

TRUSTCO LEASE

LEASE MODIFICATION AND SECOND RENEWAL TERM AGREEMENT

This AGREEMENT made the 29th March day of February, 2002, between the
COUNTY OF ALBANY, NEW YORK, a municipal corporation having its principal place
of business located at 112 State Street, Albany, New York 12207 ("Landlord"), and
TRUSTCO BANK, a ^{national} ^{association} ~~domestic banking corporation~~ having its principal office located at
1 Sarnowski Drive
~~102 Erie Boulevard, Schenectady, New York 12305~~ ("Tenant"),

HC
CA
HC
CD

WITNESSETH

WHEREAS the parties are successor in interest Landlord and successor
in interest Tenant, respectively, under the terms of a certain Lease dated May 18, 1971
between 112 State Street Operating Corporation and Mechanics and Farmers' Bank of
Albany as amended, assigned and renewed subsequent to execution ("Lease")
pursuant to which the Tenant currently leases space in the basement and on the first
floor ("Demised Premises") of the building owned by the Landlord located at 112 State
Street in the City of Albany, New York ("Building") and

WHEREAS said Lease had an initial term of 20 years ending on March
30, 1992 with the Tenant having the option to renew for four additional 10 year terms
under the same terms and conditions at a rental for each rental period to be
determined and fixed by agreement, and

WHEREAS the first renewal term of said lease will expire on March 30, 2002 and the Tenant has timely notified the Landlord of its desire to renew said Lease with certain proposed modifications for a second 10 year renewal term to commence April 1, 2002 and end on March 30, 2012, which proposed modifications are acceptable to the Landlord

NOW THEREFORE, it is hereby agreed by and between the parties as follows:

1. During the second renewal term the Tenant shall lease only the ^{3,539}~~3,935~~ square foot space on the first floor of the Building currently occupied by it and shall prior to the commencement said second renewal term vacate and abandon its leasehold interest in the space currently occupied by it in the basement of the Building.

2. During the second renewal term the per square foot rental rate for said first floor space shall be as follows:

<u>DATE</u>	<u>YEAR</u>	<u>FIRST FLOOR</u> (3,539 SQ. FT.)
April 1	2002	\$17.00/sq. ft.
April 1	2003	\$17.00/sq. ft.
April 1	2004	\$17.00/sq. ft.
April 1	2005	\$17.00/sq. ft.
April 1	2006	\$17.00/sq. ft.
April 1	2007	\$18.70/sq. ft.

April 1	2008	\$18.70/sq. ft.
April 1	2009	\$18.70/sq. ft.
April 1	2010	\$18.70/sq. ft.
April 1	2011	\$18.70/sq. ft.

3. Paragraph 42 of the Lease is hereby deleted.

4. All work, labor, services and materials involved in relocating the Tenant's facilities from the basement shall be: at the cost and expense of the Tenant; building code compliant; subject to approval of the County Engineer as to compatibility with the existing physical limitations of the Building and its systems, who shall be provided in advance with detailed plans and drawings for review; and, in accordance with a mutually acceptable time table affording the County sufficient notice to adequately plan and provide for utilization of the vacated space.

5. During the second renewal term Tenant shall pay as additional rent its pro-rata share of any property tax, utility and operating expense cost increases for the Building over base year 2001 as computed in accordance with paragraph 4, Schedule "A" of the Memorandum of Lease Renegotiation dated the 28th day of December, 1983, a copy of which memorandum is annexed hereto.

6. Except as further modified and extended by this Agreement, the terms and conditions of said Lease as heretofore amended, assigned and renewed shall remain in full force and effect during the second renewal term.

IN WITNESS WHEREOF the parties hereto have affixed their hands and seals
on the date first above written.

LANDLORD

COUNTY OF ALBANY, NEW YORK

By Christopher A. Ambrose

TENANT

TRUSTCO BANK

By Henry Collins, A.V.P.

