

CLOSING CERTIFICATE OF  
BRADFORD ALLEN HOSPITALITY RIVERHEAD JV, LLC

The Town of Riverhead Industrial Development Agency (the “**Agency**”) has agreed to consent to the assignment by BROWNING HOTEL PROPERTIES, LLC, a limited liability company duly organized and validly existing under the laws of the State of New York, having its principal office at 5000 Express Drive South, Ronkonkoma, New York 11779 (the “**Assignor**” and the “**Original Company**”) to, and the assumption by, BRADFORD ALLEN HOSPITALITY RIVERHEAD JV, LLC, a limited liability company duly organized and validly existing under the laws of the State of Delaware and authorized to transact business in the State of New York, having its office at 300 S. Wacker Drive, Suite 3500, Chicago, Illinois 60606 (the “**Assignee**” and the “**Company**”), of an interest in the Facility (as such term is hereinafter defined).

By Application dated November 3, 2006, the Original Company sought financial assistance from the Agency for the construction and equipping of a 114 key, 62,589 square foot Hilton Garden Inn Hotel.

Upon the proceedings held upon the Application, the Agency adopted a determination by resolution dated February 5, 2007 entitled "A RESOLUTION DETERMINING THE PROPOSED BROWNING HOTEL PROPERTIES, LLC PROJECT A "PROJECT," APPROVING THE PROVIDING OF FINANCIAL ASSISTANCE BY THE TOWN OF RIVERHEAD INDUSTRIAL DEVELOPMENT AGENCY TO BROWNING HOTEL PROPERTIES, LLC WITH RESPECT THERETO, APPOINTING BROWNING HOTEL PROPERTIES, LLC AGENT OF THE TOWN OF RIVERHEAD INDUSTRIAL DEVELOPMENT AGENCY AND APPROVING DOCUMENTS IN CONNECTION THEREWITH" which resolution provided financial assistance to construct and equip a 114 key, 62,589 square foot Hilton Garden Inn Hotel (the "**Hilton Project**") located at 2012 Old Country Road, Riverhead, New York 11901 (the “**Land**”), at a total project cost of \$18,110,489. This facility has been constructed and placed in service and has a valid and subsisting certificate of occupancy.

Upon proceedings held upon the Application, the Agency adopted a determination by resolution, dated April 6, 2015 entitled "A RESOLUTION APPROVING THE PROVISION OF FINANCIAL ASSISTANCE BY THE TOWN OF RIVERHEAD INDUSTRIAL DEVELOPMENT AGENCY TO BROWNING HOTEL PROPERTIES, LLC AND RELATED ENTITIES PHASE II" which resolution provided financial assistance to construct and equip on the Land the Phase II facility consisting of 140 key, 114,900 square foot Marriott Residence Inn (the "**Marriott Project**", and together with the Hilton Project and the Land, the “**Facility**”) with meeting space and amenities at a total project cost of \$26,849,775. All documents necessary to provide Agency assistance were executed and delivered at a closing October 22, 2015. This facility has been constructed and placed in service and has a valid and subsisting Certificate of Occupancy.

The Facility is a phased development project with common features of design for ingress and egress, plantings and site layout on a single tax map parcel on the Land, Suffolk County Tax Map Number 0600-118-2-3.1 (the “**Tax Map Parcel**”).

In connection with the financial assistance provided by the Agency, the Agency acquired title to the Facility by deed dated May 4, 2007 (the “**Deed**”) from the Original Company.

Simultaneous with the execution of the Deed, the Agency agreed to sell the Facility back to the Original Company, and granted the Original Company sole and exclusive possession of the Facility, pursuant to a Sale Agreement dated as of May 4, 2007 (the “**Original Sale Agreement**”), by and between the Agency and the Original Company.

As a condition to the Agency taking title to the Facility pursuant to the Deed, Company agreed to make payments-in-lieu-of-tax payments (the “**PILOT Payments**”) with respect to the Land and the Hilton Project pursuant to a Payment In Lieu of Tax Agreement dated as of May 4, 2007 (the “**PILOT Agreement**”) by and between the Agency and the Original Company.

The Original Company, the Agency, and Riverhead Hotel Management Corp. (the “**Original Sublessee**”) entered into a Ground Lease (the “**Original Ground Lease**”) dated as of July 20, 2012 for the purpose of leasing the Facility to the Sublessee.

