the northerly line of East Genesee Street, 196.49 feet; thence North 29° 58' 40" East, 79.51 feet to a point; thence North 59° 45' 20" West, 1.42 feet; thence North 30° 14' 40" East, 16.49 feet to a point; thence North 0° 26' 20" East, 0.67 feet to a point; thence South 89° 33' 40" East, 1.37 feet to a point; thence North 0° 26' 20" East 5.49 feet to a point in the south line of Falker property; thence North 0° 03' 40" West 75 feet to the south line of East Water Street; thence North 89° 33' 40" West, along the southerly line of East Water Street 217.83 feet to the point and place of beginning.

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[redacted]

411479 2016 Mar 28 PM06:23

UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

A. NAME & PHONE OF CONTACT AT FILER [optional]
Mark Arbon, Esq. 315-234-1700

B. SEND ACKNOWLEDGMENT TO: (Name and Address)

Sarofeen & Arbon, PLLC
One Lincoln Center, Suite 1110
Syracuse, NY 13202, USA

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1. DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (1a or 1b) - do not abbreviate or combine names

1a. ORGANIZATION'S NAME **STATE TOWER BUILDING, LLC**

OR

1b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME	SUFFIX

1c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY
333 W. Washington St., Suite 600	**Syracuse**	**NY**	**13202**	**USA**

1d. SEE INSTRUCTIONS	ADD'L INFO RE ORGANIZATION DEBTOR	1e. TYPE OF ORGANIZATION	1f. JURISDICTION OF ORGANIZATION	1g. ORGANIZATIONAL ID #, if any
		limited liability company	**New York**	☐ NONE

2. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (2a or 2b) - do not abbreviate or combine names

2a. ORGANIZATION'S NAME **EXPRESSWAY PROPERTIES, LLC**

OR

2b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME	SUFFIX

2c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY
108 East Genesee St.	**Skaneateles**	**NY**	**13152**	**USA**

2d. SEE INSTRUCTIONS	ADD'L INFO RE ORGANIZATION DEBTOR	2e. TYPE OF ORGANIZATION	2f. JURISDICTION OF ORGANIZATION	2g. ORGANIZATIONAL ID #, if any
		limited liability company	**New York**	☐ NONE

3. SECURED PARTY'S NAME (or NAME of TOTAL ASSIGNEE of ASSIGNOR S/P) - insert only one secured party name (3a or 3b)

3a. ORGANIZATION'S NAME **First Niagara Bank, N.A.**

OR

3b. INDIVIDUAL'S LAST NAME	FIRST NAME	MIDDLE NAME	SUFFIX

3c. MAILING ADDRESS	CITY	STATE	POSTAL CODE	COUNTRY
726 Exchange Street	**Buffalo**	**NY**	**14210**	**USA**

4. This FINANCING STATEMENT covers the following collateral:
See Collateral Attachment

5. ALTERNATIVE DESIGNATION [if applicable]: ☐ LESSEE/LESSOR ☐ CONSIGNEE/CONSIGNOR ☐ BAILEE/BAILOR ☐ SELLER/BUYER ☐ AG. LIEN ☐ NON-UCC FILING

6. ☐ This FINANCING STATEMENT is to be filed [for record] (or recorded) in the REAL ESTATE RECORDS. Attach Addendum [if applicable] 7. Check to REQUEST SEARCH REPORT(S) on Debtor(s) [ADDITIONAL FEE] [optional] ☐ All Debtors ☐ Debtor 1 ☐ Debtor 2

8. OPTIONAL FILER REFERENCE DATA **FIRS02-11965-STB**

FILING OFFICE COPY — NATIONAL UCC FINANCING STATEMENT (FORM UCC1) (REV. 05/22/02)

Filing Number-201603288119868

All of Debtor's interest in (A) the land described as 201-219 East Genesee Street, City of Syracuse, New York (the "Real Property"), (B) all buildings, structures and other improvements now or hereafter constructed or located on the Real Property and any related Fixtures, (the "Improvements"), (C) all fixtures and all personal property now or hereafter affixed to or installed on the Real Property or the Improvements, including without limitation, heating, ventilation, air conditioning, plumbing, gas and electric fixtures and equipment, engines, motors, incinerators, pumps, fire prevention equipment and floor coverings, now owned or hereafter acquired, all insurance policies covering the Premises and the proceeds thereof, all insurance policies covering the Real Property and the proceeds thereof, all insurance, conversion and condemnation awards and the Improvements, all lease, rental and sale agreements related to the Real Property or Improvements, any security deposits, down payments and any other payments related to the Real Property, all income or profit, all contracts related to the Real Property, all books and records, all options or agreements, all plans and specifications and all renewals and replacements thereof and articles in substitution therefor and all proceeds thereof (collectively, the "Fixtures"), (D) All credits, cash, deposits (whether for security or otherwise), rents, advance rentals, issues, profits revenues, royalties, fees, charges, accounts, benefits and other payments and income of every nature of and from any portion of the Premises, including, without limitation, minimum rents, additional rents, termination payments, forfeited security deposits, liquidated damages during the existence of an Event of Default or demand, as applicable and all proceeds payable under any policy of insurance covering loss or rents resulting from untenantability due to destruction or damage to the Premises, or any part thereof, together with the immediate and continuing right to collect and receive the same, whether due or hereafter becoming due, and together with all rights and claims of any kind that Debtor may have against any tenant, lessee or licensee under the leases or against any other occupant of the Real Property or Improvements, and all rents, oil and gas or other mineral royalties, revenues, fees, charges, accounts and other payments, and bonuses, issues and profits from any portion of the Premises (collectively, the "Rents"), (E) any and all awards heretofore or hereafter made by any federal, state, county, municipal or other governmental authority, or by whomsoever made in any condemnation, eminent domain, or equivalent proceeding, to the present or subsequent owners of any interest encumbered by the Mortgage for the acquisition for public purposes of said interest, or any portion thereof, and for severance and consequential damages on account thereof, including any award for any change of grade of any street affecting said interest, and also any award for any damage to said interest; and all proceeds of insurance on or in connection with the Real Property, the Fixtures, and the Improvements (collectively, the "Awards").

As used in this Exhibit A, the following terms have the following meanings:

"Mortgage" means that certain Mortgage and Security Agreement dated March 21, 2016 made by Debtor for the benefit of First Niagara Bank, N.A.

"Premises" means all of Debtor's right, title and interest in the Real Property, Improvements, Fixtures, Rents and Awards.

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SURVEY- on file with the Agency

ALTA/ACSM Land Title Survey
Location Survey on Lots #1, #2, #3, #4, #5, #6, #7, #20(A)
and part of Lot #19 – Block 103, City of Syracuse,
County of Onondaga, State of New York

Known as No. 109 South Warren Street, City of Syracuse,
County of Onondaga, State of New York

R.J. Lighton Sr. Land Surveying
Date: 5/4/12
Revisions: 11/15/12, 5/29/15

21

GENERAL CERTIFICATE OF THE

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY

This certificate is made in connection with the execution by the City of Syracuse Industrial Development Agency (the "***Agency***") of the Company Lease, the Agency Lease, the Mortgage and any other document now or hereafter executed by the Agency (collectively, the "***Agency Documents***") with respect to a project (the "***Project***") undertaken at the request of State Tower Building, LLC and Expressway Properties, L.L.C. (collectively, the "***Company***") consisting of: (A)(i) the acquisition of an interest in approximately 1.2 acres of real property improved by an existing twenty-one (21) story, approximately 211,000 square foot building and garage (the "***Building***") located at 201-19 East Genesee Street & Warren Streets, in the City of Syracuse, New York (the "***Land***"); the renovation of the Building for use as a mixed-use complex including Class A office space and retail on the first 8 floors; approximately 57 market-rate studio, one and two bedroom apartment units on the upper 13 floors; significant façade restoration; and a 100 car on-site parking garage, all located on the Land (the "***Facility***"); (iii) the acquisition and installation in and at the Land and Facility of furniture, fixtures and equipment (the "***Equipment***" and together with the Land and the Facility, the "***Project Facility***"); (B) the granting of certain financial assistance in the form of exemptions from State and local sales and use tax and mortgage recording tax (the "***Financial Assistance***"); (C) the appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, renovation and equipping of the Project Facility; and (D) the lease of the Land and Facility by the Agency pursuant to a lease agreement and the acquisition of an interest in the Equipment pursuant to a bill of sale from the Company to the Agency; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement.

Capitalized terms used herein which are not otherwise defined herein and which are defined in the Agency Lease Agreement dated as of March 1, 2016 (the "***Agency Lease***"), between the Agency and the Company, and shall have the meanings ascribed to such terms in the Agency Lease except that, for purposes of this certificate, (A) all definitions with respect to any document shall be deemed to refer to such document only as it exists as of the date of this certificate and not as of any future date, and (B) all definitions with respect to any Person shall be deemed to refer to such Person only as it exists as of the date of this certificate and not as of any future date or to any successor or assign.

I, the undersigned Chairman of the Agency, Do Hereby Certify:

1. I am an officer of the Agency and am duly authorized to execute and deliver this certificate in the name of the Agency.

2. The Agency is an industrial development agency duly established under Title 1 of Article 18-A of the General Municipal Law of the State of New York (the "***State***"), as amended (the "***Enabling Act***") and Chapter 641 of the Laws of 1979 of the State (said Chapter with the Enabling Act, the "***Act***") (a certified copy of Chapter 641 of the Laws of 1979 of the State is

attached hereto as **Exhibit "A"**), and it is a corporate governmental agency constituting a public benefit corporation of the State.

3. The Act empowers the Agency, among other things, to acquire, construct reconstruct, lease, improve, maintain, equip, sell and dispose of land and any building or other improvement, and all real and personal property, including, but not limited to, machinery and equipment deemed necessary in connection therewith, whether or not now in existence or under construction, which shall be suitable for manufacturing, warehousing, research, commercial, recreation or industrial facilities, including industrial pollution control facilities, in order to advance job opportunities, health, general prosperity and the economic welfare of the people of the City of Syracuse and the State and to improve their standard of living. The Act further authorizes the Agency to lease any and all of its facilities on such terms and conditions as it deems advisable, to acquire, construct, lease, improve, and equip one or more projects as defined in the Act, to mortgage any or all of its facilities and to pledge the revenues and receipts from the sale or transfer of its facilities.

4. The Agency has full legal power and authority to own its property, conduct its business and execute, deliver, and perform its obligations under the Agency Documents and has taken all actions and obtained all approvals required in connection therewith by the Act and any other applicable laws and regulations, and no legislation has been enacted affecting the powers or authority of the Agency to execute and deliver the Agency Documents, affecting the financing of the Project, or affecting the validity thereof or of the Agency Documents, or contesting the existence and powers of the Agency or the appointment of the members and officers of the Agency to their respective offices.

5. Pursuant to the Act, the governing body of the City of Syracuse, New York, for whose benefit the Agency was established, duly filed or caused to be filed within six (6) months after the effective date of Chapter 641 of the Laws of 1979 of the State in the office of the Secretary of State of the State the Certificate of Establishment of the Agency pursuant to Section 926 of the New York General Municipal Law. The Certificate of Establishment of the Agency described in the preceding sentence also named the members and officers of the Agency as appointed by the Mayor of the City of Syracuse. Attached hereto as **Exhibit "B"** are certified copies of said Certificates of Establishment and copies of the Certificates of Appointment relating to all of the current members of the Agency, who are:

William M. Ryan	Chairman
M. Catherine Richardson	Vice Chairman
Steven Thompson	Secretary
Donald Schoenwald	Treasurer
Kenneth J. Kinsey	Member

6. Attached hereto as **Exhibit "C"** is a true, correct, and complete copy of the by-laws of the Agency, together with all amendments thereto or modifications thereof; and said by-laws as

so amended and modified are in full force and effect in accordance with their terms as of the date of this certificate.

7. That a resolution determining that the acquisition, renovation and equipping of the Project constitutes a Project and describing the financial assistance in connection therewith and authorizing a public hearing (the "***Public Hearing Resolution***") was adopted by the Agency on January 26, 2016 and remains in full force and effect and has not been rescinded, repealed or modified. A copy of the Public Hearing Resolution is attached hereto at **Exhibit "D."**

8. Attached hereto as **Exhibit "E"** is proof of publication of a notice of the public hearing with respect to the Project (the "***Public Hearing Notice***"), required pursuant to Section 859-a of the Act and held on March 9, 2016, and proof of mailing of notice thereof pursuant to Section 859-a of the Act to the chief executive officers of the affected tax jurisdictions (as defined in Section 854(16) of the Act) on February 18, 2016.

9. That a resolution classifying the Project as an Unlisted Action pursuant to the State Environmental Quality Review Act, declaring the Agency Lead Agency for purposes of an uncoordinated review thereunder and determining that the Project will not have a significant effect on the environment (the "***SEQRA Resolution***") was adopted by the Agency on March 9, 2016 and remains in full force and effect and has not been rescinded, repealed or modified. A copy of the SEQRA Resolution is attached hereto at **Exhibit "F."**

10. That a resolution approving the undertaking of the acquisition, construction and equipping of the Project, appointing the Company as agent of the Agency for the purpose of the acquisition, renovation and equipping of the Project, and authorizing the execution and delivery of an agreement between the Agency and the Company (the "***Inducement Resolution***") was adopted by the Agency on March 9, 2016 and remains in full force and effect and has not been rescinded, repealed or modified. A copy of the Inducement Resolution is attached hereto at **Exhibit "G."**

11. That a resolution authorizing the execution and delivery of certain documents by the Agency in connection with the Project was adopted by the Agency on March 9, 2016 (the "***Final Approving Resolution***") and remains in full force and effect and has not been rescinded, repealed or modified. A copy of the Final Approving Resolution is attached hereto at **Exhibit "H"**.

12. The execution, delivery and performance of all Agency Documents, certificates and documents required to be executed, delivered and performed by the Agency in order to carry out, give effect to and consummate the transactions contemplated by the Agency Documents have been duly authorized by all necessary action of the Agency, and the Agency Documents have been duly authorized, executed and delivered. The Agency Documents are in full force and effect on and as of the date hereof, and no authority or proceeding for the execution, delivery or performance of the Agency Documents has been materially amended, repealed, revoked or rescinded; and no event or circumstance has occurred or exists which constitutes, or with the giving of notice or the passage of time would constitute, a default on the part of the Agency under the Agency Documents.

13. The execution, delivery, and performance of the Agency Documents, the consummation of the transactions therein contemplated and compliance with the provisions of each do not and will not: (a) violate the Act or the by-laws of the Agency; (b) require consent (which has not heretofore been received) under or result in a breach or default of any credit agreement, purchase agreement, indenture, deed of trust, commitment, guaranty, lease, or other agreement or instrument to which the Agency is a party or by which the Agency may be bound or affected; or (c) conflict with or violate any existing law, rule, regulation, judgment, order, writ, injunction, or decree of any government, governmental instrumentality, or court, domestic or foreign, having jurisdiction over the Agency or any of its Property.

14. The Agency has not received written notice that any event of default has occurred and is continuing, or that any event has occurred which with the lapse of time or the giving of notice or both would constitute an event of default by any party to the Agency Documents.

15. There is no action, suit, proceeding or investigation at law or in equity, before or by any court, public board or body of the United States of America or the State of New York, pending or, to the best of my knowledge, threatened against or affecting the Agency (or to my knowledge any basis therefor): (a) wherein an unfavorable decision or finding would adversely affect (i) the Inducement Resolution, the Final Approving Resolution, the Company Lease, the Agency Lease or the other Agency Documents; or (ii) the existence or organization of the Agency; or (iii) restrain or enjoin the financing, acquisition or construction of the Project or the performance by the Agency of the Agency Documents; or (b) in any manner questioning the proceedings or authority of the financing of the Project, or affecting the validity thereof or of the Agency Documents, or contesting the existence and powers of the Agency or the appointment of the directors and officers of the Agency to their respective offices.

16. March 21, 2016 has been duly designated as the date for the Closing.

17. The Agency has complied with all agreements and satisfied all conditions on its part to be performed or satisfied at or prior to the Closing Date.

18. In accordance with the Act, the Agency has determined:

(a) to assist the Company's acquisition, renovation and equipping of the Project Facility;

(b) to grant the Financial Assistance to the Company;

(c) to designate the Company as the Agency's agent for the acquisition, renovation and equipping of the Project Facility and to authorize the Company to appoint additional agents; and

(d) to pledge its interest in the Company Lease and the Agency Lease (except the Agency's Unassigned Rights) to the Mortgagee(s) and grant the Mortgagee(s) a security interest in the Agency's leasehold interest in the Project Facility.

19. That I did officially cause all certificates necessary for the financing and included in the Official Transcript of Closing, to be executed, as required, in the name of the Agency by the signing of each of such certificates with the signature of the (Vice) Chairman of the Agency.

20. That I did officially cause the following Agency Documents to be executed in the name of the Agency by the signing of each of such Agency Documents with the signature of the William M. Ryan, Chairman of the Agency:

(a) a Company Lease from the Company to the Agency pursuant to which the Company agrees to lease the Land and the Facility to the Agency;

(b) an Agency Lease from the Agency to the Company pursuant to which the Agency agrees to sublease the Project Facility to the Company; and

(c) the Mortgage pursuant to which the Mortgagee has been granted a security interest in the Project Facility.

21. No member, officer or employee of the Agency having power to: (i) negotiate, prepare, authorize or approve any of the Agency Documents; (ii) audit bills or claims under any of the Agency Documents; or (iii) appoint an officer or employee who has any of the powers or duties set forth in (i) or (ii):

(a) directly or indirectly owns any stock of the Company;

(b) is a partner, director or employee of the Company;

(c) is related to the Company within the meaning of Section 800.3(a) of the New York General Municipal Law.

No member, officer, or employee of the Agency has publicly disclosed, in a writing included as part of the official minutes of the Agency, any Interest (as defined in Section 800.3 of the New York General Municipal Law), direct or indirect, in the Developer.

WITNESS, as of the 1st day of March, 2016.

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY

By: _____
William M. Ryan, Chairman

EXHIBIT "A"

CHAPTER 641 OF THE LAWS OF 1979
OF THE STATE OF NEW YORK

LAWS OF NEW YORK, 1979

CHAPTER 641

AN ACT to amend the general municipal law, in relation to creating and establishing for the city of Syracuse industrial development agency and, providing for its functions and duties

Became a law July 11, 1979, with the approval of the Governor. Passed on Home Rule request pursuant to Article IX, section 2 (b) (2) of the Constitution, by a majority vote, three-fifths being present.

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. The general municipal law is amended by adding a new section nine hundred twenty-six to read as follows:

§ 926. City of Syracuse industrial development agency. (a) For the benefit of the city of Syracuse and the inhabitants thereof, an industrial development agency, to be known as the CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY, is hereby established for the accomplishment of any or all of the purposes specified in title one of article eighteen-A of this chapter. It shall constitute a body corporate and politic, and be perpetual in duration. It shall consist of five members who shall be appointed by the mayor of the city of Syracuse and its chairman shall be designated by such mayor. It shall have the powers and duties now or hereafter conferred by title one of article eighteen-A of this chapter upon industrial development agencies. It shall organize in a manner prescribed by and be subject to the provisions of title one of article eighteen-A of this chapter. The agency, its members, officers and employees, and its operations and activities shall in all respects be governed by the provisions of title one of article eighteen-A of this chapter.

(b) The city shall have the power to make, or contract to make grants or loans, including but not limited to grants or loans of money, to the agency in such amounts, upon such terms and conditions and for such period or periods of time as in the judgment of the city and the agency are necessary or appropriate for the accomplishment of any of the purposes of the agency.

§ 2. This act shall take effect immediately.

EXHIBIT "B"

AGENCY'S CERTIFICATE OF ESTABLISHMENT
AND
CERTIFICATES OF APPOINTMENT OF CURRENT MEMBERS

CERTIFICATE OF THE CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY

Pursuant to Article 18-A of the General Municipal Law, Lee Alexander, Mayor of the City of Syracuse, certifies as follows:

1) The name of the industrial development agency herein is the City of Syracuse Industrial Development Agency.

2) Chapter 641 of the Laws of 1979, the special act of the New York State Legislature establishing the City of Syracuse Industrial Development Agency, was adopted by the New York State Legislature on June 16, 1979 and signed by the Governor on July 18, 1979.

3) The names of the Chairman and the Members, respectively, of the City of Syracuse Industrial Development Agency and their terms of office are as follows:

(a)

Frank L. Canino	Chairman
David M. Garber	Member
David S. Michel	Member
Erwin G. Schultz	Member
Irwin L. Davis	Member

(b) The term of office of the Chairman and of the Members of the City of Syracuse Industrial Development Agency is at the pleasure of the Mayor and continues until a successor is appointed and has qualified.

4) The facts establishing the need for the creation of a City of Syracuse Industrial Development Agency are as follows:

Expansion of its industrial-commercial base is essential to the City of Syracuse, especially in a time of mounting economic pressures. To achieve this goal of expansion, the City has designed a comprehensive economic development program, requiring an Industrial Development Agency.

The existing potential for economic development will be augmented by the financial incentives of an Industrial Development Agency. Various City agencies and departments, such as the Department of Community Development and the Office of Federal and State Aid Coordination will interface with the Syracuse Industrial Development Agency to strengthen the business and industrial climate of the community.

Access to the Department of Community Development will make available to the Syracuse Industrial Development Agency an array of staff assistance, technical expertise, and various other development services. The City's Office of Federal and State Aid Coordination will provide assistance to it in locating, analyzing, and obtaining various forms of federal and state assistance and participation.

STATE OF NEW YORK
DEPARTMENT OF STATE

FILED JUL 20 1979

Secretary of State

The Syracuse Industrial Development Agency, in combination with, and utilizing these and other resources, will greatly enhance the City's ability to compete for, and successfully attract, the commercial and industrial enterprises necessary for continued economic health and growth.

July 20, 1979

Lee Alexander
Mayor

STATE OF NEW YORK
DEPARTMENT OF STATE

FILED JUL 20 1979

Secretary of State

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OFFICE OF THE MAYOR

Stephanie A. Miner, Mayor

CERTIFICATE OF APPOINTMENT TO THE
CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY

Pursuant to Article 18-A of the General Municipal Law of the State of New York, Stephanie A. Miner, Mayor of the City of Syracuse, hereby certifies the appointment of the following person as a Member and officer of the City of Syracuse Industrial Development Agency:

Mr. William Ryan - Member/Chairman

The following Member and Officer of the City of Syracuse Industrial Development Agency shall no longer serve as Member or Officer of said Agency:

Mr. Irwin Davis -Member/Chairman

No Member or Officer of the City of Syracuse Industrial development Agency shall receive any compensation for the discharge of their duties as Member or Officer of the Agency, but shall be entitled to necessary expenses incurred in the discharge of their duties as such Member or Officer.

The appointment herein set forth shall be effective as of January 15, 2010.

Stephanie A. Miner
Mayor, City of Syracuse

203 CITY HALL • SYRACUSE, N.Y. 13202-1473 • (315) 448-8005 • FAX: (315) 448-8067
WEB PAGE: www.syracuse.ny.us

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OFFICE OF THE MAYOR

Stephanie A. Miner

CERTIFICATE OF APPOINTMENT TO THE
CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY

Pursuant to Article 18-A of the General Municipal Law of the State of New York, Stephanie A. Miner, Mayor of the City of Syracuse, hereby certifies the appointment of the following person as ~~a Member~~ AN OFFICER of the City of Syracuse Industrial Development Agency:

M. Catherine Richardson - Member/Vice Chair

No Member or Officer of the City of Syracuse Industrial development Agency shall receive any compensation for the discharge of their duties as Member or Officer of the Agency, but shall be entitled to necessary expenses incurred in the discharge of their duties as such Member or Officer.

The appointment herein set forth shall be effective as of February 12, 2010.

Stephanie A. Miner
Mayor, City of Syracuse

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WEB PAGE: www.syracuse.ny.us

OFFICE OF THE MAYOR

Stephanie A. Miner, Mayor

CERTIFICATE OF APPOINTMENT TO THE
CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY

Pursuant to Article 18-A of the General Municipal Law of the State of New York, Stephanie A. Miner, Mayor of the City of Syracuse, hereby certifies the appointment of the following person as a Member of the City of Syracuse Industrial Development Agency:

Mr. Donald Schoenwald - Member

The following Member and Officer of the City of Syracuse Industrial Development Agency shall no longer serve as Member or Officer of said Agency:

Mr. Kenneth Mokrzycki - Member

No Member or Officer of the City of Syracuse Industrial Development Agency shall receive any compensation for the discharge of their duties as Member or Officer of the Agency, but shall be entitled to necessary expenses incurred in the discharge of their duties as such Member or Officer.

The appointment herein set forth shall be effective as of March 1, 2011.

