

Contract Summary

Contract: Sixth Lease Amendment (the "Amendment") between Northern New England Telephone Operations LLC ("FairPoint") and Pizzagalil Properties, LLC ("Landlord")

Premises: 5 Davis Farm Road, Portland, Maine

Business Owner: Rick Caron


Executive Sponsor: Steve Rush

Business Purpose: FairPoint is extending the term of the Lease for one year (from June 16, 2017 until June 16, 2018), with an option to further extend for another five years (to be exercised by FairPoint on or before October 1, 2017) based on the needs of the business.

Cost: Base rent for the one year extension is \$1,123,914.19 (\$93,659.51 per month). Base rent for the renewal option would be reduced to \$1,048,879.00 (\$87,406.58 per month) for the initial twelve months following the exercise of the renewal option, with an increase of 2.5% each year thereafter.

Parking: Under the Amendment, the Landlord has agreed to expand the existing parking area to increase spaces from approx. 394 spaces to 451 spaces, subject to final construction and engineering plans. FairPoint has agreed to pay the cost of that work up to \$75,000 (unless agreed otherwise by FairPoint) if FairPoint does not exercise the renewal option. If the renewal option is exercised, Landlord will provide a tenant allowance of \$900,000 in connection with the extension and the cost of the parking expansion would be applied against that amount.

Broker Fee: A broker fee of \$73,054 is payable for the one year extension and a fee of \$275,663 (minus a pro-rated amount based on the date of exercise of the extension) would be payable in the event the renewal option is exercised. All fees are payable by Landlord.

APPROVED BY LEGAL
Signed 

SIXTH LEASE AMENDMENT

THIS SIXTH LEASE AMENDMENT (the "Amendment") is made this 17th day of February, 2017, by and between Pizzagalli Properties, LLC ("Lessor") and Northern New England Telephone Operations LLC ("Lessee") with respect to a lease dated December 15, 1975, as amended July 5, 2001, July 5, 2005, May 24, 2010 (the "Third Amendment"), July 19, 2010 (the "Fourth Amendment") and December 18, 2013 (as so amended, the "Lease") with respect to premises (the "Leased Premises") located at Five Davis Farm Road, Portland, Maine and described with particularity in the Lease.

NOW THEREFORE, in consideration of the mutual covenants contained herein, and for other good and valuable consideration, receipt acknowledged, the parties do hereby agree that the Lease shall be, and the same hereby is, amended as follows:

Section 1. Notices. Lessor's address for notices, as set forth in the Third Amendment, is hereby changed to:

Pizzagalli Properties, LLC
Suite 101
462 Shelburne Road
Burlington, VT 05401
Attention: James Pizzagalli
Telephone – 802 660 6801
Telefax – 802 660 6868
Email – jpizzagalli@pizzagalliproperties.com

Lessee's address for notices, as set forth in the Third Amendment, is hereby changed to:

c/o FairPoint Communications
Attn: Legal Department
521 E. Morehead Street, Ste. 500
Charlotte, NC 28202
Telephone – 704 344 8150
Telefax – 704 344 1594

Section 2. Lease Term. Reference is made to Section 1 of the Fourth Amendment wherein it is provided that the Extension Term shall end on June 16, 2017. It is agreed hereby that the Extension Term shall be extended for the term beginning on June 17, 2017 and ending on June 16, 2018. Such additional period of the Extension Term is referred to herein as the "Eighth Lease Year".

Section 3. Base Rent. Reference is made to Section II B of the Third Amendment. It is agreed hereby that the Base Rent during the Eighth Lease Year shall be one million, one hundred twenty three thousand, nine hundred fourteen dollars and nineteen cents (\$ 1,123,914.19) payable in equal monthly installments, in advance on or before the 17th day of each month, in the amount of ninety three thousand, six hundred fifty nine dollars and fifty one cents (\$ 93,659.51).

