



Real Estate Investment
Management

September 24, 2024

Mark Masse, President & CEO
Chris Suozzi, Executive VP of Business & Workforce Development
Genesee County Economic Development Center
99 Medtech Drive
Batavia, NY 14020

RE: WNY STAMP, Alabama, NY

Dear Mark and Chris:

This letter expresses the interest of PRP REI, LLC and its affiliates (“**Buyer**”) in purchasing the Property (defined below) from Genesee County Industrial Development Agency (d/b/a Genesee County Economic Development Center) (“**Seller**”). The terms of this letter (the “**Letter of Intent**”) outline the basic terms and conditions under which Buyer would be willing to enter into an agreement to purchase the Property.

PRP is a real estate investment management company with a focus on mission-critical corporate headquarters facilities leased to investment-grade companies, logistic facilities, high-street retail properties, multifamily apartment communities, data centers and office properties. Founded in 2005, PRP executes value add strategies and asset manages a national portfolio of assets on behalf of its institutional investors, family offices and financial institutions. Since its formation, the company has invested in 58 assets with a value in excess of \$6 Billion in all property sectors.

1. **Property:** Certain real property consisting of 100.00 acres of land as shown in Exhibit A. Exact property lines and location within the STAMP mega site to be determined later; however, site must be adjacent to the under construction 600MW substation.
2. **Purchase Price:** The purchase price (the “**Purchase Price**”) for the Property will be \$30,000,000 (\$300,000 per acre). This is an all-cash offer without any financing contingency.
3. **Additional Key Deal Terms:** The following are key deal terms:
 - **Acreage** – Buyer understands that Seller is an Industrial Development Agency looking to preserve as much land as possible for additional users within the STAMP mega site. Buyer shall purchase 100 acres from Seller. Should Buyer’s final building specifications call for less than 100 acres, Buyer may transfer back excess land to Seller at no markup (i.e. \$300,000 per acre from Seller back to Buyer) at Seller’s request.

- Substation Construction – Buyer understands that WNY STAMP has secured NYISO approval for a 300MW substation and is soon to receive approval for its expansion to 600MW. Buyer understands that construction of the substation has stalled as a result of Plug Power not continuing to fund construction costs of the substation. Buyer understands that Seller is currently working on securing public funds to complete construction of the substation to meet power obligations to Edwards.

Seller shall work with Buyer to transfer all substation assets to Buyer and Buyer shall fund all remaining costs to complete the substation by year end 2025. As shown in the table below, Buyer estimates that it will need to fund approximately \$55,000,000 to complete construction of the substation. Any funding in excess of what has already been spent by Plug Power, Edwards or Seller shall be used to true up each party’s substation funding obligation to its final proportionate share (by MW).

		Substation
User	MW	Cost \$
Edwards Manufacturing	35	\$6.42MM
Plug Power	265	\$48.58MM
Project Rampart Data Center	200	\$36.67MM
Unallocated Power	100	\$18.33MM
	600	\$110.00MM

Any future users at the STAMP mega site will reimburse Buyer for substation construction costs by their proportionate share of the 600MW. If by December 31, 2026, the STAMP mega site has excess power that has not been awarded to new users, all remaining power will be awarded to Buyer and Buyer shall have the right to purchase additional acreage and construct additional data centers. Buyer and Seller shall enter into a memorandum to memorialize Buyer’s right to purchase additional acreage at the STAMP mega site and construct additional centers in accordance with the immediately preceding sentence, which memorandum shall be entered into by the parties prior to the expiration of the Due Diligence Period (defined below) but recorded at Closing.

4. **Deposit:** On the date of the full execution (“**Effective Date**”) of a definitive purchase and sale agreement (“**Agreement**”), with respect to the Property, Buyer shall deposit into escrow with a title insurance company (the “**Title Company**”) acceptable to the Seller an initial deposit equal to \$3,000,000. Within three (3) business days following expiration of the Due Diligence Period (defined below), unless Buyer elects

not to move forward with the proposed purchase, Buyer shall make an additional deposit equal to \$3,000,000 to the Title Company to be held in escrow.