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

On the 29th day of March, in the year 2002, before me, the undersigned, personally appeared **CHRISTOPHER A. ANDREUCCI**, 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 as **DEPUTY COUNTY EXECUTIVE**, and that by his signature on the within instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument and affixed hereunto the corporate seal of said person.



NOTARY PUBLIC - STATE OF NEW YORK

MARY L. BAZEMORE
Notary Public, State of New York
No. 01875080910
Qualified in Albany County
Commission Expires July 25, 2002

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

On the _____ day of February, in the year 2002, before me, the undersigned, personally appeared **MICHAEL G. BRESLIN**, 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 as **ALBANY COUNTY EXECUTIVE**, and that by his signature on the within instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument and affixed hereunto the corporate seal of said person.

NOTARY PUBLIC - STATE OF NEW YORK

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

On the 21st day of march, in the year 2002, before me, the undersigned, personally appeared Henry Collins, 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 as Administrative Vice President, of **TRUSTCO BANK**, and that by his signature on the within instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument and affixed hereunto the corporate seal of said person.



NOTARY PUBLIC - STATE OF NEW YORK

JOAN CLARK
Notary Public, State of New York
Qualified in Albany County
No. 01CL4822282
Commission Expires Nov. 30, 2002

MEMORANDUM OF LEASE RENEGOTIATION

THIS AGREEMENT made the 22th day of December, 1983, between
the

COUNTY OF ALBANY, a Municipal Corporation,
having its principal office at 112 State
Street, Albany, New York (hereinafter called
"Landlord"), and

THE SCHENECTADY TRUST COMPANY, a New York
banking corporation having its principal
office at 320 State Street, Schenectady, New
York (hereinafter called "Tenant"),

WITNESSETH:

WHEREAS, Landlord owns an office building located at 112 State
Street, Albany, New York, and

WHEREAS, certain portions of the basement, first floor and
second floor of said building (hereinafter called "Demised Premises")
are under lease to Bank of New York (hereinafter called "BONY"), under
the terms of a certain lease dated May 18, 1971, between 112 State
Street Operating Corporation and Mechanics and Farmers Bank in Albany
as amended and assigned subsequent to execution (hereinafter called
"Lease"), and

WHEREAS, Tenant has contracted to purchase the assets of certain
branches of BONY including the Demised Premises, and

WHEREAS, Landlord and Tenant wish to arrange for assignment of
the Lease of the Demised Premises from BONY to Tenant, and

WHEREAS, the Parties hereto intend to modify the Lease and as modified, assign and extend the Lease for the benefit of the Parties hereto

NOW THEREFORE, it is agreed that:

1. The Parties agree temporarily that Tenant shall occupy the same premises presently demised to BONY under the Lease at the same rent and other terms in the Lease as amended to the date hereof,

2. The Parties intend that Tenant shall vacate and give up that portion of the Demised Premises located on the second floor of Landlord's building not later than April 1, 1984, and thereafter Tenant shall retain and occupy the same space now occupied by BONY in the basement, being approximately 4,206 square feet of floor space, and on the street floor, being approximately 3,539 square feet of floor space, of Landlord's building,

3. Landlord and Tenant agree that, effective April 1, 1984, the monthly rent for the space in the basement shall be \$.41667 per square foot and for the space on the street floor the monthly rent shall be \$.79167 per square foot; if Tenant shall not have fully vacated the second floor by April 1, 1984, it shall become a month to month tenant in such second floor space at a monthly rental of \$.79167 per square foot,

4. In addition to the base rent, set forth above, Tenant shall

pay a share of any increase in real property taxes and operating expenses incurred by Landlord over the base year 1982 as to taxes and 1983 as to building operating expenses; the computation of such increases shall be in accordance with the provisions of Schedule A, attached, and if there be conflict in terms between the provisions of the Lease and attached Schedule A, Schedule A shall control and prevail in solving such conflict,

5. The Parties shall investigate the possibility of separate metering of utilities to the Demised Premises, as adjusted, and direct payment of utility bills upon reasonable adjustment of the rent to be paid, if Tenant pays utilities directly,

6. Landlord agrees that the present electrified sign on the premises which identifies the Bank of New York Branch may be changed at Tenant's expense to read "Schenectady Trust Company" in letters no larger than those of the present sign and the brass plate on the building which identifies the Bank of New York Branch may be removed and/or replaced, at Tenant's option and expense, with a similar brass plate indicating the Schenectady Trust Company branch.