Stephanie A. Miner
Mayor, City of Syracuse

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WEB PAGE: www.syracuse.ny.us

OFFICE OF THE MAYOR

Stephanie A. Miner, Mayor

CERTIFICATE OF APPOINTMENT TO THE
CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY

Pursuant to Article 18-A of the General Municipal Law of the State of New York, Stephanie A. Miner, Mayor of the City of Syracuse, hereby certifies the appointment of the following person as a Member of the City of Syracuse Industrial Development Agency:

Mr. Steve Thompson - Member/Secretary

The following Member and Officer of the City of Syracuse Industrial Development Agency shall no longer serve as Member or Officer of said Agency:

Mr. John Gamage - Member/Secretary

No Member or Officer of the City of Syracuse Industrial Development Agency shall receive any compensation for the discharge of their duties as Member or Officer of the Agency, but shall be entitled to necessary expenses incurred in the discharge of their duties as such Member or Officer.

The appointment herein set forth shall be effective as of January 6, 2014.

Stephanie A. Miner
Mayor, City of Syracuse

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Website: www.syracuse.ny.us

OFFICE OF THE MAYOR

Stephanie A. Miner, Mayor

CERTIFICATE OF APPOINTMENT TO THE
CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY

Pursuant to Article 18-A of the General Municipal Law of the State of New York, Stephanie A. Miner, Mayor of the City of Syracuse, hereby certifies the appointment of the following person as a Member of the City of Syracuse Industrial Development Agency:

Mr. Kenneth Kinsey - Member

The following Member and Officer of the City of Syracuse Industrial Development Agency shall no longer serve as Member or Officer of said Agency:

Ms. Pamela Hunter - Member

No Member or Officer of the City of Syracuse Industrial Development Agency shall receive any compensation for the discharge of their duties as Member or Officer of the Agency, but shall be entitled to necessary expenses incurred in the discharge of their duties as such Member or Officer.

The appointment herein set forth shall be effective as of January 13, 2016.

Stephanie A. Miner
Mayor, City of Syracuse

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Website: www.SyrGov.net

EXHIBIT "C"

AGENCY'S BY-LAWS

BY-LAWS OF
THE CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY
(as amended August 18, 2009)

Article I

THE AGENCY

Section l. Name

The name of the agency shall be "City of Syracuse Industrial Development Agency", and it shall be referred to in these by-laws as the Agency.

Section 2. Seal

The seal of the Agency shall be in such form as may be determined by the members of the Agency.

Section 3. Office

The principal office of the Agency shall be located in the City of Syracuse, New York, County of Onondaga, and State of New York. The Agency may have such other offices at such other places as the members of the Agency may, from time to time, designate by resolution.

Article II

MEMBERS

Section l. Members

(a) There shall be five members of the Agency. All references in these by-laws to members shall be references to Members of the Agency. The persons designated in the certificates of appointment filed in the office of the Secretary of State as members of the Agency and their successors in office and such other persons as may, from time to time, be appointed as

Members of the Agency by the Mayor of the City of Syracuse, or by special act of the Legislature, shall constitute all the members.

(b) Members shall hold office at the pleasure of the Mayor and shall continue to hold office until his or her successor is appointed and has qualified. The Mayor may remove any Member at his discretion, with or without cause.

(c) Upon the resignation or removal of a Member, a successor shall be selected by the Mayor.

(d) Members may resign at any time by giving written notice to the Mayor and to the Chairman of the Agency. Unless otherwise specified in the notice the resignation shall take effect upon receipt of the notice by the Chairman or the Mayor. Acceptance of the resignation shall not be necessary to make it effective.

Section 2. Meeting of the Members

(a) The Annual Meeting of the members shall be held on such date or dates as shall be fixed, from time to time, by the Members of the Agency. The first Annual Meeting of Members shall be held on a date within twelve (12) months after the filing of the Certificate of the Agency with the Secretary of State as required by General Municipal Law §856 (l) (a). Each successive Annual Meeting of Members shall be held on a date not more than twelve (12) months following the preceding Annual Meeting of Members.

(b) Regular meetings of the Agency may be held at such time and place as, from time to time, may be determined by the Members.

(c) Upon the written request of the Mayor, the Chairman or two (2) Members of the Agency, the Chairman of the Agency shall call a special meeting of the Members. Special meetings may be held on such date or dates as may be fixed in the call for such special meetings.

The call for a special meeting may be personally delivered to each Member of the Agency or may be mailed to the business or home address of such Member. A waiver of notice may be signed by any Member failing to receive a proper notice.

Section 3. Procedure at Meetings of Members

(a) The Chairman shall preside over the meetings of the Agency. In the absence of the Chairman, the Vice-Chairman shall preside. In the absence of both the Chairman and Vice-Chairman, any Member directed by the Chairman may preside.

(b) At all meetings of Members, a majority of the Members of the Agency shall constitute a quorum for the purpose of transacting business. If less than a quorum is present for any meeting, the Members then present may adjourn the meeting to such other time or until a quorum is present. Except to the extent provided for by law, all actions shall be by a majority of the votes cast, provided that the majority of the votes cast shall be at least equal to a quorum.

(c) When determined by the Agency that a matter pending before it is confidential in nature, it may, upon motion, establish an executive session and exclude any non-member from such session.

(d) Order of business

At all meetings of the Agency, the following shall be the order of business:

(1) Roll Call;

(2) Proof of Notice of Meeting;

(3) Reading and approval of the minutes of the previous meeting;

(4) bills and communications;

(5) Report of the Treasurer;

(6) Reports of Committees;

(7) Unfinished business;

(8) New business;

(9) Adjournment.

The order of business may be altered or suspended at any meeting by the Members of the Agency.

(e) All resolutions shall be in writing and shall be recorded in the journal of the proceedings of the Agency.

Article III

OFFICERS AND PERSONNEL

Section 1. Officers

The officers of the Agency shall be Chairman or Co-Chairman, Vice-Chairman, Secretary and Treasurer and such other offices as may be prescribed, from time to time, by the Agency. The Chairman or Co-Chairman and other officers shall be appointed by the Mayor of the City of Syracuse and may be removed with or without cause at his discretion. Each officer shall be a Member of the Agency during his or her term of office.

Section 2. Chairman or Co-Chairmen

The Chairman shall be chief executive officer of the Agency, and shall serve as an ex officio member of all duly constituted committees, shall supervise the general management and the affairs of the Agency, and shall carry out the orders and resolutions of the Agency. Except as otherwise authorized by resolution of the Agency, the Chairman shall execute (manually and by facsimile signature) all agreements, contracts, deeds, bonds, notes or other evidence of indebtedness and any other instruments of the Agency on behalf of the Agency. The Mayor may from time to time appoint two Co-Chairmen in place of the Chairman. During their term of office the Co-

Chairmen shall share equally the duties, rights, powers and responsibilities of the Chairman. The action of either Co-Chairman or execution (manually or by facsimile signature) by either Co-Chairman of any agreement, contract, deed, bond, note or other evidence of indebtedness or any other instrument of the Agency on behalf of the Agency shall have the same force and effect as such action or execution by the Chairman.

Section 3. Vice-Chairman

The Vice-Chairman shall have all the powers and functions of the Chairman or Co-Chairmen in the absence or disability of the Chairman or Co-Chairmen, as the case may be. The Vice-Chairman shall perform such other duties as the Members of the Agency shall prescribe or as delegated by the Chairman or Co-Chairmen.

Section 4. Secretary

The Secretary shall keep the minutes of the Agency, shall have the custody of the seal of the Agency and shall affix and attest the same to documents when duly authorized by the Agency, shall attest to the giving or serving of all notices of the Agency, shall have charge of such books and papers as the Members of the Agency may order, shall attest to such correspondence as may be assigned, and shall perform all the duties incidental to his office.

Section 5. Treasurer

The Treasurer shall have the care and custody of all the funds and securities of the Agency, shall deposit such funds in the name of the Agency, in such bank or trust company as the members of the Agency may elect, shall sign such instrument as may require the Treasurer's signature, but only with the approval of the Chairman or Co-Chairman, as the case may be, shall at all reasonable times exhibit the books and accounts of the Agency to the Mayor or any Member of

the Agency, and at the end of each fiscal year shall present an annual report setting forth in full the financial condition of the Agency.

Section 6. Additional Personnel

The Agency, with the consent of the Mayor, may appoint an Administrative or Executive Director to supervise the administration of the business and affairs of the Agency, subject to the direction of the Agency. The Agency may, from time to time, employ such other personnel as it deems necessary to execute its powers, duties and functions as prescribed by the New York State Industrial Development Agency Act (General Municipal Law, Article 18-A), as amended, and all other laws of the State of New York applicable thereto.

Section 7. Compensation of Chairman, Co-Chairmen, Members, Officers, and Other Personnel

The Chairman, Co-Chairmen, Members and Officers shall receive no compensation for their services but shall be entitled to the necessary expenses, including traveling expenses, incurred in the discharge of their duties. The compensation of other personnel, including the Administrative Director, shall be determined by the Members of the Agency.

Article IV

AMENDMENTS

Section 1. Amendments to By-Laws

These by-laws may be amended or revised, from time to time, by a two-third (2/3) vote of the Agency, but no such amendment or revision shall be adopted unless written notice of the proposed action shall have been given by mail to each Member and the Mayor at least ten (10) days prior to the date of the meeting at which it is proposed that such action be taken; provided, however,

that this provision and other provisions relating to the appointment, renewal and terms of office of Members and officers may be amended only with the prior written approval of the Mayor.

Article V

MISCELLANEOUS

Section 1. Sureties and Bonds

In case the Agency shall so require, any officer, employee or agent of the Agency shall execute to the Agency a bond in such sum and with such surety or sureties as the Agency may direct, conditioned upon the faithful performance of his or her duties to the Agency and including responsibility for negligence and for the accounting for all property, funds or securities of the Agency which may come into the hands of the officer, employee or agent.

Section 2. Indemnification

(a) Upon compliance by a Member or Officer of the Agency (including a former Member or Officer, the estate of a Member or Officer or a judicially appointed personal representative thereof) (referred to in this Section 2 collectively as "Member") with the provisions of subdivision (i) of this Section 2, the Agency shall provide for the defense of the Member in any civil action or proceeding, state or federal, arising out of any alleged act or omission which occurred or allegedly occurred while the Member was acting within the scope of the public employment or duties of such Member. This duty to provide for a defense shall not arise where such civil action or proceeding is brought by or at the behest of the Agency.

(b) Subject to the conditions set forth in paragraph (a) of this subdivision, the Member shall be entitled to be represented by private counsel of the Member's choice in any civil action or proceeding whenever the chief legal officer of the Agency or other counsel designated by the

Agency determines that a conflict of interest exists, or whenever a court, upon appropriate motion or otherwise by a special proceeding, determines that a conflict of interest exists and that the Member is entitled to be represented by counsel of the Member's choice, provided, however, that the chief legal officer or other counsel designated by the Agency may require, as a condition to payment of the fees and expenses of such representation, that appropriate groups of such Members be represented by the same counsel. Reasonable attorneys' fees and litigation expenses shall be paid by the Agency to such private counsel from time to time during the pendency of the civil action or proceeding with the approval of a majority of the Members of the Agency eligible to vote thereon.

(c) Any dispute with respect to representation of multiple Members by a single counsel or the amount of litigation expenses or the reasonableness of attorneys' fees shall be resolved by the court upon motion or by way of a special proceeding.

(d) Where the Member delivers process and a written request for a defense to the Agency under subdivision (i) of this Section 2, the Agency shall take the necessary steps on behalf of the Member to avoid entry of a default judgment pending resolution of any question pertaining to the obligation to provide for a defense.

(e) The Agency shall indemnify and save harmless its Members in the amount of any judgment obtained against such Members in a State or Federal court, or in the amount of any settlement of a claim, provided that the act or omission from which such judgment or claim arose occurred while the Member was acting within the scope of the Member's public employment or duties; provided further that in the case of a settlement, the duty to indemnify and save harmless shall be conditioned upon the approval of the amount of settlement by a majority of the Members of the Agency eligible to vote thereon.

(f) Except as otherwise provided by law, the duty to indemnify and save harmless prescribed by this Section 2 shall not arise where the injury or damage resulted from intentional wrongdoing or recklessness on the part of the Member seeking indemnification.

(g) Nothing in this subdivision shall authorize the Agency to indemnify or save harmless any Member with respect to punitive or exemplary damages, fines or penalties; provided, however, that the Agency shall indemnify and save harmless its Members in the amount of any costs, attorneys' fees, damages, fines or penalties which may be imposed by reason of an adjudication that the Member, acting within the scope of the Member's public employment or duties, has, without willfulness or intent on the Member's part, violated a prior order, judgment, consent decree or stipulation of settlement entered in any court of the State or of the United States.

(h) Upon entry of a final judgment against the Member, or upon the settlement of the claim, the Member shall serve a copy of such judgment or settlement, personally or by certified or registered mail within thirty (30) days of the date of entry or settlement, upon the Chairman and the chief administrative officer of the Agency; and if not inconsistent with the provisions of this Section 2, the amount of such judgment or settlement shall be paid by the Agency.

(i) The duty to defend or indemnify and save harmless prescribed by this Section 2 shall be conditioned upon: (i) delivery by the Member to the Chairman of the Agency and the chief legal officer of the Agency or to its chief administrative officer of a written request to provide for such Member's defense together with the original or a copy of any summons, complaint, process, notice, demand or pleading within ten (10) days after the Member is served with such document, and (ii) the full cooperation of the Member in the defense of such action or

proceeding and in defense of any action or proceeding against the Agency based upon the same act or omission, and in the prosecution of any appeal.

(j) The benefits of this Section shall inure only to Members as defined in subdivision (a) of this Section 2 and shall not enlarge or diminish the rights of any other party.

(k) This Section 2 shall not in any way affect the obligation of any claimant to give notice to the Agency under Section 10 of the Court of Claims Act, Section 880 of the General Municipal Law, or any other provision of law.

(l) The Agency is hereby authorized and empowered to purchase insurance from any insurance company created by or under the laws of the State, or authorized by law to transact business in the State, against any liability imposed by the provisions of this Section 2, or to act as a self-insurer with respect thereto. The provisions of this Section 2 shall not be construed to impair, alter, limit or modify the rights and obligations of any insurer under any policy of insurance.

(m) All payments made under the terms of this Section 2, whether for insurance or otherwise, shall be deemed to be for a public purpose and shall be audited and paid in the same manner as other public charges.

(n) Except as otherwise specifically provided in this Section 2, the provisions of this Section 2 shall not be construed in any way to impair, alter, limit, modify, abrogate or restrict any immunity to liability available to or conferred upon any Member of the Agency by, in accordance with, or by reason of, any other provision of State or Federal statutory or common law. The benefits under this Section 2 shall supplement, and be available in addition to, defense or indemnification protection conferred by any law or enactment. This Section 2 is intended to confer upon Members of the Agency all of the benefits of Section 18 of the Public Officers Law

and to impose upon the Agency liability for costs incurred under the provisions hereof and thereof.

Section 3. Fiscal Year

The fiscal year of the Agency shall be fixed by the Members, subject to the applicable law.

Section 4. Powers of the Agency

The Agency shall have all the powers of an Industrial Development Agency authorized by Article 18-A of the General Municipal Law and shall have the power to do all things necessary or convenient to carry out its purposes and exercise the powers authorized herein.

EXHIBIT "D"

PUBLIC HEARING RESOLUTION

RESOLUTION

A regular meeting of the City of Syracuse Industrial Development Agency was convened in public session on January 26, 2016, at 9:00 o'clock a.m. in the Common Council Chambers, City Hall, 233 East Washington Street, Syracuse, New York.

The meeting was called to order by the Chairman and upon the roll being duly called, the following members were:

PRESENT: William Ryan, M. Catherine Richardson, Esq., Donald Schoenwald, Esq., Steven Thompson, Kenneth Kinsey

The following persons were **ALSO PRESENT**: **Staff present**: Ben Walsh, Judith DeLaney, Debra Ramsey-Burns, John Vavonese, Thomas Babilon, Esq., Susan Katzoff, Esq.; **Others Present**: Sharon Owens, Larry Losty, Matthew Paulus, Timothy Lynn, Esq., Richard Puchalski, Aggie Lane, James Trasher, Walter Dixie, Dennis Bachman, Scott Smith, Barry Lentz, Clifford Ryan, Lionel Hoga, Joanne Stevens, Virginia DoLin, Richard Breland, Eddie Brown, Gwen Chaffin, Delores Perry, Anna Morris, Reggie Seigler, Ken Boy, Twiggy Billue

The following resolution was offered by Steven Thompson and seconded by Kenneth Kinsey:

RESOLUTION DETERMINING THAT THE ACQUISITION, RENOVATION AND EQUIPPING OF A COMMERCIAL FACILITY AT THE REQUEST OF THE COMPANY CONSTITUTES A PROJECT; DESCRIBING THE FINANCIAL ASSISTANCE IN CONNECTION THEREWITH; AND AUTHORIZING A PUBLIC HEARING

WHEREAS, the City of Syracuse Industrial Development Agency (the "***Agency***") is authorized and empowered by Title 1 of Article 18-A of the General Municipal Law of the State of New York (the "***State***"), as amended, together with Chapter 641 of the Laws of 1979 of the State of New York, as amended from time to time (collectively, the "***Act***"), to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial, research and recreation facilities, for the purpose of promoting economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State, to improve their recreation opportunities, prosperity and standard of living; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to grant "financial assistance" (as defined in the Act) in connection with the acquisition, reconstruction and equipping of one or more "projects" (as defined in the Act); and

WHEREAS, by application dated January 20, 2016 (the "***Application***"), State Tower

Building, LLC, or an entity to be formed, (the "***Company***"), requested the Agency undertake a project (the "***Project***") consisting of: (A)(i) the acquisition of an interest in approximately 1.2 acres of real property improved by an existing twenty-one (21) story, approximately 211,00 square foot building and garage (the "***Building***") located at 201-19 East Genesee Street & Warren Streets, in the City of Syracuse, New York (the "***Land***"); the renovation of the Building for use as a mixed-use complex including Class A office space and retail on the first 8 floors; approximately 57 market-rate studio, one and two bedroom apartment units on the upper 13 floors; significant façade restoration; and a 100 car on-site parking garage, all located on the Land (the "***Facility***"); (iii) the acquisition and installation in and at the Land and Facility of furniture, fixtures and equipment (the "***Equipment***" and together with the Land and the Facility, the "***Project Facility***"); (B) the granting of certain financial assistance in the form of exemptions from State and local sales and use tax and mortgage recording tax (the "***Financial Assistance***"); (C) the appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, renovation and equipping of the Project Facility; and (D) the lease of the Land and Facility by the Agency pursuant to a lease agreement and the acquisition of an interest in the Equipment pursuant to a bill of sale from the Company to the Agency; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law of the State of New York, as amended, and the regulations of the Department of Environmental Conservation of the State of New York promulgated thereunder (collectively referred to hereinafter as "***SEQRA***"), the Agency is required to make a determination with respect to the environmental impact of any "action" (as said quoted term is defined in SEQRA) to be taken by the Agency and the approval of the Project constitutes such an action; and

WHEREAS, the Agency has not yet made a determination under SEQRA; and

WHEREAS, the Agency has not approved undertaking the Project or granting the Financial Assistance; and

WHEREAS, the Project is located in a New York State Empire Zone; and

WHEREAS, the grant of Financial Assistance to the Project is subject to, among other things, the Agency finding after a public hearing pursuant to Section 859-a of the Act that the Project will serve the public purposes of the Act by promoting economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State or increasing the overall number of permanent, private sector jobs in the State.

NOW, THEREFORE, be it resolved by the members of the City of Syracuse Industrial Development Agency, as follows:

(1) Based upon the representations made by the Company to the Agency, the Agency makes the following findings and determinations:

(A) The Project constitutes a "project" within the meaning of the Act; and

(B) The Financial Assistance contemplated with respect to the Project consists of assistance in the form of exemptions from State and local sales and use taxation and mortgage recording tax.

(2) The Agency hereby directs that pursuant to Section 859-a of the Act, a public hearing with respect to the Project and Financial Assistance shall be scheduled with notice thereof published, and such notice, as applicable, shall further be sent to affected tax jurisdictions within which the Project is located.

(3) The Secretary or the Executive Director of the Agency is hereby authorized to and may distribute copies of this Resolution to the Company and to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this Resolution.

(4) A copy of this Resolution shall be placed on file in the office of the Agency where the same shall be available for public inspection during business hours.

The question of the adoption of the foregoing resolution was duly put to vote on a roll call, which resulted as follows:

	AYE	**NAY**
William Ryan	X	
M. Catherine Richardson	X	
Donald Shoenwald	X	
Steven Thompson	X	
Kenneth Kinsey	X	

The foregoing Resolution was thereupon declared duly adopted.

STATE OF NEW YORK)
) **SS.:**
COUNTY OF ONONDAGA)

I, the undersigned Secretary of the City of Syracuse Industrial Development Agency, **DO HEREBY CERTIFY** that I have compared the annexed extract of the minutes of the meeting of the City of Syracuse Industrial Development Agency (the "***Agency***") held on January 26, 2016, with the original thereof on file in my office, and that the same (including all exhibits) is a true and correct copy of the proceedings of the Agency and of the whole of such original insofar as the same relates to the subject matters referred to therein.

I FURTHER CERTIFY that (i) all members of the Agency had due notice of such meeting, (ii) pursuant to Section 104 of the Public Officers Law (Open Meetings Law), such meeting was open to the general public and public notice of the time and place of such meeting was duly given in accordance with such Section 104, (iii) the meeting was in all respects duly held, and (iv) there was a quorum present throughout.

I FURTHER CERTIFY that, as of the date hereof, the attached resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have set my hand and affixed the seal of the Agency this 24th day of March, 2016.

City of Syracuse Industrial Development Agency

Steven P. Thompson, Secretary

(S E A L)

EXHIBIT "E"

NOTICE OF PUBLIC HEARING WITH EVIDENCE OF PUBLICATION AND COPIES OF LETTERS TO AFFECTED TAX JURISDICTIONS PURSUANT TO SECTIONS 859-a OF THE ACT

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that a public hearing pursuant to Section 859-a of the New York General Municipal Law, will be held by the City of Syracuse Industrial Development Agency (the "Agency") on the 9th day of March, 2016, at 9:00 o'clock a.m., local time, at 233 East Washington Street, Common Council Chambers, City Hall, Syracuse, New York, in connection with the following matter:

State Tower Building, LLC, or an entity to be formed (the "Company"), has requested the Agency undertake a project (the "Project") consisting of: (A)(i) the acquisition of an interest in approximately 1.2 acres of real property improved by an existing twenty-one (21) story, approximately 211,00 square foot building and garage (the "Building") located at 201-19 East Genesee Street & Warren Streets, in the City of Syracuse, New York (the "Land"); the renovation of the Building for use as a mixed-use complex including Class A office space and retail on the first 8 floors; approximately 57 market-rate studio, one and two bedroom apartment units on the upper 13 floors; significant façade restoration; and a 100 car on-site parking garage, all located on the Land (the "Facility"); (iii) the acquisition and installation in and at the Land and Facility of furniture, fixtures and equipment (the "Equipment" and together with the Land and the Facility, the "Project Facility"); (B) the granting of certain financial assistance in the form of exemptions from State and local sales and use tax and mortgage recording tax (the "Financial Assistance"); (C) the appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, renovation and equipping of the Project Facility; and (D) the lease of the Land and Facility by the Agency pursuant to a lease agreement and the acquisition of an interest in the Equipment pursuant to a bill of sale from the Company to the Agency; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement.

The Company shall be the initial owner or operator of the Project Facility.

The Agency will at the above-stated time and place hear all persons with views with respect to the proposed Financial Assistance to the Company, the proposed owner/operator, the location of the Project Facility and the nature of the Project.

A copy of the application filed by the Company with the Agency with respect to the Project, including an analysis of the costs and benefits of the Project, is available for public inspection during business hours at the office of the Agency located at 333 West Washington Street, Suite 130, Syracuse, New York.