5. **Due Diligence Period:** Buyer shall have a period of ninety (90) days from the Effective Date and delivery of all due diligence materials (“**Due Diligence Period**”) to physically inspect the Property, review any materials relating to the Property, and otherwise evaluate the Property. Seller agrees to cooperate with Buyer in conducting such review, to honor all reasonable requests made by Buyer in the course of such review, and to grant Buyer access to the Property for the purpose of making a physical inspection, including, but not limited to, environmental reviews of the Property. Unless before the end of the Due Diligence Period, the Buyer elects to give the Seller written notice that Buyer has elected to proceed with its purchase of the Property, the Agreement would terminate and thereupon all deposits and interest and earnings thereon would promptly be returned to the Buyer and the parties would have no further rights or obligations. Prior to the Effective Date, Seller shall deliver to Buyer all documents, reports and records in Seller’s possession or under Seller’s control relating to the Property, including, but not limited to, all appraisals and all environmental studies, reports and tests relating to the Property. Notwithstanding the foregoing, if Buyer is pursuing any federal, state and local approvals, authorizations, certificates, entitlements, variances and permits, then Buyer may extend the Due Diligence Period for an additional ninety (90) days to permit it to obtain the foregoing approvals.

6. **Closing Date and Costs:** Closing on the purchase of the Property will take place no later than ninety (90) days following the end of the Due Diligence Period so long as the Closing Conditions (defined below) have been satisfied. In the event Closing Conditions have not been satisfied ninety (90) days following the end of the Due Diligence Period, the Closing shall occur within five (5) business days following the satisfaction of the Closing Conditions. Buyer and Seller shall each pay their own legal fees related to this Letter of Intent, the Agreement and the transaction contemplated hereby. Buyer shall pay all costs associated with its due diligence. Each party shall pay one-half of the charges for the escrow services of the title company. All other customary purchase and sale closing costs shall be paid by Seller or Buyer in accordance with the custom in the jurisdiction where the Property is located.

7. **Closing Conditions:** The following are conditions of closing:
 - Subdivision and creation of a new 100-acre parcel of land matching the approximate boundaries shown in Exhibit A. This shall be completed by Buyer at Seller’s cost.

- Mutual execution of an Electrical Service Agreement (or similar document in New York State) in which Buyer procures the right to draw up to 200MW of power from the STAMP mega site substation.
8. **Representations and Warranties:** Buyer and Seller shall make representations and warranties typical and customary in agreements of purchase and sale for improved real Property.
 9. **Confidentiality:** The Buyer shall hold all information concerning the Property received from Seller or its agents in confidence and the Seller and the Buyer agree to hold in confidence the terms and conditions of this Letter of Intent, except that the parties may disclose such information to their respective owners, officers, directors, employees, insurance companies, legal counsel and similar third parties who need to review the same in connection with the transaction proposed hereby. The foregoing restrictions shall not apply to disclosures of information required by law or court order, or to information concerning the Property that is available to the general public other than through the disclosure by the Buyer or its agents in violation of this Letter of Intent.
 10. **Good Faith; Exclusivity.** During the period from the date hereof through the ninetieth (90th) date following the date of Seller's countersignature of this Letter of Intent, the Seller and Buyer agree to negotiate the Agreement in good faith. In consideration of the significant time and expense to be devoted by the Buyer to its potential acquisition of the Property, the Seller agrees that, during the same ninety (90) day period, it will negotiate exclusively with the Buyer concerning the potential sale of the Property and will not transfer, sell, refinance or otherwise encumber, nor enter into any negotiations to transfer, sell, refinance or otherwise encumber, the Property or any portion thereof.
 11. **Brokerage.** Buyer and Seller represent and warrant to each other that they have not dealt with any brokers in connection with this transaction. Each party will indemnify defend and hold the other party harmless from any breach of the foregoing.

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Except for the obligations set forth in Section 9 and Section 10 above, this Letter of Intent is not intended to create, and shall not create, any legally binding obligation on the Seller or the Buyer (including, without limitation, any obligation to enter into the Agreement), and neither the Buyer nor the Seller will be legally bound in any manner unless they each, acting in their sole discretion, elect to execute and deliver the Agreement. No negotiations, course of dealings or other circumstances shall obligate Seller or Buyer to enter into the Agreement. Subject to Section 10, either the Buyer or the Seller has the right to terminate discussions or negotiations at any time and for any reason.

If Seller finds the foregoing terms and conditions to be acceptable, please execute the enclosed copy of this Letter of Intent in the space provided, and return it to the undersigned by 5:00 PM, Eastern Time, on October 9, 2024.

Sincerely,

PRP REI, LLC



Paul C. Dougherty
President

AGREED AND ACCEPTED:

**Genesee County Industrial Development Agency
(d/b/a Genesee County Economic Development Center)**

By: _____

Name: _____

Its: _____

Dated: _____

Exhibit A

Approximate property lines shown in yellow; site consisting of 100 acres