IN WITNESS WHEREOF the Parties hereto have affixed their hands and seals on the date first above written.

COUNTY OF ALBANY

BY: James J. Conne

THE SCHENECTADY TRUST COMPANY

BY: Ellen B. Balle

State of New York)
County of Schenectady) ss.:

On this 28th day of December, Nineteen Hundred and Eighty-
Three, before me personally came James J. Coyne

to me personally known, who, being by me duly sworn, did depose and
say that he resides in Town of Colonie that he is
the County Executive of County of Albany
the corporation described in, and which executed, the within Instrument;
that he knows the seal of said corporation; that the seal affixed to
said Instrument is such corporate seal; that it was so affixed by order
of the Board of Directors of said corporation; and that, he signed
his name thereto by like order.

Michael C. Maguire
Notary Public

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

On this 28th day of December, Nineteen Hundred and Eighty-
Three, before me personally came ERWIN BAUER

to me personally known, who, being by me duly sworn, did depose and
say that he resides in TOWN OF ROTTERDAM, SCHUY CRY.
that he is a VICE PRESIDENT of The Schenectady Trust
Company, the corporation described in, and which executed, the within
Instrument; that he knows the seal of said corporation; that the
seal affixed to said Instrument is such corporate seal; that it was
so affixed by order of the Board of Directors of said corporation; and
that, he signed his name thereto by like order.

Robert M. Blackman
Notary Public

ADDITIONAL RENT FOR
PROPERTY TAX INCREASE

6. (a) If for any lease year the real property taxes assessed against the land, building or improvements of which the leased premises are a part shall be greater (resulting in an "Excess") than the real property taxes assessed against the land, building or improvements for the year 1982, whether such Excess is caused by increased tax assessments or rates, then, in that event, the Lessee shall pay the Lessor as additional rent (hereinafter "tax rental"), a proportional share of any such Excess in real property taxes.

(b) "Real property taxes" shall mean any taxes levied by the County of Albany, the City of Albany or any other lawful taxing authority upon the land, building or improvements of which the leased premises are a part and shall include all general real property taxes, water rents and charges, school taxes, special assessments, and any other lawful governmental levy or charge, whether general or special, ordinary or extraordinary, foreseen as well as unforeseen, of any kind, which are now, or which may be assessed against said land, building or improvements.

(c) The "proportional share" of tax rental required to be paid by the Lessee on account of any Excess in real property taxes shall be that percentage which the square feet of floor space of the leased premises above described bears to the total rentable square feet of floor space of the entire building, namely _____
(%) PERCENT.

(d) For the final year of the lease term, or in the event such lease term terminates sooner as hereinafter provided, the Lessee shall be obligated to pay a pro rata share of the Lessee's proportional share of any Excess in real property taxes as tax rental due and owing.

(e) The Lessee shall pay to the Lessor the tax rental as provided herein within TEN (10) days after the Lessor shall furnish the Lessee with a tax rental statement in writing setting forth the amount of tax rental due as hereinbefore provided. Said tax rental due shall be collectible as rent.

(f) The Lessee or its representatives shall have the right to inspect the records of the Lessor during regular business hours for

the purpose of verifying the information in the tax rental statement last served by the Lessor, provided written request for such inspection shall be made by the Lessee within FIVE (5) days after receipt of such tax rental statement.