Dated: February 18, 2016

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY

The Post-Standard

LEGAL AFFIDAVIT

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Date	Position	Description	P.O. Number	Ad Size
02/21/2016	Other Legals NY	NOTICE OF PUBLIC HEARING NOTICE IS HEREBY GIVEN that	matter # 3078969	1 x 125.00 CL

State of New York, County of Onondaga ss. Pamela Gallagher, of the City of Syracuse, in said County, being duly sworn, doth depose and says: this person is the Principal Clerk in the office of THE POST-STANDARD, a public newspaper, published in the City of Syracuse, Onondaga County, New York and that the notice, is an accurate and true copy of the ad as printed in said newspaper, was printed and published in the regular edition and issue of said newspaper on the following days, viz.:

Post-Standard 02/21/2016

Pamela Gallagher
Principal Clerk
An Authorized Designee of the President, Timothy R. Kennedy
Subscribed and sworn to before me, this 22th day of February 2016

NOTARY PUBLIC

KAREN M. MILLER BIALCZAK
Notary Public- State of New York
No. 01M16334505
Qualified in Onondaga County
My Commission Expires: 12/21/19

FOR QUESTIONS CONCERNING THIS AFFIDAVIT, PLEASE CONTACT PAMELA GALLAGHER AT

Ad Number:0007578006

Date	Position	Description	P.O. Number	Ad Size
02/21/2016	Other Legals NY	NOTICE OF PUBLIC HEARING NOTICE IS HEREBY GIVEN that a	matter # 3078969	1 x 125.00 CL

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BARCLAY DAMON LLP

Susan R. Katzoff
Partner

February 18, 2016

VIA CERTIFIED MAIL
7014 0510 0001 0187 1008

Honorable Stephanie A. Miner
Mayor, City of Syracuse
City Hall
233 East Washington Street
Syracuse, New York 13202

VIA CERTIFIED MAIL
7014 0510 0001 0187 1022

Honorable Joanne M. Mahoney
County Executive, Onondaga County
John Mulroy Civic Center, 14th Floor
421 Montgomery Street
Syracuse, New York 13202

Re: City of Syracuse Industrial Development Agency (the "***Agency***")
State Tower Building, LLC (the "***Company***")
State Tower Building Project

Dear Mayor and County Executive:

Enclosed herewith please find a Notice of Public Hearing in relation to the above-referenced project. The proposed project (the "***Project***") consists of: (A)(i) the acquisition of an interest in approximately 1.2 acres of real property improved by an existing twenty-one (21) story, approximately 211,00 square foot building and garage (the "***Building***") located at 201-19 East Genesee Street & Warren Streets, in the City of Syracuse, New York (the "***Land***"); the renovation of the Building for use as a mixed-use complex including Class A office space and retail on the first 8 floors; approximately 57 market-rate studio, one and two bedroom apartment units on the upper 13 floors; significant façade restoration; and a 100 car on-site parking garage, all located on the Land (the "***Facility***"); (iii) the acquisition and installation in and at the Land and Facility of furniture, fixtures and equipment (the "***Equipment***" and together with the Land and the Facility, the "***Project Facility***"); (B) the granting of certain financial assistance in the form of exemptions from State and local sales and use tax and mortgage recording tax (the "***Financial Assistance***"); (C) the appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, renovation and equipping of the Project Facility; and

One Park Place – 300 South State Street – Syracuse, New York 13202 barclaydamon.com
skatzoff@barclaydamon.com Direct: 315.425.2880 Fax: 315.425.8597

(D) the lease of the Land and Facility by the Agency pursuant to a lease agreement and the acquisition of an interest in the Equipment pursuant to a bill of sale from the Company to the Agency; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement.

General Municipal Law Section 859-a requires that notice of the Public Hearing be given to the chief executive officer of each affected tax jurisdiction in which the Project is located.

As stated in the notice, the public hearing is scheduled for **March 9, 2016** at 9:00 a.m. in the Common Council Chambers at City Hall.

Very truly yours,

/s/ Susan R. Katzoff

Susan R. Katzoff

SRK/llm
Enclosure

cc: Thomas Babilon, Esq., City of Syracuse, via email (w/Enclosure)
Ben Walsh, City of Syracuse Industrial Development Agency, via email (w/Enclosure)
Judy DeLaney, City of Syracuse Industrial Development Agency, via email (w/Enclosure)

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Dated: February 18, 2016

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Honorable Stephanie A. Miner
Mayor, City of Syracuse
233 East Washington Street
Syracuse, New York 13202

9590 9403 0673 5196 5135 60

2. Article Number *(Transfer from service label)*

7014 0510 0001 0187 1008

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X M. Mahoney ☑ Agent ☐ Addressee

B. Received by *(Printed Name)* | C. Date of Delivery 2-22-16

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type

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- ☐ Adult Signature Restricted Delivery
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- ☐ Certified Mail Restricted Delivery
- ☐ Collect on Delivery
- ☐ Collect on Delivery Restricted Delivery
- ☐ Insured Mail
- ☐ Insured Mail Restricted Delivery (over $500)
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- ☒ Return Receipt for Merchandise
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- ☐ Signature Confirmation Restricted Delivery

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SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Honorable Joanne M. Mahoney
County Executive, Onondaga County
John Mulroy Civic Center, 14th Floor
421 Montgomery Street
Syracuse, New York 13202

9590 9403 0673 5196 5136 45

2. Article Number *(Transfer from service label)*

7014 0510 0001 0187 1022

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X Dana Pompeo ☐ Agent ☐ Addressee

B. Received by *(Printed Name)* Dana Pompeo | C. Date of Delivery FEB 22 20

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type

- ☐ Adult Signature
- ☐ Adult Signature Restricted Delivery
- ☒ Certified Mail®
- ☐ Certified Mail Restricted Delivery
- ☐ Collect on Delivery
- ☐ Collect on Delivery Restricted Delivery
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PS Form 3811, April 2015 PSN 7530-02-000-9053 Domestic Return Receipt

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Street, Apt. No.; or PO Box No.
City, State, ZIP+4

PS Form 3800, August 2006 See Reverse for Instructions

EXHIBIT "F"

SEQRA RESOLUTION

SEQRA RESOLUTION

A regular meeting of the City of Syracuse Industrial Development Agency was convened in public session on March 9, 2016 at 9:00 o'clock a.m., local time, in the Common Council Chambers, City Hall, 233 East Washington Street, Syracuse, New York.

The meeting was called to order by the Chairman and upon the roll being duly called, the following members were:

PRESENT: William Ryan, M. Catherine Richardson, Esq., Steven Thompson, Kenneth Kinsey

EXCUSED: Donald Schoenwald

THE FOLLOWING PERSONS WERE ALSO PRESENT: Staff Present: Ben Walsh, Judith DeLaney, John Vavonese, Thomas Babilon, Esq., Susan Katzoff, Esq.; Others Present: Aggie Lane, Barry Lentz, Christopher Geiger, David Nutting, Joseph Hucko, Christopher Lloyd,Nagib, Mark Roney, Melissa Zell, John Bartolella

The following resolution was offered by M. Catherine Richardson and seconded by Steven Thompson:

RESOLUTION CLASSIFYING A CERTAIN PROJECT AS AN UNLISTED ACTION PURSUANT TO THE STATE ENVIRONMENTAL QUALITY REVIEW ACT, DECLARING THE AGENCY LEAD AGENCY FOR PURPOSES OF AN UNCOORDINATED REVIEW THEREUNDER AND DETERMINING THAT THE ACTION WILL NOT HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT

WHEREAS, the City of Syracuse Industrial Development Agency (the "***Agency***") is authorized and empowered by Title 1 of Article 18-A of the General Municipal Law of the State of New York (the "***State***"), as amended, together with Chapter 641 of the Laws of 1979 of the State of New York, as amended from time to time (collectively, the "***Act***"), to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial, research and recreation facilities, for the purpose of promoting economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State, to improve their recreation opportunities, prosperity and standard of living; and

WHEREAS, State Tower Building, LLC and Expressway Properties, L.L.C., (collectively the "***Company***"), by application dated January 19, 2016 (collectively, the "***Application***"), requested that the Agency undertake a project (the "***Project***") consisting of:

(A)(i) the acquisition of an interest in approximately 1.2 acres of real property improved by an existing twenty-one (21) story, approximately 211,00 square foot building and garage (the "***Building***") located at 201-19 East Genesee Street & Warren Streets, in the City of Syracuse, New York (the "***Land***"); the renovation of the Building for use as a mixed-use complex including Class A office space and retail on the first 8 floors; approximately 57 market-rate studio, one and two bedroom apartment units on the upper 13 floors; significant façade restoration; and a 100 car on-site parking garage, all located on the Land (the "***Facility***"); (iii) the acquisition and installation in and at the Land and Facility of furniture, fixtures and equipment (the "***Equipment***" and together with the Land and the Facility, the "***Project Facility***"); (B) the granting of certain financial assistance in the form of exemptions from State and local sales and use tax and mortgage recording tax (the "***Financial Assistance***"); (C) the appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, renovation and equipping of the Project Facility; and (D) the lease of the Land and Facility by the Agency pursuant to a lease agreement and the acquisition of an interest in the Equipment pursuant to a bill of sale from the Company to the Agency; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law of the State of New York, as amended, and the regulations of the Department of Environmental Conservation of the State of New York promulgated thereunder (collectively referred to hereinafter as "***SEQRA***"), the Agency is required to make a determination with respect to the environmental impact of any "action" (as defined by SEQRA) to be taken by the Agency and the Project constitutes such an action; and

WHEREAS, to aid the Agency in determining whether the action described above may have a significant adverse impact upon the environment, the Company prepared an Environmental Assessment Form (the "***EAF***"), a copy of which is on file at the office of the Agency; and

WHEREAS, the Agency has examined and reviewed the EAF in order to classify the action and make a determination as to the potential significance of the action pursuant to SEQRA; and

NOW, THEREFORE, be it resolved by the members of the City of Syracuse Industrial Development Agency, as follows:

(1) Based upon an examination of the EAF, the criteria contained in 6 NYCRR §617.7(c), and based further upon the Agency's knowledge of the action and its environmental effects as the Agency has deemed appropriate, the Agency makes the following findings and determinations pursuant to SEQRA:

(a) The action constitutes an "Unlisted Action" (as said quoted term is defined in SEQRA);

(b) The Agency declares itself "Lead Agency" (as said quoted term is defined in SEQRA) with respect to an uncoordinated review pursuant to SEQRA;

(c) The action is designed for the preservation of the Facility and will not have a significant effect on the environment, and the Agency hereby issues a negative declaration pursuant to SEQRA, attached hereto as ***Exhibit A***, which shall be filed in the office of the Agency in a file that is readily accessible to the public.

(2) A copy of this Resolution, together with the attachments hereto, shall be placed on file in the office of the Agency where the same shall be available for public inspection during business hours.

(3) This Resolution shall take effect immediately. The Secretary of the Agency is hereby authorized and directed to distribute copies of this Resolution and to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this Resolution.

(4) The Agency hereby authorizes Agency staff to take all further actions deemed necessary and appropriate to fulfill the Agency's responsibilities under SEQRA.

The question of the adoption of the foregoing resolution was duly put to vote on a roll call, which resulted as follows:

	AYE	**NAY**
William Ryan	X	
M. Catherine Richardson	X	
Steven Thompson	X	
Kenneth Kinsey	X	

The foregoing resolution was thereupon declared duly adopted.

STATE OF NEW YORK)
) **SS.:**
COUNTY OF ONONDAGA)

I, the undersigned Secretary of the City of Syracuse Industrial Development Agency, **DO HEREBY CERTIFY** that I have compared the annexed extract of the minutes of the meeting of the City of Syracuse Industrial Development Agency (the "***Agency***") held on March 9, 2016, with the original thereof on file in my office, and that the same (including all exhibits) is a true and correct copy of the proceedings of the Agency and of the whole of such original insofar as the same relates to the subject matters referred to therein.

I FURTHER CERTIFY that (i) all members of the Agency had due notice of such meeting, (ii) pursuant to Section 104 of the Public Officers Law (Open Meetings Law), such meeting was open to the general public and public notice of the time and place of such meeting was duly given in accordance with such Section 104, (iii) the meeting was in all respects duly held, and (iv) there was a quorum present throughout.

I FURTHER CERTIFY that, as of the date hereof, the attached resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have set my hand and affixed the seal of the Agency this 24 day of March, 2016.

City of Syracuse Industrial Development Agency

Steven P. Thompson, Secretary

(S E A L)

EXHIBIT "A"

Appendix C
Short Environmental Assessment Form

(go back)

Instructions for Completing

Part 1 - Project Information. The applicant or project sponsor is responsible for the completion of Part 1. Responses become part of the application for approval or funding, are subject to public review, and may be subject to further verification. Complete Part 1 based on information currently available. If additional research or investigation would be needed to fully respond to any item, please answer as thoroughly as possible based on current information.

Complete all items in Part 1. You may also provide any additional information which you believe will be needed by or useful to the lead agency; attach additional pages as necessary to supplement any item.

Part 1 - Project and Sponsor Information

Name of Action or Project:
State Tower Building

Project Location (describe, and attach a location map):
201-19 E. Genesee & Warren Streets

Brief Description of Proposed Action:
Acquisition and complete rehabilitation of the building consisting of significant base building renovation including new HVAC systems, elevator upgrade, roof repair, facade work, window replacement and general common area and office improvements, as well as the adaptive re-use of ~61,000 square feet into 57 residential units.

Name of Applicant or Sponsor:	Telephone: 315-471-2181
Pioneer Companies	E-Mail: mark.roney@ploneercos.com

Address:
333 West Washington Street Ste 600

City/PO:	State:	Zip Code:
Syracuse	NY	13202

	NO	YES
1. Does the proposed action only involve the legislative adoption of a plan, local law, ordinance, administrative rule, or regulation? If Yes, attach a narrative description of the intent of the proposed action and the environmental resources that may be affected in the municipality and proceed to Part 2. If no, continue to question 2.	☑	☐
2. Does the proposed action require a permit, approval or funding from any other governmental Agency? If Yes, list agency(s) name and permit or approval: Demo and building permits City of Syracuse.	☐	☑

3.a. Total acreage of the site of the proposed action? 1.2 acres
b. Total acreage to be physically disturbed? 0 acres
c. Total acreage (project site and any contiguous properties) owned or controlled by the applicant or project sponsor? 1.2 acres

4. Check all land uses that occur on, adjoining and near the proposed action.
☑ Urban ☐ Rural (non-agriculture) ☐ Industrial ☑ Commercial ☐ Residential (suburban)
☐ Forest ☐ Agriculture ☐ Aquatic ☐ Other (specify): _____
☐ Parkland

	NO	YES	N/A
5. Is the proposed action,			
a. A permitted use under the zoning regulations?	☐	☑	☐
b. Consistent with the adopted comprehensive plan?	☐	☐	☑

	NO	YES
6. Is the proposed action consistent with the predominant character of the existing built or natural landscape?	☐	☑

	NO	YES
7. Is the site of the proposed action located in, or does it adjoin, a state listed Critical Environmental Area? If Yes, identify: _____	☑	☐

	NO	YES
8. a. Will the proposed action result in a substantial increase in traffic above present levels?	☑	☐
b. Are public transportation service(s) available at or near the site of the proposed action?	☐	☑
c. Are any pedestrian accommodations or bicycle routes available on or near site of the proposed action?	☐	☑

	NO	YES
9. Does the proposed action meet or exceed the state energy code requirements? If the proposed action will exceed requirements, describe design features and technologies: _____	☐	☑

	NO	YES
10. Will the proposed action connect to an existing public/private water supply? If No, describe method for providing potable water: _____	☐	☑

	NO	YES
11. Will the proposed action connect to existing wastewater utilities? If No, describe method for providing wastewater treatment: _____	☐	☑

	NO	YES
12. a. Does the site contain a structure that is listed on either the State or National Register of Historic Places?	☐	☑
b. Is the proposed action located in an archeological sensitive area?	☑	☐

	NO	YES
13. a. Does any portion of the site of the proposed action, or lands adjoining the proposed action, contain wetlands or other waterbodies regulated by a federal, state or local agency?	☑	☐
b. Would the proposed action physically alter, or encroach into, any existing wetland or waterbody? If Yes, identify the wetland or waterbody and extent of alterations in square feet or acres: _____	☐	☐

14. Identify the typical habitat types that occur on, or are likely to be found on the project site. Check all that apply:

☐ Shoreline ☐ Forest ☐ Agricultural/grasslands ☐ Early mid-successional
☐ Wetland ☐ Urban ☐ Suburban

	NO	YES
15. Does the site of the proposed action contain any species of animal, or associated habitats, listed by the State or Federal government as threatened or endangered?	☑	☐

	NO	YES
16. Is the project site located in the 100 year flood plain?	☑	☐

	NO	YES
17. Will the proposed action create storm water discharge, either from point or non-point sources? If Yes,		
a. Will storm water discharges flow to adjacent properties? ☑ NO ☐ YES	☐	☑
b. Will storm water discharges be directed to established conveyance systems (runoff and storm drains)? If Yes, briefly describe: ☐ NO ☑ YES		

	NO	YES
18. Does the proposed action include construction or other activities that result in the impoundment of water or other liquids (e.g. retention pond, waste lagoon, dam)? If Yes, explain purpose and size:	☑	☐
19. Has the site of the proposed action or an adjoining property been the location of an active or closed solid waste management facility? If Yes, describe:	☑	☐
20. Has the site of the proposed action or an adjoining property been the subject of remediation (ongoing or completed) for hazardous waste? If Yes, describe:	☑	☐

I AFFIRM THAT THE INFORMATION PROVIDED ABOVE IS TRUE AND ACCURATE TO THE BEST OF MY KNOWLEDGE

Applicant/sponsor name: Pioneer Companies Date: January 19,2016

Signature:

Part 2 - Impact Assessment. The Lead Agency is responsible for the completion of Part 2. Answer all of the following questions in Part 2 using the information contained in Part 1 and other materials submitted by the project sponsor or otherwise available to the reviewer. When answering the questions the reviewer should be guided by the concept "Have my responses been reasonable considering the scale and context of the proposed action?"

	No, or small impact may occur	Moderate to large impact may occur
1. Will the proposed action create a material conflict with an adopted land use plan or zoning regulations?	✓	☐
2. Will the proposed action result in a change in the use or intensity of use of land?	✓	☐
3. Will the proposed action impair the character or quality of the existing community?	✓	☐
4. Will the proposed action have an impact on the environmental characteristics that caused the establishment of a Critical Environmental Area (CEA)?	✓	☐
5. Will the proposed action result in an adverse change in the existing level of traffic or affect existing infrastructure for mass transit, biking or walkway?	✓	☐
6. Will the proposed action cause an increase in the use of energy and it fails to incorporate reasonably available energy conservation or renewable energy opportunities?	✓	☐
7. Will the proposed action impact existing: a. public / private water supplies?	✓	☐
b. public / private wastewater treatment utilities?	✓	☐
8. Will the proposed action impair the character or quality of important historic, archaeological, architectural or aesthetic resources?	✓	☐
9. Will the proposed action result in an adverse change to natural resources (e.g., wetlands, waterbodies, groundwater, air quality, flora and fauna)?	✓	☐

	No, or small impact may occur	Moderate to large impact may occur
10. Will the proposed action result in an increase in the potential for erosion, flooding or drainage problems?	☑	☐
11. Will the proposed action create a hazard to environmental resources or human health?	☑	☐

Part 3 - Determination of significance. The Lead Agency is responsible for the completion of Part 3. For every question in Part 2 that was answered "moderate to large impact may occur", or if there is a need to explain why a particular element of the proposed action may or will not result in a significant adverse environmental impact, please complete Part 3. Part 3 should, in sufficient detail, identify the impact, including any measures or design elements that have been included by the project sponsor to avoid or reduce impacts. Part 3 should also explain how the lead agency determined that the impact may or will not be significant. Each potential impact should be assessed considering its setting, probability of occurring, duration, irreversibility, geographic scope and magnitude. Also consider the potential for short-term, long-term and cumulative impacts.

☐ Check this box if you have determined, based on the information and analysis above, and any supporting documentation, that the proposed action may result in one or more potentially large or significant adverse impacts and an environmental impact statement is required.

☑ Check this box if you have determined, based on the information and analysis above, and any supporting documentation, that the proposed action will not result in any significant adverse environmental impacts.

Syracuse Industrial Development Agency Name of Lead Agency	3/9/16 Date
William Ryan Print or Type Name of Responsible Officer in Lead Agency	Chairman Title of Responsible Officer
Signature of Responsible Officer in Lead Agency	Signature of Preparer (if different from Responsible Officer)

PRINT

EXHIBIT "G"

INDUCEMENT RESOLUTION

INDUCEMENT RESOLUTION

A regular meeting of the City of Syracuse Industrial Development Agency was convened in public session on March 9, 2016 at 9:00 o'clock a.m., local time, in the Common Council Chambers, City Hall, 233 East Washington Street, Syracuse, New York.

The meeting was called to order by the Chairman and upon the roll being duly called, the following members were:

PRESENT: William Ryan, M. Catherine Richardson, Esq., Steven Thompson, Kenneth Kinsey

EXCUSED: Donald Schoenwald

THE FOLLOWING PERSONS WERE ALSO PRESENT: Staff Present: Ben Walsh, Judith DeLaney, John Vavonese, Thomas Babilon, Esq., Susan Katzoff, Esq.; Others Present: Aggie Lane, Barry Lentz, Christopher Geiger, David Nutting, Joseph Hucko, Christopher Lloyd,Nagib, Mark Roney, Melissa Zell, John Bartolella

The following resolution was offered by Steven Thompson and seconded by Kenneth Kinsey:

RESOLUTION UNDERTAKING THE ACQUISITION, RENOVATION AND EQUIPPING OF A PROJECT; APPOINTING THE COMPANY AS AGENT OF THE AGENCY FOR THE PURPOSE OF THE ACQUISITION, RENOVATION AND EQUIPPING OF THE PROJECT; AND AUTHORIZING THE EXECUTION AND DELIVERY OF AN AGREEMENT BETWEEN THE AGENCY AND THE COMPANY

WHEREAS, the City of Syracuse Industrial Development Agency (the "***Agency***") is authorized and empowered by Title 1 of Article 18-A of the General Municipal Law of the State of New York (the "***State***"), as amended, together with Chapter 641 of the Laws of 1979 of the State of New York, as amended from time to time (collectively, the "***Act***") to promote, develop, encourage and assist in the acquiring, constructing, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial, research and recreation facilities, including industrial pollution control facilities, railroad facilities and certain horse racing facilities, for the purpose of promoting, attracting, encouraging and developing recreation and economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State, to improve their recreation opportunities, prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, lease, and sell real property and grant financial assistance in connection with one or more "projects" (as defined in the Act); and

WHEREAS, State Tower Building, LLC, a New York limited liability company, and Expressway Properties, L.L.C., a New York corporation (collectively, the "***Company***"), by application dated January 20, 2016 (the "***Application***"), requested the Agency undertake a project (the "***Project***") consisting of: (A)(i) the acquisition of an interest in approximately 1.2 acres of real property improved by an existing twenty-one (21) story, approximately 211,00 square foot building and garage (the "***Building***") located at 201-19 East Genesee Street & Warren Streets, in the City of Syracuse, New York (the "***Land***"); the renovation of the Building for use as a mixed-use complex including Class A office space and retail on the first 8 floors; approximately 57 market-rate studio, one and two bedroom apartment units on the upper 13 floors; significant façade restoration; and a 100 car on-site parking garage, all located on the Land (the "***Facility***"); (iii) the acquisition and installation in and at the Land and Facility of furniture, fixtures and equipment (the "***Equipment***" and together with the Land and the Facility, the "***Project Facility***"); (B) the granting of certain financial assistance in the form of exemptions from State and local sales and use tax and mortgage recording tax (the "***Financial Assistance***"); (C) the appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, renovation and equipping of the Project Facility; and (D) the lease of the Land and Facility by the Agency pursuant to a lease agreement and the acquisition of an interest in the Equipment pursuant to a bill of sale from the Company to the Agency; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement; and

WHEREAS, the Agency adopted a resolution on January 26, 2016, describing the Project and the proposed financial assistance and authorizing a public hearing ("***Public Hearing Resolution***"); and

WHEREAS, the Agency conducted a public hearing with respect to the Project and the proposed Financial Assistance on March 9, 2016 pursuant to Section 859-a of the Act, notice of which was originally published on February 21, 2016, in the Post-Standard, a newspaper of general circulation in the City of Syracuse, New York and given to the chief executive officers of the affected tax jurisdictions by letters dated February 18, 2016; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law of the State of New York, as amended, and the regulations of the Department of Environmental Conservation of the State of New York promulgated thereunder (collectively referred to hereinafter as "***SEQRA***"), the Agency is required to make a determination whether the "action" (as said quoted term is defined in SEQRA) to be taken by the Agency may have a "significant impact on the environment" (as said quoted term is utilized in SEQRA), and the preliminary agreement of the Agency to undertake of the Project constitutes such an action; and

WHEREAS, to aid the Agency in determining whether the Project may have a significant impact upon the environment, the Company has prepared and submitted to the Agency an Environmental Assessment Form (the "***EAF***"), a copy of which is on file at the office of the

Agency; and

WHEREAS, the Agency examined the EAF in order to classify the Project and determined that the Project constitutes an "Unlisted Action" as defined under SEQRA; and

WHEREAS, by resolution adopted March 9, 2016 (the "***SEQRA Resolution***"), the Agency determined that the Project will not have a significant adverse effect on the environment and issued a negative declaration; and

WHEREAS, the Agency has considered the policy, purposes and requirements of the Act in making its determinations with respect to taking official action regarding the Project; and

WHEREAS, the Agency has given due consideration to the Application and to representations by the Company that the provision of Financial Assistance: (i) will induce the Company to develop the Project Facility in the City of Syracuse; (ii) will not result in the removal of a commercial, industrial or manufacturing plant or facility of the Company or any other proposed occupant of the Project Facility from one area of the State to another area of the State or in the abandonment of one or more plants or facilities of the Company or any other proposed occupant of the Project Facility located in the State, except as may be permitted by the Act; and (iii) the Project will serve the purposes of the Act by advancing job opportunities and the economic welfare of the people of the State and improve their standard of living.