Section 4. Additional Parking. (a) As soon as weather permits in the spring of 2017, Lessor agrees hereby, at its initial expense, to expand the existing parking lot on the Leased Premises to increase the number of surface automobile parking spaces from approximately 394 spaces (representing the number existing as of the date hereof) to 451 spaces according to the conceptual sketch plan attached hereto as Exhibit A (the "Parking Expansion Project"); provided, however, the final number of parking spaces, the location and configuration thereof and other conditions of construction shall be contingent upon (i) final engineering drawings and the conditions contained in the permits and governmental approvals to be sought by Lessor and (ii) the mutual consent of the parties with respect to any modifications of the Parking Expansion Project, such consent not to be unreasonably withheld. Lessor agrees hereby to commence engineering and planning work as soon as this Amendment is fully executed and thereafter to diligently seek all required permits and governmental approvals. As soon as weather conditions allow, and after receipt of all required permits and governmental approvals required prior to construction, Lessor agrees to pursue construction of the Parking Expansion Project in a prompt and expeditious manner with such construction to be completed no later than August 15, 2017, subject to unavoidable delays in obtaining permits or arising from contractor delays resulting from adverse weather conditions or other factors beyond the contractor's control.

(b) In the event that Lessee shall have timely exercised its Renewal Option on or before October 1, 2017, all in accordance with the provisions of Section 6 hereof, Lessee shall not be responsible for the "Parking Expansion Costs", as such term is hereinafter defined; provided, however, the amount of the Parking Expansion Costs shall be deducted from the "Tenant Allowance", as such term is hereinafter defined in Section 6 hereof. In the event that Lessee does not exercise the Renewal Option on or before October 1, 2017, Lessee shall, on or before October 31, 2017, pay to Lessee the amount of the Parking Expansion Costs.

(c) The Parking Expansion Costs shall include all costs, fees and expenses incurred by Lessor in the construction of the Parking Expansion Project including, without limitation, engineering costs, permit fees, legal expenses, construction costs and other reasonable costs associated with the project. Notwithstanding the foregoing, the Parking Expansion Costs shall not exceed \$ 75,000 (the "Cap") without the prior consent of the Lessee, such consent not to be unreasonably withheld. Upon receipt of bids from contractors for the Parking Expansion Project, Lessor shall furnish Lessee with such bids together with an estimate of other costs associated with the Parking Expansion Project. If the total estimated cost exceeds the Cap, Lessee shall elect to either increase the Cap or cancel the Parking Expansion Project. In the latter event, Lessee shall reimburse Lessor for any reasonable permit and engineering costs incurred by Lessor, such reimbursement to be made by Lessee to Lessor within thirty (30) days after presentation by Lessor of a detailed statement of costs. If the Parking Expansion Project proceeds, an adjusted cap (the "Adjusted Cap") will be established for the Parking Expansion Costs based on the bids received and other costs as aforesaid, and, upon final completion of the project, Lessor shall provide Lessee with a detailed statement of the Parking Expansion Costs and Lessee shall either be responsible for paying such costs up to the Adjusted Cap in accordance with this Section 4 or such costs shall be deducted from the Tenant Allowance in accordance with Section 6.

Section 5. Termination of Existing Options. The First and Second Optional Extension Terms set forth in Section IIC of the Third Amendment are hereby deleted and the same shall be of no further force or effect.

Section 6. Renewal Option. (a) Provided Lessee is not then in default, Lessee shall have the right and option to extend the term of the Lease, as then in

effect and as extended pursuant to Section 2 above, for a period of five (5) years (the "Renewal Term") commencing on the first day of the calendar month following Lessee's exercise of the Renewal Option, all as hereinafter provided.

(b) Lessee may exercise the Renewal Option at any time prior to October 1, 2017, by written notice to Lessor, and, if not so exercised, the Renewal Option shall be null and void and of no further force or effect.

(c) The Base Rent during the initial Lease Year of the Renewal Term shall be one million, forty eight thousand, eight hundred seventy nine dollars and no cents (\$ 1,048,879.00), payable in equal monthly installments, in advance on or before the 1st day of each month, and, during each Lease Year thereafter, the amount of the Base Rent shall be increased by two and one half (2.5%) percent over the amount of the Base Rent in effect during the immediately preceding Lease Year.