(g) Upon Lessee's default in payment of the tax rental as hereinabove provided, the Lessor shall have the right to elect, in addition to and not to the exclusion of any other remedy allowed Lessor by law, to (A) accelerate the whole amount of the minimum fixed rent reserved for the whole of the said lease term then remaining, or (B) accept the tax rental due with interest at the rate of SIXTEEN (16%) PERCENT thereon in lieu of liquidated damages.

ADDITIONAL RENT FOR
UTILITY AND CERTAIN
OPERATING COST INCREASES

7. (a) If any lease year following the "base year" as hereinafter defined, utility and operating costs shall be increased above the utility and operating costs for the base year, then, in that event, the Lessee shall pay the Lessor as additional rent (hereinafter "utility and operating rental"), a proportional share of any such increase in utility and operating costs.

(b) "Utility costs" shall mean all expenses for fuel or other energy for heating the building of which the leased premises is a part, for operating the air conditioning system and for electricity, steam or other power in connection with the operation of the building of which the leased is a part.

7 (c) "Operating costs" shall mean all expenses incurred in respect to the operation, maintenance and repair of the building

of which the leased premises is a part in accordance with accepted principles of sound management as applied to the operation, maintenance and repair of first class office buildings in the City of Albany, County of Albany, State of New York, including without limitations, (A) the wages, salaries and other compensation to persons engaged in the management of the building, and in the operation, care and repair of the heating, air conditioning, ventilating, plumbing, electrical, and elevator systems and in the furnishing of cleaning, porter, janitor, handyman, caretakers and other like services, whether employed by the Lessor or by an independent contractor, (B) costs of repairs to and physical maintenance of the building and supplies and equipment used in connection therewith, and (C) payroll taxes, unemployment insurance taxes, social security and costs of providing disability, life insurance, pension, hospitalization, medical, welfare and retirement and other similar benefits to the persons engaged in the management, operation, care and repair of the building of which the leased premises is a part.

(d) The "base year" for the purposes of this section shall be the TWELVE (12) month period from January 1, 1983 to December 31, 1983 .

(e) The "proportional share" of the utility and operating rental required to be paid by the Lessee on account of any increase in utility and operating costs, shall be that percentage which the square feet of floor space of the leased premises above described bears to the total rentable square feet of floor space of the entire building, namely _____ (%) PERCENT.

(f) For the final year of the lease term, or in the event such

lease term terminates sooner as hereinafter provided, the Lessee shall be obligated to pay a pro rate share of the Lessee's proportional share of any increase in utility and operating costs as utility and operating rental due and owing.

(g) The Lessee shall pay to the Lessor the utility and operating rental as herein provided within TEN (10) days after the Lessor shall furnish the Lessee with a utility and operating cost statement in writing setting forth the amount of utility and operating rental due as hereinbefore provided. Said utility and operating rental due shall be collectible as rent.

(h) The Lessee or its representatives shall have the right to inspect the books and accounts of the Lessor during regular business hours for the purpose of verifying the information in the utility and operating cost statement last served by the Lessor, provided written request for such inspection shall be made by the Lessee within FIVE (5) days after receipt of such utility and operating cost statement.

(i) Upon Lessee's default in payment of the utility and operating rental as hereinabove provided, the Lessor shall have the right to elect, in addition to and not to the exclusion of any other remedy allowed Lessor by law, to (A) accelerate the whole amount of the minimum fixed rent reserved for the whole of the said lease term then remaining, or (B) accept the utility and operating rental due with interest at the rate of SIXTEEN (16%) PERCENT in lieu of liquidated damages.

MEMORANDUM OF LEASE
RENEGOTIATION

COUNTY OF ALBANY
and
THE SCHENECTADY TRUST
COMPANY

DATED :

WEMPLE, DALY, CASEY, HAYES, WATKINS & HARTER
ATTORNEYS AND COUNSELORS AT LAW
508 UNION STREET
SCHENECTADY, NEW YORK 12305