NOW, THEREFORE, be it resolved by the members of the City of Syracuse Industrial Development Agency as follows:

Section 1. It is the policy of the State to promote the economic welfare, recreation opportunities and prosperity of its inhabitants and to actively promote, attract, encourage and develop recreation and economically sound commerce and industry for the purpose of preventing unemployment and economic deterioration. It is among the purposes of the Agency to promote, develop, encourage and assist in the acquiring, constructing, improving, maintaining, equipping and furnishing of certain facilities, including commercial facilities, and thereby advance the job opportunities, health, general prosperity and economic welfare of the people of the State and to improve their recreation opportunities, prosperity and standard of living.

Section 2. Based upon the representations and projections made by the Company to the Agency, the Agency hereby and makes the following determinations:

(A) Ratifies the findings in its Public Hearing Resolution and SEQRA Resolution;

(B) The Project constitutes a "*project*" within the meaning of the Act;

(C) The acquisition of a controlling interest in the Project Facility by the Agency and the designation of the Company as the Agency's agent for completion of the Project will be an inducement to the Company to renovate and equip the Project Facility in the City of

Syracuse, and will serve the purposes of the Act by, among other things, advancing job opportunities, the standard of living and economic welfare of the inhabitants of the City of Syracuse;

(D) The Project will not result in the removal of a commercial, industrial or manufacturing plant or facility of the Company or any other proposed occupant of the Project Facility from one area of the State to another area of the State or result in the abandonment of one or more plants or facilities of the Company or any other proposed occupant of the Project Facility located in the State, except as may be permitted by the Act;

(E) The Project is located in a "Highly Distressed Area" as defined in Section 854(18) of the Act.

Section 3. Subject to the terms of this Resolution and the conditions set forth in the Agreement (hereinafter defined), the Agency will: (i) acquire an interest in the Land and Facility pursuant to a lease agreement (the "***Lease***") to be entered into between the Company and the Agency; and accept an interest in the Equipment pursuant to a bill of sale from the Company (the "***Bill of Sale***"); (ii) sublease the Project Facility to the Company pursuant to a sublease agreement (the "***Sublease***" and with the Lease and the Bill of Sale, the "***Lease Documents***") to be entered into between the Agency and the Company; (iii) grant the approved Financial Assistance; and (iv) provided that no default shall have occurred and be continuing under the Agreement (as defined herein) and provided the Company has executed and delivered all documents and certificates required by the Agency in conjunction with the Agency's undertaking of the Project, execute and deliver all other certificates and documents necessary or appropriate for the grant of the approved Financial Assistance or requested by the Agency, in form and substance acceptable to the Agency. The terms and conditions of subdivision 3 of Section 875 of the Act are herein incorporated by reference and the Company shall agree to such terms as a condition precedent to receiving or benefiting from an exemption from State and local sales and use tax exemptions benefits. Notwithstanding anything herein to the contrary, the amount of State and local sales and use tax exemption benefits comprising the Financial Assistance approved herein shall not exceed **$803,886**.

Section 4. The Company may utilize, and is hereby authorized to appoint[1], a Project operator, contractors, agents, subagents, subcontractors, contractors and subcontractors of such agents and subagents (collectively, "***Additional Agents***") to proceed with the renovation and equipping of the Project, all with the same powers and the same validity as if the Agency were acting in its own behalf, provided the Company execute, deliver and comply with the Lease Documents. The Company shall provide, or cause its Additional Agents to provide, and the Agency shall maintain, records of the amount of State and local sales and use tax exemption

[1] Additional Agents must be specifically appointed as an agent of the Agency in order to avail themselves of the IDA sales and use tax exemption for any and all purchases or rentals of construction materials, equipment, tools and supplies that do not become part of the Project Facility. Additional Agents who purchase construction materials, equipment and/or supplies that become part of the Project Facility need not, and will not, be specifically appointed as an agent of the Agency.

benefits provided to the Project and the Company shall, and cause each Additional Agent, to make such records available to the State Commissioner of Taxation and Finance (the "***Commissioner***") upon request. The Agency shall, within thirty (30) days of providing any State sales and use tax exemption benefits, report to the Commissioner the amount of such benefits for the Project, identifying the Project, along with any such other information and specificity as the Commissioner may prescribe. As a condition precedent to the Company or Project's receipt of, or benefit from, any State or local sales and use tax exemptions, the Company must acknowledge and agree to make, or cause its Additional Agents to make, all records and information regarding State and local sales and use tax exemption benefits realized by the Project available to the Agency or its designee upon request. for purposes of exemption from New York State (the "***State***") sales and use taxation as part of the Financial Assistance requested, "sales and use taxation" shall mean sales and compensating use taxes and fees imposed by article twenty-eight or twenty-eight-A of the New York State tax law but excluding such taxes imposed in a city by section eleven hundred seven or eleven hundred eight of such article twenty-eight.

Section 5. As a condition to the extension of State and local sales and use tax exemption benefits, and the Company's appointment as provided herein, the Company agrees to execute an agreement with the Agency setting forth the preliminary undertakings of the Agency and the Company with respect to the Project. The form and substance of the proposed agreement (as set forth as on **Exhibit "A"** attached hereto and presented at this meeting) (the "***Agreement***") are hereby approved. The Chairman or Vice Chairman of the Agency are each hereby authorized, on behalf of the Agency, to execute and deliver the Agreement, in substantially the same form as presented at this meeting and attached hereto as **Exhibit "A"**, with changes in terms and form as shall be consistent with this Resolution and as the Chairman or Vice Chairman shall approve. The execution thereof by the Chairman or Vice Chairman shall constitute conclusive evidence of such approval.

Section 6. Subject to the due execution and delivery by the Company of the Agreement, the satisfaction of the conditions of this Resolution and the Agreement, and the payment by the Company of any attendant fees, the Company and its designees, are appointed the true and lawful agent of the Agency to proceed with the Project, all with the same powers and the same validity as if the Agency were acting in its own behalf. The appointment made by this Section 6 shall not be effective until the Agreement referred to in Section 5 hereof is duly executed and delivered by the Company and all conditions therein and herein satisfied.

Section 7. The Chairman and/or Vice Chairman of the Agency, acting individually, are each hereby authorized and directed, for and in the name and on behalf of the Agency, to execute and deliver the documents and agreements identified herein and any such additional certificates, instruments, documents or affidavits, to pay any such other fees, charges and expenses, to make such other changes, omissions, insertions, revisions, or amendments to the documents referred herein and to do and cause to be done any such other acts and things, as they determine, on advice of counsel to the Agency, may be necessary or desirable to consummate the transactions contemplated by this Resolution and the Agreement.

Section 8. The obligation of the Agency to consummate any transaction

contemplated herein or hereby is subject to and conditioned upon the Agency's approval of the Financial Assistance and the Company's execution and delivery of, among other things, an Environmental Compliance and Indemnification Agreement in favor of the Agency in form and substance acceptable to the Agency and its counsel, in the discretion of the Chairman and/or Vice Chairman of the Agency.

Section 9. No covenant, stipulation, obligation or agreement contained in this resolution or any document referred to herein shall be deemed to be the covenant, stipulation, obligation or agreement of any member, officer, agent or employee of the Agency in his or her individual capacity. Neither the members nor officers of the Agency, nor any person executing any documents referred to above on behalf of the Agency, shall be liable thereon or be subject to any personal liability or accountability by reason of the execution or delivery thereof.

Section 10. Should the Agency's participation in the Project, or the appointments made in accordance herewith, be challenged by any party, in the courts or otherwise, the Company shall defend, indemnify and hold harmless the Agency and its members, officers and employees from any and all losses arising from any such challenge including, but not limited to, the fees and disbursement of the Agency's counsel. Should any court of competent jurisdiction determine that the Agency is not authorized under the Act to participate in the Project, this Resolution shall automatically become null, void and of no further force and effect, and the Agency shall have no liability to the Company hereunder or otherwise.

Section 11. Counsel to the Agency is hereby authorized to work with the Company and others to prepare for submission to the Agency, all documents necessary to effect the grant of Financial Assistance and consummate the Lease Documents.

Section 12. The Secretary and/or the Executive Director of the Agency are hereby authorized and may distribute copies of this Resolution and do such further things or perform such acts as may be necessary or convenient to implement the provisions of this Resolution.

Section 13. This Resolution shall take effect immediately. A copy of this Resolution, together with the attachments hereto, shall be placed on file in the office of the Agency where the same shall be available for public inspection during business hours.

The question of the adoption of the foregoing resolution was duly put to vote on a roll call, which resulted as follows:

	AYE	**NAY**
William Ryan	X	
M. Catherine Richardson	X	
Steven Thompson	X	
Kenneth Kinsey	X	

The foregoing Resolution was thereupon declared duly adopted.

STATE OF NEW YORK)
) **SS.:**
COUNTY OF ONONDAGA)

I, the undersigned Secretary of the City of Syracuse Industrial Development Agency, **DO HEREBY CERTIFY** that I have compared the annexed extract of the minutes of the meeting of the City of Syracuse Industrial Development Agency (the "***Agency***") held on March 9, 2016, with the original thereof on file in my office, and that the same (including all exhibits) is a true and correct copy of the proceedings of the Agency and of the whole of such original insofar as the same relates to the subject matters referred to therein.

I FURTHER CERTIFY that (i) all members of the Agency had due notice of such meeting, (ii) pursuant to Section 104 of the Public Officers Law (Open Meetings Law), such meeting was open to the general public and public notice of the time and place of such meeting was duly given in accordance with such Section 104, (iii) the meeting was in all respects duly held, and (iv) there was a quorum present throughout.

I FURTHER CERTIFY that, as of the date hereof, the attached resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have set my hand and affixed the seal of the Agency this 24th day of March, 2016.

City of Syracuse Industrial Development Agency

Steven P. Thompson, Secretary

(S E A L)

EXHIBIT "A"

AGENCY/COMPANY AGREEMENT

THIS AGREEMENT is between **CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY** (the "***Agency***"), with an office at 333 West Washington Street, Suite 130, Syracuse, New York 13202 and **STATE TOWER BUILDING, LLC**, with a mailing address of c/o Pioneer Companies, 333 West Washington Street, Suite 600, Syracuse, New York 13202 and **EXPRESSWAY PROPERTIES, L.L.C.**, with a mailing address of 108 E. Genesee Street, Skaneateles, New York 13152 (collectively, the "***Company***").

Article 1. Preliminary Statement. Among the matters of mutual inducement which have resulted in the execution of this agreement are the following:

1.01. The Agency is authorized and empowered by the provisions of Title 1 of Article 18-A of the General Municipal Law of the State of New York (the "***State***"), as amended, and Chapter 641 of the Laws of 1979 of the State (collectively, the "***Act***") to designate an agent for constructing, renovating and equipping "projects" (as defined in the Act).

1.02. The purposes of the Act are to promote, attract, encourage and develop recreation and economically sound commerce and industry in order to advance the job opportunities, health, general prosperity and economic welfare of the people of the State, to improve their recreation opportunities, prosperity and standard of living, and to prevent unemployment and economic deterioration. The Act vests the Agency with all powers necessary to enable it to accomplish such purposes, including the power to acquire and dispose of interests in real property and to appoint agents for the purpose of completion of projects undertaken by the Agency.

1.03. The Company, by application dated January 20, 2016 (the "***Application***"), requested the Agency undertake a project (the "***Project***") consisting of: (A)(i) the acquisition of an interest in approximately 1.2 acres of real property improved by an existing twenty-one (21) story, approximately 211,00 square foot building and garage (the "***Building***") located at 201-19 East Genesee Street & Warren Streets, in the City of Syracuse, New York (the "***Land***"); the renovation of the Building for use as a mixed-use complex including Class A office space and retail on the first 8 floors; approximately 57 market-rate studio, one and two bedroom apartment units on the upper 13 floors; significant façade restoration; and a 100 car on-site parking garage, all located on the Land (the "***Facility***"); (iii) the acquisition and installation in and at the Land and Facility of furniture, fixtures and equipment (the "***Equipment***" and together with the Land and the Facility, the "***Project Facility***"); (B) the granting of certain financial assistance in the form of exemptions from State and local sales and use tax and mortgage recording tax (the "***Financial Assistance***"); (C) the appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, renovation and equipping of the Project Facility; and

(D) the lease of the Land and Facility by the Agency pursuant to a lease agreement and the acquisition of an interest in the Equipment pursuant to a bill of sale from the Company to the Agency; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement; and

1.03(a). All documents necessary to effectuate the Agency's undertaking of the Project and the granting of the Financial Assistance between the Agency and the Company, including but not limited to, a company lease, an agency lease, a bill of sale and an environmental compliance and indemnification agreement, shall be collectively referred to herein as the "***Lease Documents***".

1.04. The Company hereby represents to the Agency that undertaking the Project, the designation of the Company as the Agency's agent for the renovation and equipping of the Project Facility, and the use and appointment, as necessary, by the Company of a Project operator, contractors, agents, subagents, subcontractors, contractors and subcontractors of such agents and subagents (collectively, "***Additional Agents***"): (i) will be an inducement to it to renovate and equip the Project Facility in the City of Syracuse (the "***City***"); (ii) will not result in the removal of a commercial, industrial or manufacturing plant or facility of the Company or of any other proposed occupant of the Project Facility from one area of the State to another or in the abandonment of one or more plants or facilities of the Company or of any other proposed occupant of the Project Facility located in the State, except as may be permitted by the Act; and (iii) undertaking the Project Facility will promote, create and/or preserve private sector jobs in the State. The Company hereby further represents to the Agency that the Project Facility is not primarily used in making retail sales to customers who personally visit the Facility.

1.05. The Agency has determined that the acquisition of a controlling interest in, and the renovation and equipping of the Project Facility and the subleasing of the same to the Company will promote and further the purposes of the Act.

1.06. On January 26, 2016, the Agency adopted a resolution (the "***Inducement Resolution***") agreeing, subject to the satisfaction of all conditions precedent set forth in such Resolution, to designate the Company as the Agency's agent for the acquisition, renovation and equipping of the Project Facility and determining that the leasing of the same to the Company will promote further purposes of the Act. For purposes of that designation, the Agency authorized as part of the approved Financial Assistance, State and local sales and use tax exemption benefits in an amount not exceed **$803,886.**

1.07. In the Resolution, subject to the execution of, and compliance with, this Agreement by the Company, and other conditions set forth in the Resolution and herein, the Agency appointed the Company as its agent for the purposes of renovation and equipping the Project Facility, entering into contracts and doing all things requisite and proper for renovation and equipping the Project Facility.

Article 2. Undertakings on the Part of the Agency. Based upon the statement, representations and undertakings of the Company and subject to the conditions set forth herein, the Agency agrees as follows:

2.01. The Agency confirms that it has authorized and designated, pursuant to the terms hereof, the Company as the Agency's agent for renovating and equipping the Project Facility.

2.02. The Agency will adopt such proceedings and authorize the execution of such Agency documents as may be necessary or advisable for: (i) acquisition of a controlling interest in the Project Facility; (ii) designation by the Company of Additional Agents for renovation and equipping of the Project Facility subject to the terms hereof; and (iii) the leasing or subleasing of the Project Facility to the Company, all as shall be authorized by law and be mutually satisfactory to the Agency and the Company.

2.03. Nothing contained in this Agreement shall require the Agency to apply its funds to Project costs.

2.04. After satisfying the conditions precedent set forth in the Sections 2.05, 3.06 and 4.02 hereof and in the Inducement Resolution, the Company may proceed with the renovation and equipping of the Project Facility and the utilization of and, as necessary the appointment of, Additional Agents.

2.05. Subject to the execution of the Lease Documents and Section 4.02 hereof, the Company is appointed the true and lawful agent of the Agency: (i) for the renovation and equipping of the Project Facility; and (ii) to make, execute, acknowledge and deliver any contracts, orders, receipts, writings and instructions, as the stated agent for the Agency, and in general to do all things which may be requisite or proper for the renovation and equipping of the Project Facility, all with the same powers and the same validity as if the Agency were acting in its own behalf.

2.06. The Agency will take or cause to be taken such other acts and adopt such further proceedings as may be required to implement the aforesaid undertakings or as it may deem appropriate in pursuance thereof. The Agency may in accordance with Article 8 of the Environmental Conservation Law of the State of New York, as amended, and the regulations of the Department of Environmental Conservation of the State of New York promulgated thereunder (collectively referred to hereinafter as "***SEQRA***"), undertake supplemental review of the Project. Such review to be limited to specific significant adverse environmental impacts not addressed or inadequately addressed in the Agency's review under SEQRA that arise from changes in the proposed Project, newly discovered information or a change in the circumstances related to the Project.

Article 3. Undertakings on the Part of the Company. Based upon the statements, representations and undertakings of the Agency and subject to the conditions set forth herein the Company agrees as follows:

3.01. (a) The Company shall indemnify and hold the Agency harmless from all losses, expenses, claims, damages and liabilities arising out of or based on labor, services, materials and supplies, including equipment, ordered or used in connection with the acquisition of a controlling interest in, and renovation and equipping of the Project Facility (including any expenses incurred by the Agency in defending any claims, suits or actions which may arise as a result of any of the foregoing), whether such claims or liabilities arise as a result of the Company or Additional Agents acting as agent for the Agency pursuant to this Agreement or otherwise.

(b) The Company shall not permit to stand, and will, at its own expense, take all steps reasonably necessary to remove, any mechanics' or other liens against the Project Facility for labor or material furnished in connection with the acquisition, renovation and equipping of the Project Facility.

(c) The Company shall indemnify and hold the Agency, its members, officers, employees and agents and anyone for whose acts or omissions the Agency or any one of them may be liable, harmless from all claims and liabilities for loss or damage to property or any injury to or death of any person that may be occasioned subsequent to the date hereof by any cause whatsoever in relation to the Project Facility, including any expenses incurred by the Agency in defending any claims, suits or actions which may arise as a result of the foregoing.

(d) The Company shall defend, indemnify and hold the Agency harmless from all losses, expenses, claims, damages and liabilities arising out of or based on the non-disclosure of information, if any, requested by the Company in accordance with Section 4.05 hereof.

(e) The defense and indemnities provided for in this Article 3 shall survive expiration or termination of this Agreement and shall apply whether or not the claim, liability, cause of action or expense is caused or alleged to be caused, in whole or in part, by the activities, acts, fault or negligence of the Agency, its members, officers, employees and agents, anyone under the direction and control of any of them, or anyone for whose acts or omissions the Agency or any of them may be liable, and whether or not based upon the breach of a statutory duty or obligation or any theory or rule of comparative or apportioned liability, subject only to any specific prohibition relating to the scope of indemnities imposed by statutory law.

(f) The Company shall provide and carry: (i) worker's compensation and disability insurance as required by law; and (ii) comprehensive liability and property insurance with such coverages (including without limitation, owner's protective coverage for the benefit of the Agency, naming the Agency as an additional insured on all policies of coverage regarding the Project; providing the coverage with respect to the Agency be primary and non-contributory; and contractual coverage covering the indemnities herein provided for), with such limits and which such companies as may be approved by the Agency. Upon the request of the Agency, the Company shall provide certificates and/or policies of insurance in form satisfactory to the Agency evidencing such insurance.

(g) The Company shall apply and diligently pursue all approvals, permits and consents from the State of New York, the City, the City Planning Commission and any other governmental authority which approvals, permits and consents are required under applicable law

for the development, renovation and equipping of the Project and any related site improvements. The Company acknowledges and agrees that the Agency's findings and determinations under SEQRA do not and shall not in and of themselves (except as specifically set forth in SEQRA) satisfy or be deemed to satisfy applicable laws, regulations, rules and procedural requirements applicable to such approvals, permits and consents.

(h) The Company shall complete the Local Access Agreement contained at Appendix I of the City of Syracuse Industrial Development Agency Financial Assistance Application and agrees to utilize, and cause its Additional Agents to utilize, local contractors and suppliers for the renovation and equipping of the Project unless a waiver is received from the Agency in writing. For purposes of this Agency Agreement, the term "***Local***" shall mean Onondaga, Oswego, Oneida, Madison, Cayuga and Cortland Counties. The Company agrees that such Local contractors shall be provided the opportunity to bid on contracts related to the Project Facility.

3.02. The Company agrees that, as agent for the Agency or otherwise, it will comply at the Company's sole cost and expense with all the requirements of all federal, state and local laws, rules and regulations of whatever kind and howsoever denominated applicable to the Agency and/or Company with respect to the Project Facility, the acquisition of a controlling interest therein, renovation and equipping thereof, the operation and maintenance of the Project Facility, supplemental review of adverse environmental impacts in accordance with SEQRA and the financing of the Project. Every provision required by law to be inserted herein shall be deemed to be set forth herein as if set forth in full, including, but not limited to, Section 875 of the Act; and upon the request of either party, this Agreement shall be amended to specifically set forth any such provision or provisions.

3.03. The Company agrees that, as agent for the Agency or otherwise, to the extent that such provisions of law are in fact applicable (without creating an obligation by contract beyond that which is created by statute) it will comply with the requirements of Section 220 of the Labor Law of the State of New York, as amended.

3.04. The Company will take such further action and adopt such further proceedings as may be required to implement its aforesaid undertakings or as it may deem appropriate in pursuance thereof.

3.05. If it should be determined that any State or local sales or compensatory use taxes are payable with respect to the acquisition, purchase or rental or machinery or equipment, materials or supplies in connection with the Project Facility, or are in any manner otherwise payable directly or indirectly in connection with the Project Facility, the Company shall pay the same and defend and indemnify the Agency from and against any liability, expenses and penalties arising out of, directly or indirectly, the imposition of any such taxes.

3.06 The Company shall proceed with the acquisition, renovation and equipping of the Project Facility and advance such funds as may be necessary to accomplish such purposes. The

Company may utilize, and was authorized to appoint[1], Additional Agents as agents of the Agency, in furtherance thereof. Any appointment of an Additional Agent is conditioned upon the Company first obtaining and providing the Agency the following:

(1) A written, executed agreement, in form and substance acceptable to the Agency, from each appointed Additional Agent which provides for the assumption by the Additional Agent, for itself, certain of the obligations under this Agreement relative to the appointment, work and purchases done and made by each Additional Agent; (ii) a commitment to utilize local contractors and suppliers for the renovation and equipping of the Project ("local" being defined in Section 3.01(h) hereof); (iii) an acknowledgement that the Additional Agent is obligated, to timely provide the Company with the necessary information to permit the Company, pursuant to General Municipal Law §874(8), to timely file an Annual Statement with the Agency and the New York State Department of Taxation and Finance on "Annual Report of Sales and Use Tax Exemptions" (Form ST-340) regarding the value of sales and use tax exemptions the Additional Agent claimed pursuant to the agency conferred on it by the Company with respect to this Project; (iv) an acknowledgment by the Additional Agent that the failure to comply with the foregoing will result in the loss of the exemption; and (v) such other terms and conditions as the Agency deems necessary; and

(2) A completed "IDA Appointment of Project Operator or Agent for Sales Tax Purposes" (Form ST-60) for each Additional Agent appointed within fifteen (15) days of the appointment of each Additional Agent such that the Agency can execute and deliver said form to the State Department of Taxation and Finance within thirty (30) days of appointment of each such Additional Agent.

Failure of the Company to comply with the foregoing shall nullify the appointment of any Additional Agent and may result in the loss of the Company's exemption with respect to the Project at the sole discretion of the Agency.

The Company acknowledges that the assumption by the Additional Agent in accordance with Section 3.06(1) above, does not relieve the Company of its obligations under those provisions or any other provisions of this Agreement with respect to the Project.

3.07 The Company ratifies and confirms its obligations to pay an annual administrative reporting fee in accordance with the Agency's fee schedule to cover administrative and reporting requirements to comply with New York State reporting regulations on Agency assisted projects.

Article 4. General Provisions.