(d) Upon proper exercise of the Renewal Option, and thereafter during the Renewal Term, Lessor shall provide to Lessee a "Tenant Allowance" in the total amount of nine hundred thousand dollars (\$900,000), minus the Parking Expansion Costs. Lessee may utilize the Tenant Allowance for improvements (the "Improvements") to the Leased Premises, the Improvements to be carried out by Lessee in accordance with plans and specifications approved in advance by Lessor. Lessee shall cause the Improvements to be constructed in a good and workmanlike manner by experienced and properly insured contractors consistent with sound architectural and engineering practices and in compliance with all applicable building codes and permits. Lessee shall obtain all required permits and governmental approvals. Lessee shall provide Lessor with insurance certificates from all such contractors, with limits no less than locally customary limits, wherein Lessor is named as an additional insured.

(e) Lessor shall make timely payment of installments of the Tenant Allowance as work on the Improvements proceeds to the limit of the Tenant Allowance, reduced as aforesaid, upon presentation to Lessor of receipted invoices and mechanics lien waivers from all contractors and materialmen utilized in the construction of the Improvements. If Lessor fails to pay installments of the Tenant Allowance in a timely manner, Lessee shall have the right to deduct the Tenant Allowance against the monthly installments of annual rent.

(f) During the Renewal Term, the Threshold Amount, as referenced in Section IIF of the Third Amendment, shall be twenty thousand dollars and no cents (\$ 20,000.00). Notwithstanding the foregoing, the Threshold Amount shall not be applicable to any costs related to the Parking Expansion Project.

Section 7. Other Provisions Not Affected. Except as amended hereby, the Lease shall remain in full force and effect as it existed prior to this Amendment.

Section 8. Broker. Each party represents to the other that no brokers were involved in this transaction except Harnden Commercial Brokers and Cushman & Wakefield (collectively, "Broker"), which represented Lessee. Within five (5) days after full execution of this Amendment, Lessor agrees hereby to pay a commission to Broker in the amount of seventy three thousand, fifty four dollars and forty two cents (\$ 73,054.42). In the event that Lessee exercises the Renewal Option contained in Section 6 hereof, Lessor agrees hereby to pay to Broker an additional commission of two hundred seventy five thousand, six hundred sixty three dollars (\$ 275,663) minus the product of (i) two hundred dollars and fifteen cents (\$200.15) and (ii) the number of days remaining in the term of the one-year extension set forth in Section 2 hereof, calculated as of the first day of the Renewal Option contained in Section 6 hereof. Each party agrees hereby to indemnify the other from any liability arising out of the failure of its representation. For the avoidance of doubt, no additional commission shall be payable to Broker if the Renewal Option is not exercised.

Section 7. Defined Terms. All capitalized words, not otherwise defined, shall have the meanings ascribed to them in the Lease.

[Signature page follows]

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the date first set forth above.

In the presence of:

PIZZAGALLI PROPERTIES, LLC

Debra R. Heald

Witness

By [Signature]
James Pizzagalli, President

NORTHERN NEW ENGLAND TELEPHONE
OPERATIONS LLC

[Signature]
Witness

By [Signature]
Name Karen D. Turner
Title VP & CFO

State of Vermont)
 (ss
Chittenden County)

At South Burlington, in said County, on this ___ day of February, 2017, before me personally appeared James Pizzagalli, President of Pizzagalli Properties, LLC, and he acknowledged the foregoing instrument to be his free act and deed and the free act and deed of Pizzagalli Properties, LLC.

Christina D'Onofrio
Notary Public
My Commission Expires 2-10-19

State of North Carolina
(ss
Mecklenburg County)

At North Carolina in said County, on this 16 day of February, 2017 before me personally Raven D. Turner, ERP 8C70 of Northern New England Telephone Operations LLC, and he/she acknowledged the foregoing instrument to be his/her free act and deed and the free act and deed of Northern New England Telephone Operations LLC.

Judith Due
Notary Public
My Commission Expires _____

Judith Due
Notary Public
Mecklenburg County, NC
My commission expires June 22, 2021