Upon the commencement of the Marriott Project, the Agency and the Original Company entered into a First Amendment to Sale Agreement (the “**First Amendment to Sale Agreement**”) dated as of October 22, 2015 to reflect the Agency’s agreement to sell the Facility, including the Marriott Project, back to the Original Company.

The Original Company agreed to enter into an Amended and Restated Payment In Lieu of Tax Agreement, dated October 22, 2015 (the “**Amended and Restated PILOT Agreement**”), in order to provide for PILOT Payments associated with the Marriott Project.

The Agency and the Original Company subsequently entered into a Second Amendment to Sale Agreement (the “**Second Amendment to Sale Agreement**”, and together with the Original Sale Agreement and the First Amendment to Sale Agreement, the “**Existing Sale Agreement**”), dated as of March 14, 2019 in order to reflect certain mortgage loans incurred by the Original Company on such date.

In connection with such mortgage financing, the Original Company, the Agency, and the Original Sublessee amended the Original Ground Lease pursuant to a First Amendment to Ground Lease (the “**Amendment to Ground Lease**”, and together with the Original Ground Lease, the “**Ground Lease**”).

The Amended and Restated PILOT Agreement was further amended by the Original Company and the Agency pursuant to a certain Amendment to PILOT Agreement, dated as of August 31, 2023 (the “**Amendment to PILOT Agreement**”, and together with the Amended and Restated PILOT Agreement, the “**Existing PILOT Agreement**”), in order to reflect a reduced assessed value of the Facility and to reflect past overpayments as a result of a successful tax certiorari proceeding brought by the Original Company.

The Assignee and (i) BAH Riverhead Select Service Hotel, LLC, a New York limited liability company (“**BAH Riverhead Select**”), and (ii) BAH Riverhead Extended Stay Hotel,

LLC, a New York limited liability company ("**BAH Riverhead Extended**", and together with BAH Riverhead Select, the "**Sublessee**") have requested the Agency's consent to (i) the assignment by the Assignor of all of its rights, title, interest and obligations under the Existing Sale Agreement and the Existing PILOT Agreement and certain other agreements in connection with the Facility to the Assignee and the assumption by the Assignee of all of such rights, title, interest and obligations of the Assignor, and (ii) the release of the Assignor from any further liability with respect to the Facility subject to certain requirements of the Agency, all pursuant to a certain Assignment, Assumption and Amendment Agreement, dated December 12, 2023 (the "**Assignment, Assumption and Amendment Agreement**"), by and among the Agency, the Assignor, and the Assignee.

The Existing Sale Agreement shall be assigned by the Assignor to the Assignee and assumed by the Assignee pursuant to a certain Assignment and Assumption of Sale Agreement, dated December 12, 2023 (the "**Assignment of Sale Agreement**"), by and between the Assignor and the Assignee, as consented to by the Agency.

Pursuant to the Assignment, Assumption and Amendment Agreement, the Existing Sale Agreement and the Existing PILOT Agreement shall be amended to reflect that the Assignee will assume all of the right, title, interest, liability, duty and obligations of the Assignor arising on and after the Effective Date with respect to the Facility under the Existing Sale Agreement (as assigned by the Assignment of Sale Agreement, and amended by the Assignment, Assumption and Amendment Agreement, the "**Sale Agreement**") and the Existing PILOT Agreement (as amended by the Assignment, Assumption and Amendment Agreement, the "**PILOT Agreement**") including but not limited to, all of the right, title, interest, liability, duty and obligations of the Assignor arising on and after the Effective Date.

The Sublessees and the Agency will enter into certain Tenant Agency Compliance Agreements, dated as of December 1, 2023 (the "**Tenant Agency Compliance Agreements**"), whereby the Sublessees will provide certain assurances to the Agency with respect to the Facility.

The Agency has required, as a condition and as an inducement for it to enter into and to consent to the transactions contemplated by the Assignment, Assumption and Amendment Agreement and the Sale Agreement, that the Assignee execute and deliver this Certificate.

The undersigned Assignee does hereby certify as follows:

1. The Assignee hereby restates as of the date hereof and incorporates by reference all representations and warranties for the benefit of the Agency contained in, and represents and warrants that it has full power and authority to execute, deliver and perform each of the following (hereinafter collectively referred to as the "**Assignment and Assumption Documents**"): the Assignment, Assumption and Amendment Agreement, and the Sale Agreement.