4.01. This Agreement shall take effect on the date of the execution hereof by the

[1] Additional Agents must be specifically appointed as an agent of the Agency in order to avail themselves of the Agency's sales and use tax exemption for any and all purchases or rentals of construction materials, equipment, tools and supplies that do not become part of the Project Facility. Additional Agents who purchase construction materials, equipment and/or supplies that become part of the Project Facility need not, and will not, be specifically appointed as an agent of the Agency.

Agency and the Company and, subject to Section 4.04 hereof, shall remain in effect until the Lease Documents become effective. It is the intent of the Agency and the Company that, except as to those provisions that survive, this Agreement be superseded in its entirety by the Lease Documents.

4.02. (a) It is understood and agreed by the Agency and the Company that the grant of Financial Assistance and the execution of the Lease Documents and related documents are subject to: (i) payment by the Company of the Agency's fee and Agency's counsel fees; (ii) obtaining all necessary governmental approvals, permits and consents of any kind required in connection with the Project Facility; (iii) approval by the members of the Agency; (iv) approval by the Company; and (v) the condition that there are no changes in New York State Law, including regulations, which prohibit or limit the Agency from fulfilling its obligations hereunder; (b) the Company, by executing this agreement, acknowledges and agrees to make, or cause its Additional Agents, whether appointed as an agent of the Agency in accordance with Section 3.06 hereof or not, to make, all records and information regarding State and local sales and use tax exemption benefits given to the Project as part of the Financial Assistance available to the Agency upon request, including but not limited to the Form ST-340 for itself and each Additional Agent; (c) the Company, by executing this Agreement, acknowledges and agrees to the terms and conditions of Section 875(3) of the Act as if such section were fully set forth herein and further agrees to cause all of its Additional Agents to acknowledge, agree and consent to same. Without limiting the scope of the foregoing the Company acknowledges that pursuant to Section 875(3) of the Act and in accordance with the Agency's policy and/or position, the Agency shall recover, recapture, receive or otherwise obtain from the Company the portion of the Financial Assistance (the "***Recapture Amount***") consisting of: (1) (a) that portion of the State and local sales tax exemption to which the Company was not entitled, which is in excess of the amount of the State and local sales tax exemption authorized by the Agency or which is for property or services not authorized by the Agency; or (b) the full amount of such State and local sales tax exemption, if the Company fails to comply with a material term or condition regarding the use of the property or services as represented to the Agency in its Application or otherwise; and (2) any interest or penalties thereon imposed by the Agency or by operation of law or by judicial order or otherwise; and (d) The failure of the Company to promptly pay such Recapture Amount to the Agency will be grounds for the Commissioner to collect sales and use taxes from the Company under Article 28 of the State Tax Law, together with interest and penalties. In addition to the foregoing, the Company acknowledges and agrees that for purposes of exemption from New York State (the "***State***") sales and use taxation as part of the Financial Assistance requested, "sales and use taxation" shall mean sales and compensating use taxes and fees imposed by article twenty-eight or twenty-eight-A of the New York State tax law but excluding such taxes imposed in a city by section eleven hundred seven or eleven hundred eight of such article twenty-eight.

4.03. The Company agrees that it will, within thirty (30) days of a written request for same, regardless of whether or not this matter closes or the Project Facility is completed: (i) reimburse the Agency for all reasonable and necessary expenses, including without limitation the fees and expenses of counsel to the Agency arising from, out of or in connection with the Project, and/or any documents executed in connection therewith, including, but not limited to any claims or actions taken by the Agency against the Company, Additional Agents or third parties;

and (ii) indemnify the Agency from all losses, claims, damages and liabilities, in each case which the Agency may incur as a consequence of executing this Agreement or performing its obligations hereunder, including but not limited to, any obligations related to Additional Agents.

4.04. If for any reason the Lease Documents are not executed and delivered by the Company and the Agency on or before **March 9, 2017**, the provisions of this Agreement (other than the provisions of Articles 1.04, 2.02, 2.04, 3.01, 3.02, 3.03, 3.05, 3.06, 4.02, 4.03, 4.04, 4.05 and 4.06, which shall survive) shall unless extended by agreement of the Agency and the Company, terminate and be of no further force or effect, and following such termination neither party shall have any rights against the other party except:

(a) The Company shall pay the Agency for all expenses incurred by the Agency in connection with the acquisition, renovation and equipping of the Project Facility;

(b) The Company shall assume and be responsible for any contracts for the construction or purchase of equipment entered into by the Agency at the request of or as agent for the Company in connection with the Project Facility; and

(c) The Company will pay the out-of-pocket expenses of members of the Agency and counsel for the Agency incurred in connection with the Project Facility and will pay the fees of counsel for the Agency for legal services relating to the Project Facility, Additional Agents or the proposed financing thereof.

4.05. **The Company acknowledges that Section 875(7) of the New York General Municipal Law ("*GML*") requires the Agency to post on its website all resolutions and agreements relating to the Company's appointment as an agent of the Agency or otherwise related to the Project, including this Agreement; and Article 6 of the New York Public Officers Law declares that all records in the possession of the Agency (with certain limited exceptions) are open to public inspection and copying. If the Company feels that there are elements of the Project or information about the Company in the Agency's possession which are in the nature of trade secrets or information, the nature of which is such that if disclosed to the public or otherwise widely disseminated would cause substantial injury to the Company's competitive position, the Company must identify such elements in writing, supply same to the Agency: (i) with respect to this Agreement, prior to or contemporaneously with the execution hereof; and (ii) with respect to all other agreements executed in connection with the Project, on or before the Closing Date, and request that such elements be kept confidential in accordance with Article 6 of the Public Officers Law. Failure to do so will result in the posting by the Agency of all information in accordance with Section 875 of the GML.**

4.06 That every controversy, dispute or claim arising out of or relating to this Agreement shall be governed by the laws of the State of New York, without regard to its conflict-of-laws provisions that if applied might require the application of the laws of another jurisdiction; and that the Company irrevocably and expressly submits to the exclusive personal

jurisdiction of the Supreme Court of the State of New York and the United States District Court for the Northern District of New York, to the exclusion of all other courts, for the purposes of litigating every controversy, dispute or claim arising out of or relating to this Agreement.

IN WITNESS WHEREOF, the parties hereto have entered into this Agreement as of the 9th day of March, 2016.

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY

By: _____
William M. Ryan, Chairman

STATE TOWER BUILDING, LLC

By: _____
Name: _____
Title: _____

EXPRESSWAY PROPERTIES, L.L.C.

By: _____
Name: _____
Title: _____

EXHIBIT "H"

FINAL APPROVING RESOLUTION

FINAL APPROVING RESOLUTION

A regular meeting of the City of Syracuse Industrial Development Agency was convened in public session on March 9, 2016 at 9:00 o'clock a.m., local time, in the Common Council Chambers, City Hall, 233 East Washington Street, Syracuse, New York.

The meeting was called to order by the Chairman and upon the roll being duly called, the following members were:

PRESENT: William Ryan, M. Catherine Richardson, Esq., Steven Thompson, Kenneth Kinsey

EXCUSED: Donald Schoenwald

THE FOLLOWING PERSONS WERE ALSO PRESENT: Staff Present: Ben Walsh, Judith DeLaney, John Vavonese, Thomas Babilon, Esq., Susan Katzoff, Esq.; Others Present: Aggie Lane, Barry Lentz, Christopher Geiger, David Nutting, Joseph Hucko, Christopher Lloyd, Nagib, Mark Roney, Melissa Zell, John Bartolella

The following resolution was offered by M. Catherine Richardson and seconded by Steven Thompson:

RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN DOCUMENTS BY THE AGENCY IN CONNECTION WITH A PROJECT UNDERTAKEN AT THE REQUEST OF THE COMPANY

WHEREAS, the City of Syracuse Industrial Development Agency (the "***Agency***") is authorized and empowered by Title 1 of Article 18-A of the General Municipal Law of the State of New York (the "***State***"), as amended, together with Chapter 641 of the Laws of 1979 of the State of New York, as amended from time to time (collectively, the "***Act***"), to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial, research and recreation facilities, for the purpose of promoting economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State, to improve their recreation opportunities, prosperity and standard of living; and

WHEREAS, State Tower Building, LLC, or an entity to be formed, (collectively the "***Company***"), by application dated January 19, 2016 (collectively, the "***Application***"), requested that the Agency undertake a project (the "***Project***") consisting of: (A)(i) the acquisition of an interest in approximately 1.2 acres of real property improved by an existing twenty-one (21) story, approximately 211,00 square foot building and garage (the "***Building***") located at 201-19 East Genesee Street & Warren Streets, in the City of Syracuse, New York (the "***Land***"); the renovation of the Building for use as a mixed-use complex including Class A office space and

retail on the first 8 floors; approximately 57 market-rate studio, one and two bedroom apartment units on the upper 13 floors; significant façade restoration; and a 100 car on-site parking garage, all located on the Land (the "***Facility***"); (iii) the acquisition and installation in and at the Land and Facility of furniture, fixtures and equipment (the "***Equipment***" and together with the Land and the Facility, the "***Project Facility***"); (B) the granting of certain financial assistance in the form of exemptions from State and local sales and use tax and mortgage recording tax (the "***Financial Assistance***"); (C) the appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, renovation and equipping of the Project Facility; and (D) the lease of the Land and Facility by the Agency pursuant to a lease agreement and the acquisition of an interest in the Equipment pursuant to a bill of sale from the Company to the Agency; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement; and

WHEREAS, the Agency conducted a public hearing with respect to the Project and the proposed Financial Assistance on March 9, 2016 pursuant to Section 859-a of the Act, notice of which was originally published on February 21, 2016, in the Post-Standard, a newspaper of general circulation in the City of Syracuse, New York and given to the chief executive officers of the affected tax jurisdictions by letters dated February 18, 2016; and

WHEREAS, pursuant to Article 8 of the State Environmental Conservation Law, as amended and the regulations promulgated thereunder (collectively "***SEQRA***"), the Agency is required to make a determination with respect to the environmental impact of any "action" (as defined by SEQRA) to be taken by the Agency and the approval of the Project and grant of Financial Assistance constitute such an action; and

WHEREAS, the Agency adopted a resolution on March 9, 2016 (the "***SEQRA Resolution***") entitled:

> **RESOLUTION CLASSIFYING THE PROJECT AS AN UNLISTED ACTION PURSUANT TO THE STATE ENVIRONMENTAL QUALITY REVIEW ACT, DECLARING THE AGENCY LEAD AGENCY FOR PURPOSES OF AN UNCOORDINATED REVIEW THEREUNDER AND DETERMINING THAT THE ACTION WILL NOT HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT**

which resolution is in full force and effect and has not been amended or modified; and

WHEREAS, the Agency adopted a resolution on March 9, 2016 (the "***Inducement Resolution***") entitled:

> **RESOLUTION UNDERTAKING THE ACQUISITION, RENOVATION AND EQUIPPING OF THE PROJECT; APPOINTING THE COMPANY AS AGENT OF THE**

AGENCY FOR THE PURPOSE OF THE ACQUISITION, RENOVATION AND EQUIPPING OF THE PROJECT; AND AUTHORIZING THE EXECUTION AND DELIVERY OF AN AGREEMENT BETWEEN THE AGENCY AND THE COMPANY

which resolution is in full force and effect and has not been amended or modified; and

NOW, THEREFORE, be it resolved by the members of the City of Syracuse Industrial Development Agency, as follows:

Section 1. Based upon the representations made by the Company to the Agency and after consideration of the comments received at the public hearing, if any, the Agency hereby ratifies all of its prior resolutions adopted in conjunction with the Project, including but not limited to the SEQRA Resolution, the Inducement Resolution and all other action with respect to the Project and Financial Assistance taken by the Agency, and makes the following findings and determinations:

(a) The acquisition of a controlling interest in the Project Facility by the Agency, the granting of the Financial Assistance and the designation of the Company as the Agency's agent for completion of the Project will be an inducement to, and permit, the Company to develop and operate the Project Facility in the City of Syracuse, thus serving the public purposes of Article 18-A of the General Municipal Law of New York State by promoting and preserving the job opportunities, general prosperity, health and economic welfare of the inhabitants of the City of Syracuse (the "***City***") in furtherance of the purposes of the Act.

(b) The Project will not result in the removal of a commercial, industrial or manufacturing plant or facility of the Company or any other proposed occupant of the Project Facility from one area of the State to another area of the State or result in the abandonment of one or more plants or facilities of the Company or any other proposed occupant of the Project Facility located in the State, except as may be permitted by the Act.

(c) The commitment of the Agency to provide Financial Assistance to the Company will enable and induce the Company to renovate and equip the Project Facility.

(d) The acquisition, renovation and equipping of the Project Facility and the attendant promotion of the local economy will advance the job opportunities, health, prosperity and economic welfare of the people of the City and the granting of the Financial Assistance is a necessary component to the financing of the Project.

(e) The Project Facility constitutes a "project" within the meaning of the Act.

(f) The Project is located in a "Highly Distressed Area" as defined in Section 854(18) of the Act.

(g) It is desirable and in the public interest for the Agency to grant Financial Assistance in connection with the Project.

Section 2. It is the policy of the State to promote the economic welfare, recreation opportunities and prosperity of its inhabitants and to actively promote, attract, encourage and develop recreation and economically sound commerce and industry for the purpose of preventing unemployment and economic deterioration. The Project will serve the public purposes of Article 18-A of the General Municipal Law of the State of New York by advancing job opportunities and promoting economic development.

Section 3. It is among the purposes of the Agency to promote, develop, encourage and assist in the acquiring, constructing, improving, maintaining, equipping and furnishing of certain facilities, including commercial facilities, and thereby advance the job opportunities, health, general prosperity and economic welfare of the people of the State and to improve their recreation opportunities, prosperity and standard of living.

Section 4. Subject to the conditions set forth in this and prior resolutions adopted by the Agency, and the Agreement (as defined in the Inducement Resolution), the Agency will: (A) acquire a controlling interest in the Project Facility; (B) lease the Land and Facility from the Company pursuant to a lease agreement between the Agency and the Company (the "***Company Lease***"); acquire an interest in the Equipment pursuant to a bill of sale from the Company (the "***Bill of Sale***"); and sublease the Project Facility to the Company pursuant to a sublease agreement (the "***Agency Lease***"); (C) secure the Company's borrowings with respect to the Project Facility by joining in one or more construction or permanent mortgages on the Project Facility in favor of the Company's lenders(s); (D) provide the approved Financial Assistance; and (E) execute and deliver any other documents necessary to effectuate the actions contemplated by and consistent with this Resolution upon the advice of counsel to the Agency.

Section 5. The Chairman, Vice Chairman and any authorized representative of the Agency, acting individually, are each hereby authorized and directed, for and in the name and on behalf of the Agency, to execute and deliver the documents and agreements identified in Section 4 of this Resolution and any such additional certificates, instruments, documents or affidavits, to pay any such other fees, charges and expenses, to make such other changes, omissions, insertions, revisions, or amendments to the documents referred to in Section 4 of this Resolution and to do and cause to be done any such other acts and things, as they determine, on advice of counsel to the Agency, may be necessary or desirable to consummate the transactions contemplated by this Resolution.

Section 6. The Agency's participation in any of the documents referenced herein, or the granting of the approved Financial Assistance, is contingent upon counsel for the Agency's review and the Chairman or Vice Chairman's approval of, all documents requested or required by the Agency in connection with the Project Facility, as well as the Company's execution of the Agreement (as defined in the Inducement Resolution) and all other documents required by the Agency to effectuate the intent of this Resolution and as required in similar transactions.

Section 7. No covenant, stipulation, obligation or agreement contained in this resolution or any document referred to herein shall be deemed to be the covenant, stipulation, obligation or agreement of any member, officer, agent or employee of the Agency in his or her individual capacity. Neither the members nor officers of the Agency, nor any person executing any documents referred to above on behalf of the Agency, shall be liable thereon or be subject to any personal liability or accountability by reason of the execution or delivery thereof.

Section 8. Counsel to the Agency is hereby authorized to work with the Company and others to prepare, for submission to the Chairman and/or Vice Chairman, all documents necessary to effect the undertaking of the Project and the grant of Financial Assistance in connection with the Project.

Section 9. The approvals provided for herein are contingent upon the Company's payment of all of the Agency's fees and costs, including but not limited to attorneys fees.

Section 10. The Secretary and/or Executive Director of the Agency is hereby authorized to distribute copies of this Resolution and do such further things or perform such acts as may be necessary or convenient to implement the provisions of this Resolution.

Section 11. Counsel to the Agency is hereby authorized to work with the Company and others to prepare for submission to the Agency, all documents necessary to effect the grant of Financial Assistance and to consummate the transactions contemplated by this Resolution.

Section 12. This Resolution shall take effect immediately. A copy of this Resolution, together with the attachments hereto, shall be placed on file in the office of the Agency where the same shall be available for public inspection during business hours.

The question of the adoption of the foregoing resolution was duly put to vote on a roll call, which resulted as follows:

	AYE	**NAY**
William Ryan	X	
M. Catherine Richardson	X	
Steven Thompson	X	
Kenneth Kinsey	X	

The foregoing Resolution was thereupon declared duly adopted.

STATE OF NEW YORK)
) **SS.:**
COUNTY OF ONONDAGA)

I, the undersigned Secretary of the City of Syracuse Industrial Development Agency, **DO HEREBY CERTIFY** that I have compared the annexed extract of the minutes of the meeting of the City of Syracuse Industrial Development Agency (the "***Agency***") held on March 9, 2016, with the original thereof on file in my office, and that the same (including all exhibits) is a true and correct copy of the proceedings of the Agency and of the whole of such original insofar as the same relates to the subject matters referred to therein.

I FURTHER CERTIFY that (i) all members of the Agency had due notice of such meeting, (ii) pursuant to Section 104 of the Public Officers Law (Open Meetings Law), such meeting was open to the general public and public notice of the time and place of such meeting was duly given in accordance with such Section 104, (iii) the meeting was in all respects duly held, and (iv) there was a quorum present throughout.

I FURTHER CERTIFY that, as of the date hereof, the attached resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have set my hand and affixed the seal of the Agency this 24th day of March, 2016.

City of Syracuse Industrial Development Agency

Steven P. Thompson, Secretary

(S E A L)

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AFFIDAVIT RE: MORTGAGE TAX EXEMPTION

STATE OF NEW YORK)
) **SS.**
COUNTY OF ONONDAGA)

WILLIAM M. RYAN, being duly sworn, deposes and says:

He is Chairman of the City of Syracuse Industrial Development Agency (the "***Agency***").

The Agency is an industrial development agency duly established under Title I of Article 18-A of the General Municipal Law of the State of New York (the "***State***"), as amended, and Chapter 641 of the Laws of 1979 of the State (collectively, the "***Act***"), and it is a corporate governmental agency constituting a public benefit corporation of the State.

On or about March 9, 2016 the Agency adopted a resolution at the request of State Tower Building, LLC and Expressway Properties, L.L.C. (collectively, the "***Company***") agreeing to undertake a project (the "***Project***") consisting of: (A)(i) the acquisition of an interest in approximately 1.2 acres of real property improved by an existing twenty-one (21) story, approximately 211,000 square foot building and garage (the "***Building***") located at 201-19 East Genesee Street & Warren Streets, in the City of Syracuse, New York (the "***Land***"); the renovation of the Building for use as a mixed-use complex including Class A office space and retail on the first 8 floors; approximately 57 market-rate studio, one and two bedroom apartment units on the upper 13 floors; significant façade restoration; and a 100 car on-site parking garage, all located on the Land (the "***Facility***"); (iii) the acquisition and installation in and at the Land and Facility of furniture, fixtures and equipment (the "***Equipment***" and together with the Land and the Facility, the "***Project Facility***"); (B) the granting of certain financial assistance in the form of exemptions from State and local sales and use tax and mortgage recording tax (the "***Financial Assistance***"); (C) the appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, renovation and equipping of the Project Facility; and (D) the lease of the Land and Facility by the Agency pursuant to a lease agreement and the acquisition of an interest in the Equipment pursuant to a bill of sale from the Company to the Agency; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement.

The Company and the Agency are mortgaging their respective interests in the improved real property described on **Exhibit "A"** to First Niagara Bank, N.A. (the "***Mortgagee***"), pursuant to a certain Mortgage and Security Agreement in the amount of $2,550,000 (the "***Mortgage***") dated March 21, 2016 and an Assignment of Leases and Rents dated March 21, 2016 ("***Assignment of Leases and Rents***"). The Mortgage is pledged to secure a note given by the Company to the Mortgagee.

Pursuant to Article 18-A of the New York General Municipal Law, the Agency is regarded as performing a governmental function and is generally not required to pay taxes or assessments upon any property acquired by it or under its jurisdiction, control or supervision or upon its activities.

The Deponent submits that no mortgage tax should be imposed upon the Mortgage or the Assignment of Leases and Rents, insomuch as the Mortgage and the Assignment of Leases and Rents are being executed and delivered under the State authority creating the Agency, insomuch as the use by the Agency of its powers to secure the payment of principal and interest on the loan is deemed by Article 18-A public purpose essential to the public interest, and insomuch as both the New York State Department of Taxation and Finance and Counsel to the New York State Department of Taxation and Finance have expressed their opinion that the recording of similar documents by similar agencies organized under Article 18-A of the New York General Municipal Law are operations of said agencies entitled to exemption from the mortgage recording tax.

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY

By: _____
William M. Ryan, Chairman

Subscribed and sworn to before me
this 18th day of March, 2016.

_____
Notary Public

LORI L. McROBBIE
Notary Public, State of New York
Qualified in Onondaga Co. No. 01MC5055591
Commission Expires on Feb. 12, 20 18

EXHIBIT A

LEGAL DESCRIPTION

All that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the City of Syracuse, County of Onondaga and State of New York, known and designated a Lots Nos. 1, 2, 3, 4, 5, 6, 7, part of 19 and 20, the latter Lot also known as Lot A, all being Block 103 in said City, bounded and described as follows: Beginning at the intersection of the east line of South Warren Street and the south line of East Water Street; thence South 0° 03' 30" west, on the east line of South Warren Street, 67.68 feet to the northerly line of East Genesee Street; thence South 59° 45' 20" east along the northerly line of East Genesee Street, 196.49 feet; thence North 29° 58' 40" east, 79.51 feet to a point; thence North 59° 45' 20" west, 1.42 feet; thence North 30° 14' 40" east, 16.49 feet to a point; thence North 0° 26' 20" East, 0.67 feet to a point; thence South 89° 33' 40" east, 1.37 feet to a point; thence North 0° 26' 20" east 5.49 feet to a point in the south line of Falker property; thence North 0° 03' 40" west 75 feet to the south line of East Water Street; thence North 89° 33' 40" west, along the southerly line of East Water Street 217.83 feet to the point and place of beginning.

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GENERAL CERTIFICATE OF

STATE TOWER BUILDING, LLC

This certificate is made in connection with the execution by **STATE TOWER BUILDING, LLC,** a New York limited liability company with an address of c/o Pioneer Companies, 333 West Washington Street, Suite 600, Syracuse, New York 13202 ("***State Tower***") of the Company Lease, the Agency Lease, the Mortgage, the Environmental Compliance and Indemnification Agreement and any other document now or hereafter executed by State Tower in connection with the City of Syracuse Industrial Development Agency (the "***Agency***") agreeing, at the request of the State Tower and Expressway Properties, L.L.C. ("***Expressway***" and together with State Tower, collectively the "***Company***"), to undertake a project (the "***Project***") consisting of: (A)(i) the acquisition of an interest in approximately 1.2 acres of real property improved by an existing twenty-one (21) story, approximately 211,000 square foot building and garage (the "***Building***") located at 201-19 East Genesee Street & Warren Streets, in the City of Syracuse, New York (the "***Land***"); the renovation of the Building for use as a mixed-use complex including Class A office space and retail on the first 8 floors; approximately 57 market-rate studio, one and two bedroom apartment units on the upper 13 floors; significant façade restoration; and a 100 car on-site parking garage, all located on the Land (the "***Facility***"); (iii) the acquisition and installation in and at the Land and Facility of furniture, fixtures and equipment (the "***Equipment***" and together with the Land and the Facility, the "***Project Facility***"); (B) the granting of certain financial assistance in the form of exemptions from State and local sales and use tax and mortgage recording tax (the "***Financial Assistance***"); (C) the appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, renovation and equipping of the Project Facility; and (D) the lease of the Land and Facility by the Agency pursuant to a lease agreement and the acquisition of an interest in the Equipment pursuant to a bill of sale from the Company to the Agency; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement.

The Project Facility is owned by the Company together with Expressway. The Company will lease the Land and Facility to the Agency pursuant to a Company Lease Agreement dated as of March 1, 2016 (the "***Company Lease***") and State Tower will transfer its interest in the Equipment to the Agency pursuant to a bill of sale dated as of March 1, 2016 (the "***State Tower Bill of Sale***") and the Agency will sublease the Project Facility back to the Company pursuant to an Agency Lease Agreement dated as of March 1, 2016 (the "***Agency Lease***").

