

TOWN OF RIVERHEAD INDUSTRIAL DEVELOPMENT AGENCY

and

ISLAND INTERNATIONAL EXTERIOR FABRICATORS LLC

400 BURMAN BOULEVARD LLC

AMENDED AND RESTATED PAYMENT IN LIEU OF TAX AGREEMENT

Dated as of February 27, 2019

THIS AMENDED AND RESTATED PAYMENT IN LIEU OF TAX AGREEMENT, dated as of February 27, 2019, is by and between the TOWN OF RIVERHEAD INDUSTRIAL DEVELOPMENT AGENCY, a public benefit corporation and an industrial development agency of the State of New York (the "State") duly organized and existing under the laws of the State, having its office at the Town of Riverhead Town Hall, 200 Howell Avenue, Riverhead, New York 11901 (the "Agency"), and ISLAND INTERNATIONAL EXTERIOR FABRICATORS LLC, a limited liability company authorized to do business in the State of New York, having an office at 1101 Scott Avenue, Calverton, New York 11933 (referred to herein as the "Company") and 400 BURMAN BOULEVARD LLC, a limited liability company authorized to do business in the State of New York, having an office at 1101 Scott Avenue, Calverton, New York 11933 (referred to herein as "400 Burman" being the property owner of the real property described in the attached Exhibit B Suffolk County Tax Map No. 0600-135.02-01.00-24.00, the "Property").

WHEREAS, Title 1 of Article 18-A, as amended, of the General Municipal Law of the State (the "Enabling Act") has been duly enacted into law as Chapter 1030 of the Laws of 1969 of the State; and

WHEREAS, the Enabling Act authorizes the creation of industrial development agencies for the benefit of the several counties, cities, villages and towns in the State and empowers such agencies, among other things, to acquire, construct, reconstruct, improve, maintain, equip and lease or sell land and any building or other improvement, and all real and personal properties, including, but not limited to, machinery, equipment and other facilities deemed necessary in connection therewith, whether or not now in existence or under construction, which shall be suitable for manufacturing, warehousing, research, civic, commercial or industrial purposes, in order to advance the job opportunities, health, general prosperity and the economic welfare of the people of the State and to improve their standard of living; and

WHEREAS, the Enabling Act further authorizes each such agency to enter into an agreement which includes provisions such as those contained herein (this agreement being hereinafter referred to as the "PILOT Agreement"); and

WHEREAS, pursuant to and in accordance with the provisions of the Enabling Act, the Agency was created for the benefit of the Town of Riverhead, Suffolk County, New York (the "Town") and the inhabitants thereof by Chapter 624 of the Laws of 1980 (together with the Enabling Act, the "Act").

WITNESSETH:

NOW, THEREFORE, in consideration of the matters above recited, for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the parties, the parties hereto formally covenant, agree and bind themselves as follows, to wit:

Company has made application to the Agency for financial assistance to the manufacturing facility located at the Property and other properties of Company located at 1101 Scott Avenue, Calverton, New York and 347 Burman Boulevard, Calverton, New York which after duly conducted Agency proceedings was approved by Agency Resolution number 15 adopted February 22, 2019.

By proceedings previously held, the Agency Induced 400 Burman to acquire, construct and equip facilities at 1101 Scott Avenue, Calverton, New York (SCTM No. 0600-135.02-01.00-24.00) which required Agency acquisition, jurisdiction, control and supervision of the real property and manufacturing facilities located therein as set forth in the following duly executed and delivered closing documents:

