

BUFFALO URBAN DEVELOPMENT CORPORATION

Property Acquisition Policy

Section 2824(1)(e) of the Public Authorities Law requires local authorities to adopt a written policy governing the acquisition of real property. The following policy (“Policy”) is hereby adopted pursuant to such requirement and shall be applicable with respect to the acquisition of real property and any interests therein (“Real Property”) by the Buffalo Urban Development Corporation (“BUDC”) or by any subsidiary or affiliated company of BUDC.

A. Acquisition of Real Property

Real Property may be acquired by BUDC for use, development, resale, leasing or other uses designated by BUDC. BUDC may lease Real Property for use, subleasing or other uses designated by BUDC.

The purpose of each acquisition of Real Property shall be to further one or more purposes of BUDC under its Certificate of Incorporation, by-laws or a resolution adopted by the BUDC Board of Directors, its mission statement, or for a purpose otherwise permitted under Section 1411 of the New York State Not-for-Profit Corporation Law.

Prior to each acquisition of Real Property, BUDC will conduct such due diligence as it deems appropriate in accordance with the particular circumstances of the proposed acquisition. Such due diligence may include, but is not limited to, Real Property appraisals and review and investigation of environmental, structural, title, pricing and other applicable matters.

B. Approval of Real Property Acquisitions

All acquisitions of Real Property shall be conducted in accordance with this Policy and applicable law. Proposed acquisitions of Real Property shall be presented to the BUDC Real Estate Committee for consideration, and if approved or forwarded without approval by said committee, shall be submitted to the BUDC Board of Directors for approval or other appropriate action.

C. Fair Market Value

Acquisitions of Real Property are intended to be made for no greater than the fair market value of the Real Property. In the event circumstances exist in which an acquisition of Real Property is made where the contract price to be paid by BUDC exceeds the fair market value of the Real Property, BUDC shall include in its annual report required by Section 2800(2) of the Public Authorities Law a detailed explanation of the justification for making the purchase without competitive bidding and a certification by the President and Chief Financial Officer of BUDC that they have

reviewed the terms of the acquisition and determined that it complies with applicable law and BUDC's procurement policy.

D. Effective Date

This policy shall be effective upon the affirmative vote of the Board of Directors of the Corporation and may be amended upon affirmative vote of a majority of the Board of Directors.

Effective Date: June 5, 2007

Amended: June 8, 2010