2. The Assignment and Assumption Documents, when executed and delivered on behalf of the Assignee, will be in substantially the same form as were approved and

authorized to be executed by the Assignee (with such changes therein as the individual executing the same has approved, with advice of counsel).

3. The execution, delivery and performance of all agreements, certificates and documents required to be executed, delivered and performed by the Assignee in order to carry out, give effect to and consummate the transactions contemplated by the Assignment and Assumption Documents have been duly authorized by all necessary action of the Assignee.

4. The execution, delivery and performance of all agreements, certificates and documents required to be executed, delivered and performed by the Assignor in order to carry out, give effect to and consummate the transactions contemplated by the Assignment and Assumption Documents have been duly authorized by all necessary action of the Assignee as evidenced by the Consent of the Manager of the Assignee attached hereto as Exhibit C (the “**Consent**”).

5. Attached hereto as Exhibits A and B, respectively, are true and correct copies of (i) the Articles of Organization of the Assignee, and a Certificate of Good Standing from the State of New York and the State of Delaware, and (ii) the Operating Agreement of the Assignee, together with all amendments thereto, and the same are in full force and effect as of the date hereof and have not been otherwise amended, repealed or modified.

6. The Assignee presently carries insurance on the Facility to the full extent required by Section 4.2 of the Sale Agreement. Attached hereto as Exhibit D, are copies of the Certificate(s) of Insurance evidencing that as of the date hereof the insurance coverage required by Section 4.2 of the Sale Agreement is in full force and effect.

7. To Assignee’s knowledge, no Event of Default specified in the Sale Agreement, and no event which with notice or lapse of time or both, would become such an Event of Default, has occurred or is continuing.

8. There is neither any action, litigation, suit, nor proceeding, before or by any court, public board or body, pending, or, to the best of my knowledge, threatened against or affecting the Assignee, nor, to the best of its knowledge, is there any basis therefor, wherein an unfavorable decision, ruling or finding would adversely materially affect the validity or the enforceability of the Assignment, Assumption and Amendment Agreement, the Sale Agreement or the transactions contemplated therein, or the Authorizing Resolution of the Agency with respect to the assignment of the interest in the Facility adopted by the Agency on October, 2, 2023, or which would adversely materially affect the business, prospects or financial condition of the Assignee, except as may be set forth in the opinion of our counsel, Barclay Damon LLP, Albany, New York, dated and delivered on the date of this Certificate.

Moreover, the undersigned DOES HEREBY CERTIFY:

9. I have read the provisions of the Assignment, Assumption and Amendment Agreement, and the Sale Agreement.

10. The individual executing this Closing Certificate on behalf of the Assignee is designated to act as an “Authorized Representative” pursuant to and in accordance with the provisions of the Sale Agreement, as amended and assigned.

(Remainder of Page Intentionally Left Blank Signature Pages Follow)

WITNESS my official signature as of the 12<sup>th</sup> day of December, 2023.

**BRADFORD ALLEN HOSPITALITY  
RIVERHEAD JV, LLC**

By: BAIHP Management LLC, an Illinois  
limited liability company, its Manager

By: 

Name: Jeffrey A. Bernstein

Title: Manager

EXHIBIT A

Bradford Allen Hospitality Riverhead JV, LLC's  
Articles of Organization Certified by the New York Department of State together with Good  
Standing Certificates from the New York State Department of State and the State of  
Delaware Department of State

CLOSING CERTIFICATE OF  
BROWNING HOTEL PROPERTIES, LLC

The Town of Riverhead Industrial Development Agency (the “**Agency**”) has agreed to consent to the assignment by BROWNING HOTEL PROPERTIES, LLC, a limited liability company duly organized and validly existing under the laws of the State of New York, having its principal office at 13 Hill Street, Wading River, New York 11792 (the “**Assignor**” and the “**Original Company**”) to, and the assumption by, BRADFORD ALLEN HOSPITALITY RIVERHEAD JV, LLC, a limited liability company duly organized and validly existing under the laws of the State of Delaware and authorized to transact business in the State of New York, having its office at 300 S. Wacker Drive, Suite 3500, Chicago, Illinois 60606 (the “**Assignee**” and the “**Company**”), of an interest in the Facility (as such term is hereinafter defined).