Capitalized terms used herein which are not otherwise defined herein shall have the meanings ascribed to such terms in the Agency Lease, except that, for purposes of this certificate: (A) all definitions with respect to any document shall be deemed to refer to such document only as it exists as of the date of this Certificate and not as of any future date; and (B) all definitions with respect to any Person shall be deemed to refer to such Person only as it exists as of the date of this certificate and not as of any future date or to any successor or assign.

The undersigned does hereby certify as follows:

1. Attached hereto as **Exhibit "A"** is a true, correct and complete copy of the Articles of Organization of State Tower and any amendments thereto filed with the New York

State Secretary of State with proof of publication thereof attached thereto, which Articles (including any amendments) are in full force and effect on the date hereof.

2. Attached hereto as **Exhibit "B"** is a true, correct and complete copy of State Tower's Operating Agreement, and any amendments thereto, and such Operating Agreement, as may have been amended, is in full force and effect on the date hereof.

3. State Tower is, and at all times will be, a limited liability company, duly organized, validly existing and in good standing under the laws of New York State and authorized and licensed under the laws of New York State to transact business as a limited liability company for the purpose of owning and operating the Project Facility in the State of New York. Attached hereto as **Exhibit "C"** is a true and correct copy of a Certificate of Good Standing of State Tower issued by the New York State Secretary of State.

4. State Tower has full legal right, power and authority to execute and deliver the Company Documents and to consummate the transactions on the part of State Tower contemplated by the Company Documents. The Company Documents have been duly authorized, executed, and delivered by the Manager on behalf of State Tower and are in full force and effect as of the date hereof. Attached hereto as **Exhibit "D"** is a true, correct and complete copy of the authorizing resolution of State Tower (the "***Resolution***") in respect of the execution, delivery and performance of the Company Documents.

5. State Tower understands and agrees that, unless a written waiver is first obtained from the Agency, State Tower and its Additional Agents shall utilize local labor, contractors and suppliers for the construction, renovation, reconstruction and equipping of the Project Facility. The term "***local***" shall mean Onondaga, Oswego, Madison, Cayuga, Oneida and Cortland Counties. State Tower further understands and agrees that failure to comply with these local labor requirements may result in the revocation or recapture of benefits provided/approved to the Project by the Agency. In furtherance thereof, Appendix I to the Agency's Application entitled "Local Access Agreement" has been completed and is attached hereto as **Exhibit "E"**.

6. State Tower understands and agrees that it is the preference of the Agency that State Tower provide opportunities for the purchase of goods and services from: (i) business enterprises located in the City; (ii) certified minority and or women-owned business enterprises; and (iii) business enterprises that employ residents of the City. State Tower further understands and acknowledges that consideration will be given by the Agency to State Tower's efforts to comply, and compliance, with this objective at any time an extension of benefits is sought or involvement by the Agency with the Project is requested by State Tower.

7. All consents, approvals, authorizations or orders of, notices to, or filings, registrations or declarations with, any court or governmental authority, board, agency, commission or body having jurisdiction which are required on behalf of State Tower or for the execution and delivery by State Tower of the Company Documents or the consummation on the part of State Tower of the transactions contemplated thereby have been obtained.

8. After performing due diligence, there is no legal action, suit, proceeding, inquiry or investigation at law or in equity (before or by any court, agency, arbitrator, public board or body or other entity or person) pending or threatened against or affecting State Tower or, to the knowledge of State Tower, any basis therefor: (i) in any way affecting the organization, existence or good standing of State Tower; (ii) contesting or materially affecting the validity or enforceability of the Company Documents; (iii) contesting the powers of State Tower or its authority with respect to the Company Documents; (iv) contesting the authority of State Tower to act on behalf of State Tower or the authority of the representatives of State Tower to act on behalf of State Tower; (v) wherein an unfavorable decision, ruling or finding would have a material adverse effect on: (A) the financial condition or operations of State Tower; or (B) the consummation on the part of State Tower of the transactions contemplated by any Company Documents.

9. The execution and delivery by State Tower of the Company Documents and the consummation by State Tower of the transactions contemplated thereby are not prohibited by, do not violate any provision of, and will not result in a breach of or default under: (i) the organizational documents of State Tower; (ii) any applicable law, rule, regulation, order, writ, injunction, judgment or decree of any court or governmental body or other requirement to which State Tower is subject; or (iii) any contract, agreement, mortgage, lease, guaranty, commitment or other obligation or instrument to which State Tower is a party or by which State Tower or its properties is bound.

10. All information concerning the Project Facility and State Tower submitted to the Agency and any Mortgagee by State Tower is true and correct in all material respects and does not omit to state a material fact necessary to make the statements therein not misleading.

11. Assuming the valid authorization, execution and delivery of the Agency Lease and the other Company Documents by the other parties thereto, the Agency Lease and the other Company Documents are the legal, valid and binding obligations of State Tower, enforceable against State Tower in accordance with their respective terms, except to the extent that enforcement thereof may be limited by bankruptcy, insolvency or other similar laws affecting creditors' rights generally or by the exercise of judicial discretion in accordance with general principles of equity. No default by State Tower or, to the best of knowledge of the undersigned, no event of default on the part of any other party to the Company Documents has occurred or is continuing and no event has occurred which, with the giving of notice or passage of time or both, would be such an event of default. State Tower has duly authorized the taking of and has taken all actions necessary to carry out and give effect to the transactions contemplated to be performed on its part by the Company Documents.

12. All permits (including building permits), licenses and authorizations necessary for the construction, ownership and operation of the Project in the manner contemplated by each of the Company Documents have been obtained or will be obtained, and said construction, ownership and operation will not, to the best knowledge of State Tower, conflict with any zoning or similar ordinance applicable to the Project. To the best of State Tower's knowledge, the Project conforms to all material environmental regulations.

13. There is no Event of Default or default on the part of State Tower under the Company Lease, the Agency Lease, the Mortgages, the Environmental Compliance and Indemnification Agreement or any other Company Document, and no event has occurred and is continuing which, after notice or passage of time or both, would give rise to a default under any thereof.

14. The Company Lease, the Agency Lease, the Mortgages, the Environmental Compliance and Indemnification Agreement and the other Company Documents are in full force and effect and State Tower has not assigned or pledged any of its rights under these documents.

15. State Tower acknowledges and restates all of the obligations, representations and covenants in Sections 2.2, 8.12, 11.12 and 11.14 of the Agency Lease and incorporates same herein by reference as if fully set forth herein.

16. State Tower further acknowledges its obligation under Section 8.5 of the Agency Lease to provide the additional information as set forth therein and agrees to same.

17. The authorized representatives of State Tower who, pursuant to the Resolution, are authorized to execute the Company Documents and the office held by each person are as set forth below. The signature set opposite the name of such officer, if any, is a genuine specimen of such officer's signature:

Name	Signature	Office/Title
Mark W. Roney		Authorized Signatory

IN WITNESS WHEREOF, I have set my hand and signature as officer of State Tower as of March 1, 2016.

STATE TOWER BUILDING, LLC

By: _____
Mark W. Roney, Authorized Signatory

EXHIBIT "A"

ARTICLES OF ORGANIZATION

N.Y.S. DEPARTMENT OF STATE
DIVISION OF CORPORATIONS AND STATE RECORDS ALBANY, NY 12231-0001

ONLINE FILING RECEIPT

ENTITY NAME: STATE TOWER BUILDING, LLC

DOCUMENT TYPE: ARTICLES OF ORGANIZATION (DOM. LLC) COUNTY: ONON

FILED:12/30/2015 DURATION:********** CASH#:151230010110 FILE#:151230010110
DOS ID:4870871

FILER:
LAUREN A. PISTELL
BARCLAY DAMON, LLP
ONE PARK PL, 300 S STATE ST
SYRACUSE, NY 13202

EXIST DATE
12/30/2015

ADDRESS FOR PROCESS:
STATE TOWER BUILDING, LLC
333 WEST WASHINGTON STREET
SUITE 600
SYRACUSE, NY 13202

REGISTERED AGENT:

The limited liability company is required to file a Biennial Statement with the Department of State every two years pursuant to Limited Liability Company Law Section 301. Notification that the Biennial Statement is due will only be made via email. Please go to www.email.ebiennial.dos.ny.gov to provide an email address to receive an email notification when the Biennial Statement is due.

SERVICE COMPANY: ** NO SERVICE COMPANY **
SERVICE CODE: 00

FEE:	210.00	PAYMENTS	210.00
FILING:	200.00	CHARGE	210.00
TAX:	0.00	DRAWDOWN	0.00
PLAIN COPY:	0.00		
CERT COPY:	10.00		
CERT OF EXIST:	0.00		

DOS-1025 (04/2007)

Authentication Number: 1512300115 To verify the authenticity of this document you may access the Division of Corporation's Document Authentication Website at http://ecorp.dos.ny.gov

STATE OF NEW YORK

DEPARTMENT OF STATE

I hereby certify that the annexed copy has been compared with the original document in the custody of the Secretary of State and that the same is true copy of said original.

WITNESS my hand and official seal of the Department of State, at the City of Albany, on December 30, 2015.

Anthony Giardina
Executive Deputy Secretary of State

Rev. 06/07

ARTICLES OF ORGANIZATION
OF
State Tower Building, LLC

Under Section 203 of the Limited Liability Company Law

THE UNDERSIGNED, being a natural person of at least eighteen (18) years of age, and acting as the organizer of the limited liability company hereby being formed under Section 203 of the Limited Liability Company Law of the State of New York certifies that:

FIRST: The name of the limited liability company is:

State Tower Building, LLC

SECOND: The county, within this state, in which the office of the limited liability company is to be located is ONONDAGA.

THIRD: The Secretary of State is designated as agent of the limited liability company upon whom process against it may be served. The address within or without this state to which the Secretary of State shall mail a copy of any process against the limited liability company served upon him or her is:

State Tower Building, LLC
333 West Washington Street
Suite 600
Syracuse, NY 13202

FOURTH: The limited liability company is to be managed by: ONE OR MORE MANAGERS.

I certify that I have read the above statements, I am authorized to sign these Articles of Organization, that the above statements are true and correct to the best of my knowledge and belief and that my signature typed below constitutes my signature.

James J. Canfield, Authorized Person (signature)

James J. Canfield , ORGANIZER
Barclay Damon, LLP
One Park Pl, 300 S State St
Syracuse, NY 13202

Filed by:
Lauren A. Pistell
Barclay Damon, LLP
One Park Pl, 300 S State St
Syracuse, NY 13202

FILED WITH THE NYS DEPARTMENT OF STATE ON: 12/30/2015
FILE NUMBER: 151230010110; DOS ID: 4870871

EXHIBIT "B"

OPERATING AGREEMENT

OPERATING AGREEMENT

OF

STATE TOWER BUILDING, LLC

THIS OPERATING AGREEMENT is made effective as of the 24th day of February, 2016 by and among the entity listed on **Exhibit "A"** hereto as the member (the **"Member"**) and **MICHAEL P. FALCONE**, an individual with a business address at 333 W. Washington Street, Suite 600, Syracuse, New York 13202 and **MELISSA F. ZELL** an individual with a business address at 333 W. Washington Street, Suite 600, Syracuse, New York 13202 , as the managers (the **"Manager(s)"**) with respect to the limited liability company known as **STATE TOWER BUILDING, LLC** (the **"Company"**).

WHEREAS, the Member wishes to adopt this Operating Agreement as the Operating Agreement of the Company.

NOW, THEREFORE, in consideration of the mutual premises, covenants and conditions herein contained and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. **Formation.** The Company was formed on December 30, 2015 upon the filing with the Secretary of State for the State of New York of the Articles of Formation of the Company (the **"Certificate"**). In consideration of the mutual promises, covenants and conditions herein contained, the parties hereto agree that the rights and obligations of the parties shall be governed by this Agreement, the Certificate and by the Limited Liability Company Laws of the State of New York (the **"Act"**).

2. **Name.** The name of the Company shall be **STATE TOWER BUILDING, LLC** and all business of the Company shall be conducted in such name.

3. **Principle Place of Business.** The principle place of business of the Company shall be such place as the Managers determine. The mailing address of the company is 333 W. Washington Street, Suite 600, Syracuse, New York 13202.

4. **Purpose.** The purpose of the Company is to engage in any business which may be engaged in by limited liability companies under the provisions of the Act.

5. **Term.** The term of the Company shall be perpetual unless the Company is earlier dissolved in accordance with the provisions of this Agreement and the Act.

6. **Member; Tax Status.**

(a) The Member of the Company is set forth on **Exhibit "A"**. The Member is hereby admitted as a Member simultaneously with the execution and delivery of this Agreement. The Member is the sole Member of the Company and shall own one hundred percent (100%) of the interests in the Company.

(b) It is the intention of the Member that the Company be disregarded for federal and all relevant state tax purposes and that the activities of the Company be deemed to be the activities of the Member for such purposes. The Member shall not take any action, including making any elections, to change the tax status of the Company.

7. **Profits, Losses and Distributions.** All profits, losses and distributions shall be allocated or distributed only to the Member. Notwithstanding the foregoing, unless first approved by the Managers, the Company shall make no distributions, whether of cash or property, to the Member.

8. Management.

8.1 Managers. Melissa Zell and Michael P. Falcone are hereby designated as the Managers of the Company. The Managers have been elected by the Member and may be removed by the Member at any time, with or without cause.

8.2 Authority of the Managers. Except to the extent otherwise provided herein, the Managers shall have the sole and exclusive right to manage the business of the Company, to make all decisions regarding those matters and to perform all other acts and activities customary to or incidental to the management of the Company's business, except only those acts and things as to which approval by the Member is expressly required by this Agreement or the Act. Each Manager shall be entitled to one (1) vote. All actions requiring the approval of the Managers shall require the unanimous approval of all Managers. Without limiting the generality of the foregoing, the Managers shall have all of the rights and powers which may be possessed by a manager under the Act including, without limitation, the right and power to:

(a) acquire by purchase, lease or otherwise any real or personal property which may be necessary, convenient or incidental to the accomplishment of the purposes of the Company;

(b) operate, maintain, improve, construct, own and lease any real estate and any personal property necessary, convenient or incidental to the accomplishment of the purposes of the Company;

(c) execute any and all agreements, contracts, documents, certifications and instruments necessary or convenient in connection with the management, maintenance and operation of the property;

(d) prepay in whole or in part, refinance, recast, modify or extend any liabilities affecting the property and, in connection therewith, execute any extensions or renewals of encumbrances on any or all of such property;

(e) care for and distribute funds to the Member by way of cash, income, return of capital, or otherwise, all in accordance with the provisions of this Agreement, and perform all matters in furtherance of the objectives of the Company or this Agreement;

(f) contract on behalf of the Company for the employment and services of employees and/or independent contractors (including affiliates of the Managers) and delegate to such persons the duty to manage or supervise any of the assets or operations of the Company;

(g) expend the capital and income of the Company to the extent permitted by this Agreement;

(h) ask for, collect and receive any rents, issues and profits or income from the property or any part or parts thereof and to disburse Company funds for Company purposes to those persons entitled to receive the same;

(i) purchase from or through others contracts of liability, casualty or other insurance for the protection of the property or affairs of the Company or the Member or for any purpose convenient or beneficial to the Company;

(j) institute, prosecute, defend, settle, compromise and dismiss lawsuits or other judicial or administrative proceedings brought on or in behalf of or against the Company or the Member or the Managers in connection with activities arising out of, connected with or incidental to this Agreement and to engage counsel or others in connection therewith;

(k) engage in any kind of activity and perform and carry out contracts of any kind (including contracts of insurance covering risks to the property and Managers' liability) necessary or incidental to, or in connection with, the accomplishment of the purposes of the Company, as may be lawfully carried on or performed by a limited liability company under the laws of each state in which the Company is then formed or qualified; and

The Managers hereby agree to forward a copy of any documents executed by either of

8.3 Right to Rely on Managers. Any person dealing with the Company may rely upon a certificate signed by either Manager as to:

(a) the identity of any Manager or Member and/or the identity of any individual authorized to represent the Managers;

(b) the existence or nonexistence of any fact or facts which constitute a condition precedent to acts by the Managers or which are in any other manner germane to the affairs of the Company;

(c) the persons who are authorized to execute and deliver any instrument or document on behalf of the Company; or

(d) any act or failure to act by the Company or any other matter whatsoever involving the Company or any Member.

The Managers are hereby authorized and empowered to execute and deliver in the name and on behalf of the Company any document, instrument, agreement or certificate required to be delivered by the Company to any third party. The signature of either Manager shall be required in connection with any such document, instrument, agreement or certificate.

8.4 Duties and Obligations of Managers.

(a) The Managers shall take all actions which may be necessary or appropriate for (i) the operation of the Company in conformity with the provisions of the Certificate; and (ii) the continuation of the Company's valid existence as a limited liability company under the laws of the State of Delaware (and of each other jurisdiction in which such existence is necessary to protect the limited liability of the Member or to enable the Company to conduct the business in which it is engaged).

(b) Subject to the provisions of the Certificate, the Managers shall have the fiduciary duty to conduct the affairs of the Company in the best interest of the Company and the Member, including the safekeeping and use of all property of the Company, whether or not in the immediate possession or control of the Managers, and shall not employ or permit another to employ Company assets in any manner except for the exclusive benefit of the Company.

(c) The Managers shall devote to the Company such time as may be necessary for the proper performance of all duties hereunder; provided, however, in no event shall either Manager be required to devote full time to the performance of such duties.

8.5 Indemnification.

(a) No Manager or Member of the Company shall be liable to the Company or its Member for monetary damages for an act or omission in such person's capacity as a Manager or a Member, except for (i) acts or omissions which a Manager knew at the time of the acts or omissions were clearly in conflict with the interests of the Company, or (ii) any transaction from which a Manager derived an improper personal benefit. If the Act is amended to authorize action further eliminating or limiting the liability of managers and members, then the liability of

the Managers or Member of the Company shall be deemed eliminated or limited to the fullest extent permitted by the Act as so amended. Any repeal or modification of the governing sections of the Act shall not adversely affect the right or protection of a Manager or Member existing immediately before such repeal or modification.

(b) The Company shall indemnify each Manager and Member to the fullest extent permitted or required by the Act, as amended from time to time subject to any limitations in the Certificate, and the Company may advance expenses incurred by a Manager or Member upon the approval of the Managers and the receipt by the Company of an undertaking by such Manager or Member to reimburse the Company unless it shall ultimately be determined that such Manager or Member is entitled to be indemnified by the Company against such expenses. The Company may also indemnify its employees and other representatives or agents up to the fullest extent permitted under the Act or other applicable law subject to any limitations in the Certificate, provided that the indemnification in each such situation is first approved by the Managers.

(c) The indemnification provided by this Agreement shall: (i) not be deemed exclusive of any other rights to which a person seeking indemnification may be entitled under any statute, agreement, vote of the Member or disinterested Manager, or otherwise, both as to action in official capacities and as to action in another capacity while holding such office; (ii) continue as to a person who ceases to be a Manager or Member; (iii) inure to the benefit of the estate, heirs, executors, administrators or other successors of an indemnitee; and (iv) not be deemed to create any rights for the benefit of any other person or entity.

(d) The details concerning any action to limit the liability, indemnify or advance expenses to a Manager, Member or other person taken by the Company shall be reported in writing to the Member with or before the notice or waiver of notice of the next Member meeting or with or before the next submission to the Member of a consent to action without a meeting or, if sooner, separately within ninety (90) days immediately following the date of the action.

(e) The provisions of this **Section 8.5** dealing with indemnification are in all respects subject to the limitations on indemnification which are set forth in the Certificate.

(f) Notwithstanding the provisions of this **Section 8.5**, this Section shall be enforced only to the maximum extent permitted by law, and no Manager shall be indemnified from any liability for the fraud, intentional misconduct, gross negligence or a knowing violation of law which was material to the course of action.

8.6 Compensation and Expenses of Managers.

(a) The Managers may charge the Company for any reasonable expenses incurred in connection with the Company business.

(b) Except as otherwise set forth in this Agreement, the Managers shall not receive any fees or other compensation for serving as a Manager.

9. Rights and Powers of Member. Except as set forth herein or required by law, the Member shall have no right or power to take part in the management and control of the Company and its business and affairs.

10. Counterpart Execution. This Agreement may be executed in any number of counterparts with the same effect as if all of the parties hereto had signed the same document. All counterparts shall be construed together and shall constitute one agreement. Signatures

received by facsimile or electronically shall be deemed original signatures for all purposes of this Agreement.

[Remainder of Page Intentionally Left Blank - Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have executed this Operating Agreement effective as of the day and year first above written.

MELISSA ZELL
Manager

Michael P. Falcone
Manager

PIONEER STATE TOWER BUILDING, LLC
Member

By: Melissa Zell
Its: Manager

Exhibit "A"

OPERATING AGREEMENT

OF

STATE TOWER BUILDING, LLC

Member

Pioneer State Tower Building, LLC
333 W. Washington Street
Suite 600
Syracuse, New York 13202

EXHIBIT "C"

GOOD STANDING CERTIFICATE

State of New York
Department of State } ss:

I hereby certify, that STATE TOWER BUILDING, LLC a NEW YORK Limited Liability Company filed Articles of Organization pursuant to the Limited Liability Company Law on 12/30/2015, and that the Limited Liability Company is existing so far as shown by the records of the Department. I further certify the following:

A Certificate of Publication of STATE TOWER BUILDING, LLC was filed on 03/16/2016.

I further certify, that no other documents have been filed by such Limited Liability Company.

***

Witness my hand and the official seal of the Department of State at the City of Albany, this 16th day of March two thousand and sixteen.

Anthony Giardina
Executive Deputy Secretary of State

*201603170665 * H2*

EXHIBIT "D"

RESOLUTION

EXECUTION COPY

MANAGERS' CERTIFICATE

OF

STATE TOWER BUILDING, LLC

THE UNDERSIGNED, hereby certifies that they are the sole Managers of **STATE TOWER BUILDING, LLC**, a New York limited liability company (the "*Company*"), have knowledge of the matters contained in this Certificate and hereby certify as follows:

1. Attached to this Certificate as **Exhibit A** is a true, complete and correct copy of the Articles of Organization, which Articles have not been amended and are in full force and effect.

2. Attached to this Certificate as **Exhibit B** is a true, complete and correct copy of the current Operating Agreement of the Company, which Operating Agreement is in full force and effect.

3. The Company is a limited liability company duly organized, validly existing and in good standing under the laws of the State of New York and has complied with all certifications, filings and requirements necessary to continue as a limited liability company in such State.

4. Attached to this Certificate as **Exhibit C** are true, complete and correct copies of the resolutions duly adopted by the Member and Managers of the Company (the "*Resolutions*"); the Resolutions have not been subsequently amended, modified or rescinded and remain in full force and effect; and the Resolutions are the only resolutions adopted by the Member and Managers of the Company relating to the acquisition of the State Tower Building and the financing thereof through First Niagara Bank, N.A.

5. The Resolutions were adopted in accordance with Articles of Organization and Operating Agreement of the Company together with applicable law, and neither the Resolutions nor any actions to be taken pursuant to them are or will be in contravention of any agreements or instruments to which the Company is a party and/or which are binding upon the Company.

IN WITNESS WHEREOF, we have hereunto set our hand this __ day of March, 2016

Michael P. Falcone

Melissa F. Zell

EXHIBIT A

Articles of Organization
(see attached)

EXHIBIT B

Operating Agreement
(see attached)

EXHIBIT C

Resolutions

RESOLVED, that the Company, together with Expressway Properties, LLC under a tenancy-in-common agreement (hereinafter, with its tenancy-in-common co-owner, the "*Owner*") is hereby, authorized to undertake a project (the "*Project*") consisting of: (A)(i) the acquisition of an interest in approximately 1.2 acres of real property improved by an existing twenty-one (21) story, approximately 211,000 square foot building and garage (the "*Building*") located at 201-19 East Genesee Street & Warren Streets, in the City of Syracuse, New York (the "*Land*"); the renovation of the Building for use as a mixed-use complex including Class A office space and retail on the first 8 floors; approximately 57 market-rate studio, one and two bedroom apartment units on the upper 13 floors; significant façade restoration; and a 100 car on-site parking garage, all located on the Land (the "*Facility*"); (iii) the acquisition and installation in and at the Land and Facility of furniture, fixtures and equipment (the "*Equipment*" and together with the Land and the Facility, the "*Project Facility*"); (B) the granting of certain financial assistance in the form of exemptions from State and local sales and use tax and mortgage recording tax (the "*Financial Assistance*"); (C) the appointment of the Company or its designee as an agent of the City of Syracuse Industrial Development Agency (the "*Agency*") in connection with the acquisition, renovation and equipping of the Project Facility; and (D) the lease of the Land and Facility by the Agency pursuant to a lease agreement and the acquisition of an interest in the Equipment pursuant to a bill of sale from the Company to the Agency; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement;; and be it further

RESOLVED, that the Owner is hereby authorized to finance the acquisition of the Land and the Facility through a $2,550,000 mortgage loan from First Niagara Bank, N.A. pursuant to the general terms and conditions of a certain term sheet executed February 12, 2016; and be it further

RESOLVED, that in connection with the foregoing transactions, Michael P. Falcone, Melissa F. Zell and/or Mark W. Roney or his/her designee (the "*Authorized Signatory*") be, and hereby is, authorized, directed and empowered, in the name and on behalf of the Company, to execute and deliver all necessary and proper documents reasonably required by the Agency in conjunction with the Financing Assistance and by First Niagara including, but not limited to, a mortgage note and mortgage granting First Niagara a mortgage lien and security interest on the Project Facility, each such document to be in such form and substance as he/she may approve, such approval to be conclusively evidenced by his/her execution and delivery thereof and as so executed shall be binding upon the Company; and be it further

RESOLVED, that the Authorized Signatory be, and hereby is, authorized, directed and empowered, in the name and on behalf of the Company, to take all such other actions which in his judgment may be necessary or appropriate in connection with the foregoing transactions.