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LLC, a New York limited liability company ("**BAH Riverhead Extended**", and together with BAH Riverhead Select, the "**Sublessee**") have requested the Agency's consent to (i) the assignment by the Assignor of all of its rights, title, interest and obligations under the Existing Sale Agreement and the Existing PILOT Agreement and certain other agreements in connection with the Facility to the Assignee and the assumption by the Assignee of all of such rights, title, interest and obligations of the Assignor, and (ii) the release of the Assignor from any further liability with respect to the Facility subject to certain requirements of the Agency, all pursuant to a certain Assignment, Assumption and Amendment Agreement, dated December 12, 2023 (the "**Assignment, Assumption and Amendment Agreement**"), by and among the Agency, the Assignor, and the Assignee.

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Pursuant to the Assignment, Assumption and Amendment Agreement, the Existing Sale Agreement and the Existing PILOT Agreement shall be amended to reflect that the Assignee will assume all of the right, title, interest, liability, duty and obligations of the Assignor arising on and after the Effective Date with respect to the Facility under the Existing Sale Agreement (as assigned by the Assignment of Sale Agreement, and amended by the Assignment, Assumption and Amendment Agreement, the "**Sale Agreement**") and the Existing PILOT Agreement (as amended by the Assignment, Assumption and Amendment Agreement, the "**PILOT Agreement**") including but not limited to, all of the right, title, interest, liability, duty and obligations of the Assignor arising on and after the Effective Date.

The Agency has required, as a condition and as an inducement for it to enter into and to consent to the transactions contemplated by the Assignment, Assumption and Amendment Agreement, that the Assignor execute and deliver this Certificate.

The undersigned Assignor does hereby certify as follows:

1. The Assignor hereby restates as of the date hereof and incorporates by reference all representations and warranties for the benefit of the Agency contained in, and represents and warrants that it has full power and authority to execute, deliver and perform each of the following (hereinafter collectively referred to as the "**Assignment and Assumption Documents**"): the Assignment, Assumption and Amendment Agreement, and the Assignment of Sale Agreement.

2. The Assignment and Assumption Documents, when executed and delivered on behalf of the Assignor, will be in substantially the same form as were approved and authorized to be executed by the Assignor (with such changes therein as the individual executing the same has approved, with advice of counsel).

3. The execution, delivery and performance of all agreements, certificates and documents required to be executed, delivered and performed by the Assignor in order to

carry out, give effect to and consummate the transactions contemplated by the Assignment and Assumption Documents have been duly authorized by all necessary action of the Assignor.

4. The execution, delivery and performance of all agreements, certificates and documents required to be executed, delivered and performed by the Assignor in order to carry out, give effect to and consummate the transactions contemplated by the Assignment and Assumption Documents have been duly authorized by all necessary action of the Assignor as evidenced by the Consent of [Sole Member] of the Assignor attached hereto as Exhibit C (the “**Consent**”).

5. Attached hereto as Exhibits A and B, respectively, are true and correct copies of (i) the Articles of Organization of the Assignor, and a Certificate of Good Standing from the State of New York, and (ii) the Operating Agreement of the Assignor, together with all amendments thereto, and the same are in full force and effect as of the date hereof and have not been otherwise amended, repealed or modified.

6. No Event of Default specified in the Existing Sale Agreement, and no event which with notice or lapse of time or both, would become such an Event of Default, has occurred or is continuing.

7. There is neither any action, litigation, suit, nor proceeding, before or by any court, public board or body, pending, or, to the best of my knowledge, threatened against or affecting the Assignor, nor, to the best of its knowledge, is there any basis therefor, wherein an unfavorable decision, ruling or finding would adversely materially affect the validity or the enforceability of the Assignment, Assumption and Amendment Agreement or the transactions contemplated therein, or the Authorizing Resolution of the Agency with respect to the assignment of the interest in the Facility adopted by the Agency on October 2, 2023, or which would adversely materially affect the business, prospects or financial condition of the Assignor.

Moreover, the undersigned DOES HEREBY CERTIFY:

8. I have read the provisions of the Assignment, Assumption and Amendment Agreement.

9. The individual executing this Closing Certificate on behalf of the Assignor is designated to act as an “Authorized Representative” pursuant to and in accordance with the provisions of the Existing Sale Agreement.

WITNESS my official signature as of the 12<sup>th</sup> day of December, 2023.

**BROWNING HOTEL PROPERTIES, LLC**

By: Estate of Lee Browning, Sr.

By:

Name: Lee Browning Jr.

Title: Executor

EXHIBIT A

Browning Hotel Properties, LLC's  
Articles of Organization Certified by the New York  
Department of State, together with a Certificate of Good Standing from New York State  
Department of State