EXHIBIT "E"

LOCAL ACCESS AGREEMENT

City of Syracuse

Industrial Development Agency

Local Access Agreement

State Tower Building LLC (the Company) understands and agrees that local labor, contractors and suppliers will be used for the construction, renovation, reconstruction and equipping of the Project unless a written waiver is first received from the Agency, and agrees to provide the information requested below as a way to provide access for local participation.

Company	State Tower Building, LLC					General Contractor	Pioneer Management Group, LLC				
Representative for Contract Bids and Awards	Melissa F. Zell					Contact	John F. O'Brien				
Address	333 West Washington St. Suite 600					Address	333 West Washington St. Suite 600				
City	Syracuse	ST	NY	Zip	13202	City	Syracuse	ST	NY	Zip	13202
Phone	315.471.2181		Fax	314.471.1154		Phone	315.471.2181		Fax	315.471.1154	
Email						Email					
Project Address	201-19 E. Genesee & Warren Sts					Construction Start Date	April 1, 2016				
City	Syracuse	ST	NY	Zip	13202	Occupancy Date	March 31, 2017				

Project Components – Indicate those for which bids will be sought:

Item	Estimated Value	Bid Date	Contact
Site work/Demolition	400,000	March 2016	
Foundation and footings			
Building			
Masonry	3,000,000	March 2016	
Metals	2,750,000	April 2016	
Wood/casework	1,750,000	April 2016	
Thermal/moisture proof	500,000	May 2016	
Doors, windows, glazing	1,800,000	May 2016	
Finishes	850,000	June 2016	
Electrical	1,250,000	May 2016	
HVAC	1,350,000	May 2016	
Plumbing	600,000	May 2016	
Specialties	600,000	June 2016	
Machinery & Equipment	210,000	June 2016	
Furniture and Fixtures	250,000	October 2016	
Utilities	250,000	May 2016	
Paving			
Landscaping			
Other (identify)			

Date: 2/26/2016 Company: STATE TOWER BUILDING LLC.

Signature: [signature] Name: MELISSA F. ZELL

8957616.1

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GENERAL CERTIFICATE OF

EXPRESSWAY PROPERTIES, L.L.C.

This certificate is made in connection with the execution by **EXPRESSWAY PROPERTIES, L.L.C.,** a New York limited liability company with an address of 108 E. Genesee Street, Skaneateles, New York 13152 ("***Expressway***") of the Company Lease, the Agency Lease, the Mortgage, the Environmental Compliance and Indemnification Agreement and any other document now or hereafter executed by Expressway in connection with the City of Syracuse Industrial Development Agency (the "***Agency***") agreeing, at the request of Expressway and State Tower Building, LLC ("***State Tower***" and together with Expressway, collectively the "***Company***"), to undertake a project (the "***Project***") consisting of: (A)(i) the acquisition of an interest in approximately 1.2 acres of real property improved by an existing twenty-one (21) story, approximately 211,000 square foot building and garage (the "***Building***") located at 201-19 East Genesee Street & Warren Streets, in the City of Syracuse, New York (the "***Land***"); the renovation of the Building for use as a mixed-use complex including Class A office space and retail on the first 8 floors; approximately 57 market-rate studio, one and two bedroom apartment units on the upper 13 floors; significant façade restoration; and a 100 car on-site parking garage, all located on the Land (the "***Facility***"); (iii) the acquisition and installation in and at the Land and Facility of furniture, fixtures and equipment (the "***Equipment***" and together with the Land and the Facility, the "***Project Facility***"); (B) the granting of certain financial assistance in the form of exemptions from State and local sales and use tax and mortgage recording tax (the "***Financial Assistance***"); (C) the appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, renovation and equipping of the Project Facility; and (D) the lease of the Land and Facility by the Agency pursuant to a lease agreement and the acquisition of an interest in the Equipment pursuant to a bill of sale from the Company to the Agency; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement.

The Project Facility is owned by the Company. The Company will lease the Land and Facility to the Agency pursuant to a Company Lease Agreement dated as of March 1, 2016 (the "***Company Lease***") and Expressway will transfer its interest in the Equipment to the Agency pursuant to a bill of sale dated as of March 1, 2016 (the "***Expressway Bill of Sale***") and the Agency will sublease the Project Facility back to the Company pursuant to an Agency Lease Agreement dated as of March 1, 2016 (the "***Agency Lease***").

Capitalized terms used herein which are not otherwise defined herein shall have the meanings ascribed to such terms in the Agency Lease, except that, for purposes of this certificate: (A) all definitions with respect to any document shall be deemed to refer to such document only as it exists as of the date of this Certificate and not as of any future date; and (B) all definitions with respect to any Person shall be deemed to refer to such Person only as it exists as of the date of this certificate and not as of any future date or to any successor or assign.

The undersigned does hereby certify as follows:

1. Attached hereto as **Exhibit "A"** is a true, correct and complete copy of the Articles of Organization of Expressway and any amendments thereto filed with the New York

State Secretary of State with proof of publication thereof attached thereto, which Articles (including any amendments) are in full force and effect on the date hereof.

2. Attached hereto as **Exhibit "B"** is a true, correct and complete copy of Expressway's Operating Agreement, and any amendments thereto, and such Operating Agreement, as may have been amended, is in full force and effect on the date hereof.

3. Expressway is, and at all times will be, a limited liability company, duly organized, validly existing and in good standing under the laws of New York State and authorized and licensed under the laws of New York State to transact business as a limited liability company for the purpose of owning and operating the Project Facility in the State of New York. Attached hereto as **Exhibit "C"** is a true and correct copy of a Certificate of Good Standing of Expressway issued by the New York State Secretary of State.

4. Expressway has full legal right, power and authority to execute and deliver the Company Documents and to consummate the transactions on the part of Expressway contemplated by the Company Documents. The Company Documents have been duly authorized, executed, and delivered by the sole member on behalf of Expressway and are in full force and effect as of the date hereof. Attached hereto as **Exhibit "D"** is a true, correct and complete copy of the authorizing resolution of Expressway (the "***Resolution***") in respect of the execution, delivery and performance of the Company Documents.

5. Expressway understands and agrees that, unless a written waiver is first obtained from the Agency, Expressway and its Additional Agents shall utilize local labor, contractors and suppliers for the construction, renovation, reconstruction and equipping of the Project Facility. The term "***local***" shall mean Onondaga, Oswego, Madison, Cayuga, Oneida and Cortland Counties. Expressway further understands and agrees that failure to comply with these local labor requirements may result in the revocation or recapture of benefits provided/approved to the Project by the Agency. In furtherance thereof, Appendix I to the Agency's Application entitled "Local Access Agreement" has been completed and is attached hereto as **Exhibit "E"**.

6. Expressway understands and agrees that it is the preference of the Agency that Expressway provide opportunities for the purchase of goods and services from: (i) business enterprises located in the City; (ii) certified minority and or women-owned business enterprises; and (iii) business enterprises that employ residents of the City. Expressway further understands and acknowledges that consideration will be given by the Agency to Expressway's efforts to comply, and compliance, with this objective at any time an extension of benefits is sought or involvement by the Agency with the Project is requested by Expressway.

7. All consents, approvals, authorizations or orders of, notices to, or filings, registrations or declarations with, any court or governmental authority, board, agency, commission or body having jurisdiction which are required on behalf of Expressway or for the execution and delivery by Expressway of the Company Documents or the consummation on the part of Expressway of the transactions contemplated thereby have been obtained.

8. After performing due diligence, there is no legal action, suit, proceeding, inquiry or investigation at law or in equity (before or by any court, agency, arbitrator, public board or body or other entity or person) pending or threatened against or affecting Expressway or, to the knowledge of Expressway, any basis therefor: (i) in any way affecting the organization, existence or good standing of Expressway; (ii) contesting or materially affecting the validity or enforceability of the Company Documents; (iii) contesting the powers of Expressway or its authority with respect to the Company Documents; (iv) contesting the authority of Expressway to act on behalf of Expressway or the authority of the representatives of Expressway to act on behalf of Expressway; (v) wherein an unfavorable decision, ruling or finding would have a material adverse effect on: (A) the financial condition or operations of Expressway; or (B) the consummation on the part of Expressway of the transactions contemplated by any Company Documents.

9. The execution and delivery by Expressway of the Company Documents and the consummation by Expressway of the transactions contemplated thereby are not prohibited by, do not violate any provision of, and will not result in a breach of or default under: (i) the organizational documents of Expressway; (ii) any applicable law, rule, regulation, order, writ, injunction, judgment or decree of any court or governmental body or other requirement to which Expressway is subject; or (iii) any contract, agreement, mortgage, lease, guaranty, commitment or other obligation or instrument to which Expressway is a party or by which Expressway or its properties is bound.

10. All information concerning the Project Facility and Expressway submitted to the Agency and any Mortgagee by Expressway is true and correct in all material respects and does not omit to state a material fact necessary to make the statements therein not misleading.

11. Assuming the valid authorization, execution and delivery of the Agency Lease and the other Company Documents by the other parties thereto, the Agency Lease and the other Company Documents are the legal, valid and binding obligations of Expressway, enforceable against Expressway in accordance with their respective terms, except to the extent that enforcement thereof may be limited by bankruptcy, insolvency or other similar laws affecting creditors' rights generally or by the exercise of judicial discretion in accordance with general principles of equity. No default by Expressway or, to the best of knowledge of the undersigned, no event of default on the part of any other party to the Company Documents has occurred or is continuing and no event has occurred which, with the giving of notice or passage of time or both, would be such an event of default. Expressway has duly authorized the taking of and has taken all actions necessary to carry out and give effect to the transactions contemplated to be performed on its part by the Company Documents.

12. All permits (including building permits), licenses and authorizations necessary for the construction, ownership and operation of the Project in the manner contemplated by each of the Company Documents have been obtained or will be obtained, and said construction, ownership and operation will not, to the best knowledge of Expressway, conflict with any zoning or similar

ordinance applicable to the Project. To the best of Expressway's knowledge, the Project conforms to all material environmental regulations.

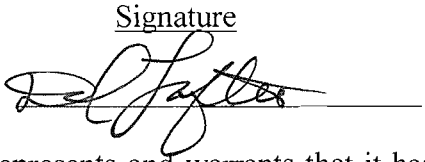
13. There is no Event of Default or default on the part of Expressway under the Company Lease, the Agency Lease, the Mortgages, the Environmental Compliance and Indemnification Agreement or any other Company Document, and no event has occurred and is continuing which, after notice or passage of time or both, would give rise to a default under any thereof.

14. The Company Lease, the Agency Lease, the Mortgages, the Environmental Compliance and Indemnification Agreement and the other Company Documents are in full force and effect and Expressway has not assigned or pledged any of its rights under these documents.

15. Expressway acknowledges and restates all of the obligations, representations and covenants in Sections 2.2, 8.12, 11.12 and 11.14 of the Agency Lease and incorporates same herein by reference as if fully set forth herein.

16. Expressway further acknowledges its obligation under Section 8.5 of the Agency Lease to provide the additional information as set forth therein and agrees to same.

17. The authorized representatives of Expressway who, pursuant to the Resolution, are authorized to execute the Company Documents and the office held by each person are as set forth below. The signature set opposite the name of such officer, if any, is a genuine specimen of such officer's signature:

Name	Signature	Office/Title
David Loftus		Authorized Signatory

18. Expressway represents and warrants that it has no employees and therefore is not now required to carry worker's compensation insurance. Expressway represents and acknowledges that in the event it hires any employees in the future, it has an obligation pursuant to the Agency Lease, dated as of March 1, 2016 by and between Expressway and the Agency, to obtain worker's compensation insurance and provide proof of same to the Agency.

IN WITNESS WHEREOF, I have set my hand and signature as officer of Expressway as of March 1, 2016.

EXPRESSWAY PROPERTIES, L.L.C.

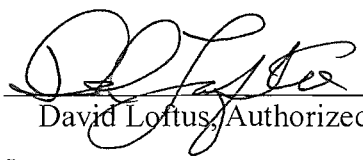
By: 
David Loftus, Authorized Signatory

EXHIBIT "A"

ARTICLES OF ORGANIZATION

STATE OF NEW YORK

DEPARTMENT OF STATE

I hereby certify that the annexed copy has been compared with the original document in the custody of the Secretary of State and that the same is a true copy of said original.

WITNESS my hand and official seal of the Department of State, at the City of Albany, on November 24, 2015.

Anthony Giardina
Executive Deputy Secretary of State

Rev. 06/13

F960628000178

Articles of Organization of

EXPRESSWAY PROPERTIES, L.L.C.

under Section 203 of the NYS Limited Liability Company Law

Filed by: Green & Seifter, Esqs.
One Lincoln Center, 9th Floor
Syracuse, NY 13202

STATE OF NEW YORK
DEPARTMENT OF STATE
FILED JUN 28 1996
TAX$
BY:

BILLED Intercounty - 18

FILED 2 960628000188

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ARTICLES OF ORGANIZATION

OF

EXPRESSWAY PROPERTIES, L.L.C.

Under Section 203 of the Limited Liability Company Law

FIRST: The name of the limited liability company is: Expressway Properties, L.L.C.

SECOND: The county within the State in which the office of the limited liability company is to be located is: Onondaga County.

THIRD: The Secretary of State is designated as agent of the limited liability company upon whom process against it may be served. The post office address within or without the State to which the Secretary of State shall mail a copy of any process against the limited liability company served upon him or her is: c/o Laurence G. Bousquet, 900 One Lincoln Center, Syracuse, New York 13202.

FOURTH: The limited liability company is to be managed by one or more members.

IN WITNESS WHEREOF, this Certificate has been subscribed this 27th day of June, 1996, by the undersigned who affirms that the statements made herein are true under the penalties of perjury.

William D. Birchenough, Sr., Organizer

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Intercounty - 18

BILLED

F960628000178

Articles of Organization of

EXPRESSWAY PROPERTIES, L.L.C.

under Section 203 of the NYS Limited Liability Company Law

Filed by: Green & Seifter, Esqs.
One Lincoln Center, 9th Floor
Syracuse, NY 13202

STATE OF NEW YORK
DEPARTMENT OF STATE
FILED JUN 28 1996
TAX $
BY:

BILLED

Intercounty - 18

FILED

960628000188

EXHIBIT "B"

OPERATING AGREEMENT

AMENDED AND RESTATED OPERATING AGREEMENT OF EXPRESSWAY PROPERTIES, L.L.C.

This is the AMENDED AND RESTATED OPERATING AGREEMENT of EXPRESSWAY PROPERTIES, L.L.C. (the "Limited Liability Company") as of the 26th day of July, 2001, by W. Davies Birchenough, Jr. as the Member ("Member").

WHEREAS, William D. Birchenough, Sr., W. Davies Birchenough, Jr., and Katie Sue Birchenough formed the Limited Liability Company by filing of its articles of organization on June 28, 1998 and executing the Operating Agreement of the Company on June 28,1998;

WHEREAS, Member purchased the membership interests from William D. Birchenough and Katie Sue Birchenough on July 26, 2001;

WHEREAS, Member desires to change the management structure of the Limited Liability Company to a sole member managed Limited Liability Company; and

WHEREAS, Member desires to amend and restate the Operating Agreement of the Limited Liability Company in its entirety;

NOW, THEREFORE, Member acknowledges and declares as follows:

1. Formation by Filing the Articles of Organization. The Articles of Organization of the Company were executed in accordance with the provisions of the Limited Liability Company Law of the State of New York ("Act") and the Articles of Organization were filed with the Office of the New York Secretary of State on June 28, 1996 under the original name of Expressway Properties, L.L.C.

2. Name. The name of the Limited Liability Company is Expressway Properties, L.L.C. (referred to herein as "Company").

3. Purpose. The purpose of the Limited Liability Company shall be to engage in the purchase, sale, development, rental, repair, lease, ownership, mortgaging, of the Property owned by the Limited Liability Company, and to engage in any other business, activities, or transactions as may be permitted by law, and which are necessary and desirable to accomplish the foregoing purpose.

4. Place of Business. The principal place of business of the Limited Liability Company is 102 West Division Street, Syracuse, New York 13204 or any other location as may hereafter be determined by the Member.

5. Term. The term of the Limited Liability Company commenced as of the date of the filing of the Articles of Organization under the Act and shall continue until sooner dissolved or terminated pursuant to the Act.

6. Member. W. Davies Birchenough, Jr. is the sole member of the Limited Liability Company. His address is 102 West Division Street, Syracuse, New York 13204. The Limited Liability Company shall be managed by the Member and shall not have a manager. The Member shall have the sole and exclusive right to manage the business and affairs of the Limited Liability Company, shall have all of the rights and powers which may be possessed by members under the Act, shall have the right to admit additional Members on such terms and conditions as he shall determine and is hereby authorized to take all steps and actions necessary and/or advisable to accomplish the purposes of the Limited Liability Company.

7. Admission of Substituted Member. The assignee of the membership interest of the Member shall become the sole member in the place of the assignor and shall be recognized as the sole member of the Limited Liability Company upon the written agreement of the assignee to be bound by the terms of this Operating Agreement.

8. Right to Rely. Any person dealing with the Limited Liability Company may rely upon a certificate signed by the Member as to: (a) the identity of any Member; (b) the existence or non-existence of any fact or facts which constitute a condition precedent to any acts by a Member or which are germane to the affairs of the Limited Liability Company; or (c) the person or persons who are authorized to execute and deliver any certificate or document on behalf of the Limited Liability Company.

9. Expense Reimbursement. The Member may charge the Limited Liability Company for any reasonable expenses incurred in connection with the business of the Limited Liability Company.

10. Capital Contribution. The Member has contributed the Property identified at **Exhibit A** to the Limited Liability Company. "Property" shall mean the property described at **Exhibit A**, and any and all other property, real, personal, tangible or intangible, which the Limited Liability Company may acquire by any lawful means.

11. Limited Liability. The Member is not liable for any debts, obligations or liabilities of the Limited Liability Company, whether arising in tort, contract or otherwise, solely by reason of being a Member or acting (or omitting to act) in such capacity or participating (as an employee, consultant, contractor or otherwise) in the conduct of the business of the Limited Liability Company.

12. Act. Except as specifically set forth herein, the operation and affairs of the Limited Liability Company shall be governed by the provisions of the Act.

13. Certificate. The Member's interest in the Limited Liability Company shall be evidenced by a certificate issued by the Limited Liability Company. The interest represented by the certificate may be assigned as collateral security for the debts and/or obligations of the Member. The Member's interest shall be a certificated security within the meaning of section 8--102 of the uniform commercial code. The existence of any restrictions on the sale or transfer of a membership interest, as contained in the Act and, if applicable, in the operating agreement, shall be noted conspicuously on the face or back of every certificate representing a membership interest issued by the Limited Liability Company. Any sale or transfer in violation of such restrictions shall be void.

IN WITNESS WHEREOF, the Member has executed and delivered this Agreement as of the day and year first above written.

W. Davies Birchenough, Jr., Sole Member

DSK:194664.1

EXHIBIT "C"

GOOD STANDING CERTIFICATE

State of New York
Department of State } ss:

I hereby certify, that EXPRESSWAY PROPERTIES, L.L.C. a NEW YORK Limited Liability Company filed Articles of Organization pursuant to the Limited Liability Company Law on 06/28/1996, and that the Limited Liability Company is existing so far as shown by the records of the Department. I further certify the following:

An Affidavit of Publication of EXPRESSWAY PROPERTIES, L.L.C. was filed on 10/17/1996.

An Affidavit of Publication of EXPRESSWAY PROPERTIES, L.L.C. was filed on 10/17/1996.

A Biennial Statement was filed 09/11/1998.

A Biennial Statement was filed 06/19/2001.

A Biennial Statement was filed 06/04/2002.

A Biennial Statement was filed 07/30/2004.

A Biennial Statement was filed 06/19/2006.

Certificate of Change was filed on 06/02/2009.

A Biennial Statement was filed 06/02/2009.

A Biennial Statement was filed 06/16/2010.

A Biennial Statement was filed 07/03/2012.

A Biennial Statement was filed 12/02/2015.

I further certify, that no other documents have been filed by such Limited Liability Company.

STATE OF NEW YORK
EXCELSIOR
DEPARTMENT OF STATE

***

Witness my hand and the official seal of the Department of State at the City of Albany, this 10th day of March two thousand and sixteen.

Anthony Giardina
Executive Deputy Secretary of State

*201603110009 * H2*

EXHIBIT "D"

RESOLUTION

RESOLUTIONS OF SOLE MEMBER OF
EXPRESSWAY PROPERTIES, L.L.C.

RESOLVED, that **EXPRESSWAY PROPERTIES, L.L.C.**, together with **STATE TOWER BUILDING, LLC** under tenancy-in-common agreement (hereinafter, with its tenancy-in-common co-owner, the *"Company")* is hereby, authorized to undertake a project (the *"Project")* consisting of: the acquisition of an interest in approximately .56 acres real property located at 109 South Warren Street, City of Syracuse, New York (the *"Land"*) as improved by an approximately 192,000 square foot twenty-one (21) story building, commonly known as the State Tower Building, together with an approximately 125 car parking garage (the *"Facility")* from State Tower of Syracuse Associates, L.L.C. pursuant to the terms of a certain Agreement of Sale dated October 13, 2015 between State Tower of Syracuse Associates, L.L.C. and Pioneer Realty Company, Inc. (as such may be amended from time to time, the *"Acquisition Agreement");* and assigned by Pioneer Realty Company, Inc. on March 21 2016 to State Tower Building, LLC and Expressway Properties, L.L.C. as Tenants in Common; the reconstruction and renovation of the Facility for commercial and/or residential use, and the acquisition and installation of furniture, fixtures and equipment in the Facility (the *"Equipment"* and together with the Land and the Facility, the *"Project Facility")*; and be it further

W D B JR

RESOLVED, as a result of resolutions adopted by the City of Syracuse Industrial Development Agency (the *"Agency")* on March ~~8~~ 9, 2016, granting of certain financial assistance in the form of exemptions from state and local sales and use tax and mortgage recording tax with respect to the Project, the Company is authorized to lease the Land together with the Facility to the Agency pursuant to a Lease Agreement to be dated as of March 1, 2016 (the *"Lease")* and sublease the Project Facility back to the Company pursuant to a Sublease Agreement to be dated as of March 1, 2016 (the *"Sublease")*; and be it further

RESOLVED, that the Company is hereby authorized to finance the acquisition of the Land and the Facility through a $2,550,000 mortgage loan from First Niagara Bank pursuant to the general terms and conditions of a certain term sheet executed February 12, 2016; and be it further

RESOLVED, that in connection with the foregoing transactions, W. Davies Birchenough, Jr. or David A. Loftus of 1583 East Genesee Street, Skaneateles, New York 13152 (each an *"Authorized Signatory")* be, and hereby is authorized, directed and empowered, in the name and on behalf of the Company, to execute and deliver all necessary and proper documents reasonably required by the Agency including, but not limited to, the Lease and Sublease, and by First Niagara including, but not limited to, a mortgage note and mortgage granting First Niagara a mortgage lien and security interest on the Project Facility, each such document to be in such form and substance as he may approve, such approval to be conclusively evidenced by his execution and delivery thereof and as so executed shall be binding upon the Company; and be it further

RESOLVED, that each authorized Signatory, be, and hereby is, authorized, directed and empowered, in the name and on behalf of the Company, to take all such other actions which in his judgment may be necessary or appropriate in connection with the foregoing transactions.

Date: March 15, 2016

Karen O. Graham
Witness

W D Birchenough Jr
W. Davies Birchenough, Jr.
Sole Member of Expressway Properties, L.L.C.

RESOLUTIONS OF SOLE MEMBER OF EXPRESSWAY PROPERTIES, L.L.C.

RESOLVED, that **EXPRESSWAY PROPERTIES, L.L.C.,** together with **STATE TOWER BUILDING, LLC** under a tenancy-in-common agreement (hereinafter with its tenancy-in-common co-owner, the "*Company*") is hereby, authorized to make an application to the City of Syracuse Industrial Development Agency (the "*Agency*") for the granting of certain financial assistance in the form of exemptions from state and local sales and use tax and mortgage recording tax with respect to the "Project" more fully described herein; and be it further

RESOLVED, that the Company is authorized to undertake a project (the "***Project***") consisting of: (A)(i) the acquisition of an interest in approximately 1.2 acres of real property improved by an existing twenty-one (21) story, approximately 211,000 square foot building and garage (the "***Building***") located at 201-19 East Genesee Street & Warren Streets, in the City of Syracuse, New York (the "***Land***"); the renovation of the Building for use as a mixed-use complex including Class A office space and retail on the first 8 floors; approximately 57 market-rate studio, one and two bedroom apartment units on the upper 13 floors; significant façade restoration; and a 100 car on-site parking garage, all located on the Land (the "***Facility***"); (iii) the acquisition and installation in and at the Land and Facility of furniture, fixtures and equipment (the "***Equipment***" and together with the Land and the Facility, the "***Project Facility***"); (B) the granting of certain financial assistance in the form of exemptions from State and local sales and use tax and mortgage recording tax (the "***Financial Assistance***"); (C) the appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, renovation and equipping of the Project Facility; and (D) the lease of the Land and Facility by the Agency pursuant to a lease agreement and the acquisition of an interest in the Equipment pursuant to a bill of sale from the Company to the Agency; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement; and be it further

RESOLVED, that the Company is authorized to lease the Land together with the Facility to the Agency pursuant to a Lease Agreement to be dated as of March 1, 2016 (the "*Lease*"); and be it further

RESOLVED, that the Company shall transfer its interest in the Equipment to the Agency pursuant to a bill of sale to be dated as of March 1, 2016 (the "*Bill of Sale*"); and be it further

RESOLVED, that the Company will enter into a lease with the Agency wherein the Agency will sublease the Project Facility back to the Company; and be it further

RESOLVED, that the Company will execute and deliver any and all documents otherwise necessary or appropriate to accomplish the same; and be it further

RESOLVED, that in connection with the foregoing transaction, W. Davies Birchenough, Jr. or State Tower Building, LLC's authorized signatory on this matter (the "*Authorized Signatory*") be, and hereby is, authorized, directed and empowered, in the name and on behalf of the Company, to execute and deliver all necessary and proper documents reasonably required by the Agency, each such document to be in such form and substance as he may approve, such

approval to be conclusively evidenced by his execution and delivery thereof and as so executed shall be binding upon the Company; and be it further

RESOLVED, that the Authorized Signatory be, and hereby is, authorized, directed and empowered, in the name and on behalf of the Company, to take all such other actions which in his judgment may be necessary or appropriate in connection with the foregoing transaction.

Date: March 17, 2016

David A. Loftus
Authorized Signatory

Witness

EXHIBIT "E"

LOCAL ACCESS AGREEMENT

City of Syracuse

Industrial Development Agency

Local Access Agreement

(go back)

Expressway Properties, L.L.C. (the Company) understands and agrees that local labor, contractors and suppliers will be used for the construction, renovation, reconstruction and equipping of the Project unless a written waiver is first received from the Agency, and agrees to provide the information requested below as a way to provide access for local participation.

Company	Expressway Properties, L.L.C.	**General Contractor**	Pioneer Management Group, LLC
Representative for Contract Bids and Awards	Melissa F. Zell	**Contact**	John F. O'Brien
Address	333 West Washington St., Ste 600	**Address**	333 West Washington St., Ste 600
City Syracuse **ST** NY **Zip** 13202		**City** Syracuse **ST** NY **Zip** 13202	
Phone 3154712181 **Fax** 3154711154		**Phone** 3154712181 **Fax** 3154711154	
Email		**Email**	
Project Address	201-19 E. Genesee & Warren Sts.	**Construction Start Date**	April 1, 2016
City Syracuse **ST** NY **Zip** 13202		**Occupancy Date**	March 31, 2017

Project Components – Indicate those for which bids will be sought:

Item	Estimated Value	Bid Date	Contact
Site work/Demolition	400,000	March 2016	
Foundation and footings			
Building			
Masonry	3,000,000	March 2016	
Metals	2,750,000	April 2016	
Wood/casework	1,750,000	April 2016	
Thermal/moisture proof	500,000	May 2016	
Doors, windows, glazing	1,800,000	May 2016	
Finishes	850,000	June 2016	
Electrical	1,250,000	May 2016	
HVAC	1,350,000	May 2016	
Plumbing	600,000	May 2016	
Specialties	600.000	June 2016	
Machinery & Equipment	210,000	June 2016	
Furniture and Fixtures	250,000	October 2016	
Utilities	250,000	May 2016	
Paving			
Landscaping			
Other (identify)			

Date: 3-17-16

Signature:

Company: Expressway Properties, L.L.C.

Name:

25

BARCLAY DAMON LLP

March 21, 2016

City of Syracuse Industrial Development Agency
333 West Washington Street, Suite 130
Syracuse, New York 13202

State Tower Building, LLC
c/o Pioneer Companies
333 West Washington Street, Suite 600
Syracuse, New York 13202

Expressway Properties, L.L.C.
108 E. Genesee Street
Skaneateles, New York 13152

Re: City of Syracuse Industrial Development Agency
Lease/Leaseback Transaction
State Tower Building Project

Ladies and Gentlemen:

We have acted as counsel to the City of Syracuse Industrial Development Agency (the "***Agency***") in connection with a project in one or more phases (the "***Project***") undertaken by the Agency at the request of State Tower Building, LLC and Expressway Properties, L.L.C. (collectively, the "***Company***") consisting of: (A)(i) the acquisition of an interest in approximately 1.2 acres of real property improved by an existing twenty-one (21) story, approximately 211,00 square foot building and garage (the "***Building***") located at 201-19 East Genesee Street & Warren Streets, in the City of Syracuse, New York (the "***Land***"); the renovation of the Building for use as a mixed-use complex including Class A office space and retail on the first 8 floors; approximately 57 market-rate studio, one and two bedroom apartment units on the upper 13 floors; significant façade restoration; and a 100 car on-site parking garage, all located on the Land (the "***Facility***"); (iii) the acquisition and installation in and at the Land and Facility of furniture, fixtures and equipment (the "***Equipment***" and together with the Land and the Facility, the "***Project Facility***"); (B) the granting of certain financial assistance in the form of exemptions from State and local sales and use tax and mortgage recording tax (the "***Financial Assistance***"); (C) the appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, renovation and equipping of the Project Facility; and (D) the lease of the Land and Facility by the Agency pursuant to a lease agreement and the

acquisition of an interest in the Equipment pursuant to a bill of sale from the Company to the Agency; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement.

The Company has also requested that the Agency grant the Financial Assistance to the Project. Capitalized terms used herein which are not otherwise defined shall have the meanings ascribed to them in the Agency Lease.

As counsel to the Agency, we have examined originals or copies, certified or otherwise identified to our satisfaction, of such instruments, certificates, and documents as we have deemed necessary or appropriate for the purposes of the opinion expressed below. In such examination, we have assumed the genuineness of all signatures, the authenticity of all documents submitted to us as originals, the conformity to the original documents of all documents submitted to us as copies, and have assumed the accuracy and truthfulness of the factual information, expectations, conclusions, representations, warranties, covenants and opinions of the Company and its counsel and representatives as set forth in the various documents executed and delivered by them or any of them and identified in the Closing Memorandum in connection with the Project.

We are of the opinion that:

1. The Agency is a duly organized and existing corporate governmental agency constituting a public benefit corporation of the State of New York.

2. The Agency is duly authorized and empowered by law to acquire, renovate and equip the Project, to lease the Land and the Facility from the Company pursuant to the Company Lease; to accept an interest in the Equipment pursuant to the Bill of Sale; to sublease the Project Facility back to the Company pursuant to the Agency Lease and to appoint the Company as its agent for completion of the Project.

3. The Agency Documents have been authorized by and lawfully executed and delivered by the Agency and (assuming the authorization, execution, and delivery by the other respective parties thereto) are valid and legally binding obligations enforceable against the Agency in accordance with their respective terms.

In rendering this opinion, we advise you of the following:

The enforceability of the Agency Documents may be limited by any applicable bankruptcy, insolvency, reorganization, moratorium, or similar law or enactment now or hereafter enacted by the State of New York or the Federal government affecting the enforcement of creditors' rights generally and the general principles of equity, including limitations on the availability of the remedy of specific performance which is subject to discretion of the court.

This opinion is rendered to the addressees named above and their successors and/or assigns, and may not be relied upon by any other person without our prior, express written consent.

Very truly yours,

BARCLAY DAMON, LLP

Barclay Damon, LLP

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BOUSQUET HOLSTEIN PLLC

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March 21, 2016

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ALSO ADMITTED TO CO BAR *****
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NOT FOR SERVICE OF PROCESS ◆

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State Tower Building, LLC
333 West Washington Street, Suite 600
Syracuse, New York 13202

City of Syracuse Industrial Development Agency
333 West Washington Street, Suite 130
Syracuse, New York 13202

Re: City of Syracuse Industrial Development Agency
Lease/Leaseback Transaction
State Tower Building Project

Ladies and Gentlemen:

We have acted as special counsel to State Tower Building, LLC ("**STB**") and Expressway Properties, LLC ("**Expressway**") (collectively STB and Expressway are referred to as the "**Company**") in connection with a certain project (the "***Project***") undertaken by the City of Syracuse Industrial Development Agency (the "***Agency***") at the Company's request. The Project consists of: (A) (i) the acquisition of an interest in approximately 1.2 acres of real property improved by an existing twenty-one (21) story, approximately 211,000 square foot building and garage (the "***Building***") located at 201-19 East Genesee Street & Warren Streets, in the City of Syracuse, New York (the "***Land***"); the renovation of the Building for use as a mixed-use complex including Class A office space and retail on the first 8 floors; approximately 57 market-rate studio, one and two bedroom apartment units on the upper 13 floors; significant façade restoration; and a 100 car on-site parking garage, all located on the Land (the "***Facility***"); (iii) the acquisition and installation in and at the Land and Facility of furniture, fixtures and equipment (the "***Equipment***" and together with the Land and the Facility, the "***Project Facility***"); (ii) the acquisition and installation in the Facility of furniture, fixtures and equipment (the "***Equipment***" and together with the Land and the Facility, the "***Project Facility***"); (B) the granting of certain financial assistance in the form of exemptions from State and local sales and use tax and mortgage recording tax (the "***Financial Assistance***"); (C) the appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, renovation and equipping of the Project Facility; and (D) the lease of the Land and Facility by the Agency pursuant to a lease agreement and the acquisition of an interest in the Equipment pursuant to a bill of sale

from the Company to the Agency; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement.

The Agency has acquired an interest in the Land and the Facility pursuant to that certain Company Lease Agreement dated as of March 1, 2016 (the "***Company Lease***") and an interest in the Equipment pursuant to a bill of sale from STB to the Agency and a bill of sale from the Expressway to the Agency, each dated as of March 1, 2016 (the "***Bills of Sale***"); and the Agency will sublease the Project Facility back to the Company pursuant to an Agency Lease Agreement dated as of March 1, 2016 (the "***Agency Lease***"). Capitalized terms used herein and not otherwise defined shall have the meaning given to them in the Agency Lease.

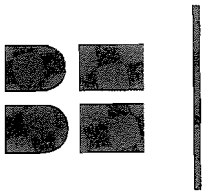
In that regard, we have examined the Company Lease, the Agency Lease, the Bills of Sale, the Mortgage, the Environmental Compliance and Indemnification Agreement and the other documents identified in the Closing Memorandum and defined in the Agency Lease to which the Company is a party (collectively, the "***Company Documents***").

We have also examined corporate documents and records of STB and Expressway and made such investigation of law and/or fact that we deem necessary or advisable in order to render this opinion. For purposes of such examination, we have assumed the genuineness of all certificates and the authenticity of all documents submitted to us as original counterparts or as certified or photostatic copies; the genuineness of all signatures of all parties to the Company Documents other than on behalf of STB and Expressway; and the due authorization, execution and delivery of the Company Documents by and the enforceability thereof against all parties thereto other than STB and Expressway.

As to questions of fact material to our opinion, we have relied upon the representations and warranties made by the Company in the Company Documents and upon one or more certificates of officers of STB and Expressway. Whenever the phrase "to the best of our knowledge" is used in this opinion, it refers to actual knowledge of members of this firm obtained from our representation of the Company and inquiries of responsible officers of the Company made in connection with this opinion, but no further investigation or review has been conducted.

Based upon the foregoing, it is our opinion that:

1. STB is a validly existing New York limited liability company and possesses full



corporate power and authority to own its property, to conduct its business, to execute and deliver the Company Documents, and to carry out and perform its obligations thereunder.

2. Expressway is a validly existing New York limited liability company and possesses full corporate power and authority to own its property, to conduct its business, to execute and deliver the Company Documents, and to carry out and perform its obligations thereunder.

3. The execution, delivery and performance of the Company Documents have been duly authorized by STB and Expressway and the Company Documents have been duly executed and delivered by an Authorized Representative of the Company.

4. The Company Documents constitute the legal, valid and binding obligation of each STB and Expressway, enforceable in accordance with their terms, except as enforceability may be limited by applicable bankruptcy and insolvency laws and laws affecting creditors' rights generally and to the extent that the availability of the remedy of specific performance or injunctive relief or other equitable remedies is subject to the discretion of the court before which any proceeding therefor may be brought.

5. To the best of our knowledge, in reliance on the certificates and opinions specified herein, the execution and delivery by the LLC of the applicable Company Documents, the execution and compliance with the provisions of each and the consummation of the transactions contemplated therein do not and will not constitute a breach of, or default under STB's Articles of Organization, Operating Agreement, or any indenture, mortgage, deed of trust, bank loan or credit agreement or other agreement or instrument to which STB or any of its Property may be bound, for which a valid consent has not been secured; nor is any approval or any action by any governmental authority required in connection with the execution, delivery and performance thereof by STB.

6. To the best of our knowledge, in reliance on the certificates and opinions specified herein, the execution and delivery by the LLC of the applicable Company Documents, the execution and compliance with the provisions of each and the consummation of the transactions contemplated therein do not and will not constitute a breach of, or default under Expressway's Articles of Organization, Operating Agreement, or any indenture, mortgage, deed of trust, bank loan or credit agreement or other agreement or instrument to which Expressway or any of its Property may be bound, for which a valid consent has not been secured; nor is any approval or any action by any governmental authority required in connection with the execution,

delivery and performance thereof by Expressway.

7. To the best of our knowledge, in reliance on the certificates and opinions specified herein, there is no action, suit, proceeding or investigation at law of in equity before or by any court, public board or body, pending or threatened against, or affecting the Company wherein an unfavorable decision, ruling or finding would in any way adversely affect in a material fashion the validity or enforceability of the Company Documents.

Our examination of law relevant to matters herein is limited to the laws of the State of New York and also the Federal law, where appropriate, and we express no opinion as to matters governed by the laws of any other state or jurisdiction.

This opinion is only for the benefit of and may be relied upon only by the Agency, its successors and assigns. The opinions set forth in this letter are limited to those expressly stated and no other opinion may be inferred nor is any implied. No other use of this opinion may be made without prior written consent. This opinion is given as of the date hereof and we undertake no obligation, and hereby disclaim any obligation, to update or supplement this opinion in response to a subsequent change in the law or future events affecting the documents identified in this letter.

Very truly yours,

Bousquet Holstein, PLLC

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CLOSING MEMORANDUM

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY

STATE TOWER BUILDING PROJECT

DATE AND TIME OF CLOSING: March 21, 2016
10:00 a.m.

PLACE OF CLOSING: Sarofeen & Arbon, PLLC
110 W. Fayette Street, Suite 1110
Syracuse, New York 13202

I. Action Taken Prior to Closing

At the request State Tower Building, LLC, a New York limited liability company with an office at c/o Pioneer Companies, 333 West Washington Street, Suite 600, Syracuse, New York 13202 ("***State Tower***") and Expressway Properties, L.L.C., a New York limited liability company with an office at 108 E. Genesee Street, Skaneateles, New York 13152 ("***Expressway***" and collectively with State Tower, the "***Company***"), the City of Syracuse Industrial Development Agency (the "***Agency***"), a public benefit corporation organized under the laws of the State of New York, has undertaken a project (the "***Project***") consisting of: (A)(i) the acquisition of an interest in approximately 1.2 acres of real property improved by an existing twenty-one (21) story, approximately 211,000 square foot building and garage (the "***Building***") located at 201-19 East Genesee Street & Warren Streets, in the City of Syracuse, New York (the "***Land***"); the renovation of the Building for use as a mixed-use complex including Class A office space and retail on the first 8 floors; approximately 57 market-rate studio, one and two bedroom apartment units on the upper 13 floors; significant façade restoration; and a 100 car on-site parking garage, all located on the Land (the "***Facility***"); (iii) the acquisition and installation in and at the Land and Facility of furniture, fixtures and equipment (the "***Equipment***" and together with the Land and the Facility, the "***Project Facility***"); (B) the granting of certain financial assistance in the form of exemptions from State and local sales and use tax and mortgage recording tax (the "***Financial Assistance***"); (C) the appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, renovation and equipping of the Project Facility; and (D) the lease of the Land and Facility by the Agency pursuant to a lease agreement and the acquisition of an interest in the Equipment pursuant to a bill of sale from the Company to the Agency; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement.

The Company also requested that the Agency appoint the Company as its agent for purposes of completing the Project and the granting of certain Financial Assistance.

The Company is, or will be at the time of closing, the owner/operator of the Project Facility.

The Agency will acquire a leasehold interest in the Land and Facility from the Company pursuant to a Company Lease Agreement dated as of March 1, 2016 (the "***Company Lease***"), between the Company, as landlord and the Agency, as tenant; and an interest in the Equipment pursuant to a bill of sale from the Company dated as of March 1, 2016 (the "***Bill of Sale***"). The Agency will sublease the Project Facility back to the Company, pursuant to an Agency Lease Agreement dated as of March 1, 2016 (the "***Agency Lease***") between the Agency, as sublessor and the Company, as sublessee. Capitalized terms used herein and not otherwise defined shall have the meaning given to such terms in Exhibit "C" to the Agency Lease.

Among the actions taken by the Agency with respect to the Project prior to Closing were the following:

January 20, 2016	The Company submitted an application for financial assistance for the project.
January 26, 2016	A resolution determining that the acquisition, renovation and equipping of a commercial facility constitutes a project; describing the financial assistance in connection therewith; and authorizing a public hearing (the "***Public Hearing Resolution***").
February 18, 2016	Notice of the Public Hearing was mailed to the chief executive officers of the affected tax jurisdictions pursuant to Section 859-a of the Act.
February 21, 2016	Notice of the Public Hearing was published in the Post-Standard pursuant to Section 859-a of the Act.
March 9, 2016	The Agency conducted the Public Hearing pursuant to Section 859-a of the Act.
March 9, 2016	A resolution classifying a certain project as an Unlisted Action pursuant to the State Environmental Quality Review Act, declaring the Agency lead agency for purposes of an uncoordinated review thereunder and determining that the Project will not have a significant effect on the environment.
March 9, 2016	A resolution authorizing the undertaking of the acquisition, renovation and equipping of a commercial facility; appointing the Company agent of the Agency for the purpose of the acquisition,

	renovation and equipping of the Project Facility and authorizing the execution and delivery of an agreement between the Agency and the Company (the "***Inducement Resolution***").
March 9, 2016	A resolution authorizing the execution and delivery of certain documents by the agency at the request of the Company (the "***Final Approving Resolution***").

II. Action To Be Taken At Closing

The following documents, or copies thereof, are to be delivered (except as indicated) to the Agency (A), Agency's Counsel (AC), Company's Counsel (CC), Lender's Counsel (LC) as follows:

A. Basic Documents		Responsible Party	Signatories
1.	Deed into the Company as tenants in common	CC	
2.	Company Lease Agreement	AC	State Tower, Expressway, A
3.	Memorandum of Company Lease Agreement with TP-584	AC	State Tower, Expressway, A
4.	Bill of Sale (State Tower)	AC	State Tower, Expressway
5.	Bill of Sale (Expressway)	AC	State Tower, Expressway
6.	Agency Lease Agreement	AC	State Tower, Expressway, A
7.	Memorandum of Agency Lease Agreement with Form TP-584	AC	State Tower, Expressway, A
8.	Company Certification re: Local Labor Policy (State Tower)	AC	State Tower
9.	Company Certification re: Local Labor Policy (Expressway)		Expressway
10.	Certificates of casualty, liability, workers' compensation and other required insurance	AC	
11.	Environmental Compliance and Indemnification Agreement	AC	State Tower, Expressway
12.	Closing Receipt	AC	State Tower, Expressway, A
13.	Sales Tax Exemption Letter (State Tower)	AC	A
14.	Sales Tax Exemption Letter (Expressway)	AC	A
15.	Form ST-60 indicating appointment of the	AC	A

	State Tower to act as the agent of the Agency		
16.	Form ST-60 indicating appointment of the Expressway to act as the agent of the Agency	AC	A
17.	Mortgage	LC	State Tower, Expressway, A
18.	Assignment of Leases and Rents	LC	State Tower, Expressway, A
19.	UCC-1 Financing Statement(s)	LC	
20.	Survey	CC	

B. Items To Be Delivered By The Agency

1. General Certificate of the Agency relating to incumbency and signatures of officers, execution and delivery of Agency Documents to which it is a party, no litigation and continued existence, with the following items included as exhibits:	AC	A
Exhibit "A" - Chapter 641 of the Laws of 1979 of the State of New York, as amended	A	
Exhibit "B" - Certificate of Establishment of the Agency and Certificates of appointment of current members	A	
Exhibit "C" - By-laws	A	
Exhibit "D" - Public Hearing Resolution	AC	
Exhibit "E" - Notice of Public Hearing with evidence of publication and copies of letters to affected tax jurisdictions	AC	
Exhibit "F" – SEQRA Resolution	AC	

	Exhibit "G" – Inducement Resolution	AC	
	Exhibit "H" – Final Approving Resolution	AC	
2.	Mortgage Recording Tax Affidavit	AC	A

C. Items To Be Delivered By The Company

1.	General Certificate of the State Tower Building, LLC relating to capacity and signatures of officers, execution and delivery of the Documents to which it is a party, no litigation and approval, with the following items included as exhibits:	AC	State Tower
	Exhibit "A" Articles of Organization	C	
	Exhibit "B" Operating Agreement	C	State Tower
	Exhibit "C" Certificate of Good Standing	C	
	Exhibit "D" Company Resolution	C	State Tower
	Exhibit "E" Local Access Agreement	C	State Tower
2.	General Certificate of Expressway Properties, L.L.C. relating to capacity and signatures of officers, execution and delivery of the Documents to which it is a party, no litigation and approval, with the following items included as exhibits:		Expressway
	Exhibit "A" Articles of Organization		
	Exhibit "B" Operating Agreement		Expressway
	Exhibit "C" Certificate of Good Standing		
	Exhibit "D" Company Resolution		Expressway

	Exhibit "E"" Local Access Agreement		Expressway
D.	**Opinions of Counsel**	C	
1.	Opinion of Barclay Damon, LLP, counsel to the Agency, addressed to the Company and the Agency	AC	AC
2.	Opinion of Bousquet Holstein, PLLC, counsel to the Company, addressed to the Agency and the Company.	AC	CC

III. Action To Be Required Concurrently With Or After Closing

Memorandum of Company Lease Agreement, Memorandum of Agency Lease Agreement, Mortgage and the Assignment of Leases and Rents are to be filed with the Onondaga County Clerk and the UCC-1 Financing Statement(s) are to be filed as appropriate under the Uniform Commercial Code.

IV. Post-Closing

Scan copy of Local Access Agreements to the Agency.

SCHEDULE "A"

PERSONS APPEARING

For the Agency:	City of Syracuse Industrial Development Agency William M. Ryan, Chairman
For State Tower:	State Tower Building, LLC Mark Roney
For Expressway:	Expressway Properties, L.L.C. W. Davies Birchenough, Jr. David Loftus
Company Counsel:	Bousquet Holstein, PLLC Teresa M. Roney, Esq.
For the Lender:	First Niagara Bank
Lender's counsel:	Sarofeen & Arbon, PLLC Mark Arbon, Esq.
Agency's Counsel:	Barclay Damon, LLP Susan R. Katzoff, Esq.