- Ground Lease by 400 Burman, Lessor and the Agency, Lessee dated as of November 8, 2013;
- Lease Agreement by the Agency, Lessor and 400 Burman, Lessee dated as of November 8, 2013;
- Payment In Lieu of Tax Agreement by and between the Agency and 400 Burman dated as of November 8, 2013, recorded with the Clerk of Suffolk County 12/7/13 at Liber 12755 Page 515;
- Guaranty of Timothy W. Stevens, Guarantor to the Agency dated as of November 8, 2013;
- Mortgage and Security Agreement made by 400 Burman, Mortgagor to Community National Bank, Mortgagee dated as of November 8, 2013 in the principal sum of \$3,250,000.;
- Memorandum of Ground Lease by 400 Burman, Lessor and the Agency, Lessee Recorded with the Clerk of Suffolk County 12/7/13 at Liber 12755, page 515;
- Memorandum of Lease by the Agency Lessor and 400 Burman, Lessee Recorded with the Clerk of Suffolk County 12/7/13 at Liber 12755, page 516 date; and
All other documents relating to the closing for the provision of financial assistance to 400 Burman at closing held on or about November 19, 2013.

Collectively all of the above documents comprise the "Surviving and Continuing 2013 Documents".

Company hereby adopts and accepts all terms and conditions, duties, rights and obligations of 400 Burman set forth in the Surviving and Continuing 2013 Documents as existing with 400 Burman and 400 Burman restates and reaffirms all terms and conditions, duties, rights and obligations set forth in the Surviving and Continuing 2013 Documents in pari passu by and between the Company and 400 Burman.

Company, 400 Burman and Agency mutually represent and acknowledge that the Surviving and Continuing 2013 Documents are valid and in full force and effect and are hereby restated as though fully set forth herein.

The Ground Lease by and between the Agency and 400 Burman commencing as of November 8, 2013 be and is hereby extended to February 1, 2039.

The Lease by and between the Agency and 400 Burman commencing as of November 8, 2013 be and is hereby extended to February 1, 2039.

As Applicant to the Agency, Company hereby undertakes the first responsibility to perform all duties and obligations of this Amended and Restated Payment In Lieu of Tax Agreement dated

as of February 27, 2019 for the Property. Any duty or obligation not performed by Company shall be performed by 400 Burman as owner of beneficial title pursuant to the 2013 Lease/Leaseback Agreement.

Through the Ground Lease Agreement dated as of November 8, 2013 and the Lease Agreement dated as of November 8, 2013, by and between the Agency and 400 Burman, each as amended herein, the Agency maintains jurisdiction, supervision and control of the Property through February 1, 2039.

The Project shall be that as set forth in Agency Resolution 15-19 dated February 22, 2019 which includes the Property and all existing manufacturing facilities at the Property and other properties of the Company.

The Project constitutes a "project" within the meaning of the Act.

This Restated and Amended PILOT shall be filed in the Office of the Suffolk County Clerk, Division of Land Records of the County of Suffolk pertaining to the real property described in Exhibit B hereto.

Exhibit A, Schedule A referred to in Section 2.02(a) of that certain Payment in Lieu of Tax Agreement dated as of November 8, 2013 is hereby stricken in its entirety and is hereby replaced with Exhibit A (2019) as attached hereto, and any and all references to the former Exhibit A, Schedule A shall be deemed to refer to Exhibit A (2019).

The Application for Real Property Tax Exemption referred to in Section 2.01 as Exhibit A is hereby amended to refer to the attached Exhibit 2, Amended Application for Real Property Tax Exemption 412-a as attached hereto, and any and all references to the former Application for Real Property Tax Exemption shall be deemed to refer to Amended Application for Real Property Tax Exemption 412-a.

Section 2.02 Payments in Lieu of Taxes (a) is stricken in its entirety and replaced as follows:

(a) Agreement to Make Payments. The Company agrees that it shall make, or cause to be made, PILOT Payments in Lieu of Real Estate Taxes to the Agency with respect to the Land and any improvement thereon in an amount equal to the amount of Real Estate Taxes attributable to the value of the Land and any improvement thereon based on a partial abatement of real property taxes attributable to any increase in assessed value of the real property comprising the Project over the present assessed value of such real property (\$118,700.00) for a period of fifteen years as designated in the attached Exhibit A at the address and to the attention of the person set forth in Section 5.03 hereof for remittal by the Agency to each affected taxing jurisdiction, being the Town of Riverhead< the County of Suffolk, the Riverhead Central School District and the Manorville Fire District, in amounts, as determined solely by the Agency, equal to the percentage which the tax levy of each such taxing jurisdiction is of the total tax levy of all such taxing jurisdictions< as shown upon the Town of Riverhead Tax Receiver's rate sheet for the year in which such PILOT Payments are payable, not later than January 10 of each year in which PILOT Payments are payable hereunder, after which date such PILOT Payments shall accrue such interest and penalties

provided by law and Agency rule and regulation if not paid in full. The Company agrees to forgo any right to contest the deemed assessed value and thereby reduce the \$118,700.00 during the term of the PILOT Agreement. Reference is hereby made to a certain Payment In Lieu of Tax Agreement dated as of February 27, 2019 by and between Island International Exterior Fabricators LLC, Cal 81 Realty LLC and the Agency (the "Cal 81 PILOT") which may provide a CREDIT to be applied to the PILOT payment calculated above. In the event that the Cal 81 PILOT provides a CREDIT, the amount of PILOT owing for 400 Burman shall be reduced in any such year in an amount equal to the CREDIT attributable to the Cal 81 PILOT in such year.

Resolution Number 15-19 adopted by the Agency on February 22, 2019 provides a real property tax abatement for the proposed expansion of the manufacturing facilities at the Property through the constructing and equipping of an approximately 25,000 square foot manufacturing facility at the Property, the "400 Burman Expansion". In the event that the 400 Burman Expansion is constructed and placed in service and shall be covered by a valid and subsisting Certificate of Occupancy from the Town of Riverhead Building Department by February 1, 2024 the assessed valuation attributable to the 400 Burman Expansion shall be eligible for the property tax abatement stated in Exhibit A-1 attached to this Amended and Restated PILOT Agreement. Year 1 on Exhibit A-1 shall be the first tax year the 400 Burman Expansion shall be fully assessed by the Riverhead Board of Assessors and this Amended and Restated PILOT Agreement shall terminate at the expiration of the exemption provided by Exhibit A-1. In the event that the 400 Burman Expansion is not so constructed and placed in service with such valid and subsisting Certificate of Occupancy by February 1, 2024, the assessed value attributable to the 400 Burman Expansion shall be added to the \$257,800 Existing Improvement Value of Exhibit A for a total Existing Improvement Value as established from time to time by the Riverhead Board of Assessors in the place and stead of the stated value of \$257,800. and the exemption for the 400 Burman Expansion provided by Exhibit A-1 shall be of no force and effect and this Amended and Restated PILOT Agreement shall terminate February 1, 2034.

Section 5.03 Notices is hereby stricken in its entirety and replaced as follows:

Section 5.03 Notices.

All notices, certificates or other communications hereunder shall be in writing and shall be sufficiently given and shall be deemed received, served or noticed, as applicable, when delivered or when mailed by United States registered or certified mail, postage prepaid, return receipt requested, to the Agency and the Company, as the case may be, addressed as follows:

To the Company:

Island International Exterior Fabricators LLC
1101 Scott Avenue
Calverton, New York 11933
Attn.: Timothy W. Stevens

With Copy To:

400 Burman Boulevard LLC
1101 Scott Avenue
Calverton, New York 11933
Attn.: Timothy W. Stevens

To the Guarantor:

Timothy W. Stevens
1101 Scott Avenue
Calverton, New York 11933

To the Agency:

Town of Riverhead Industrial Development Agency
Town of Riverhead Town Hall
200 Howell Avenue
Riverhead, New York 11901
Attention: Executive Director

Section 5.10 Termination is hereby stricken in its entirety and replaced as follows:

Section 5.10 Termination. Unless sooner terminated under the terms hereof, this PILOT shall terminate February 1, 2039.

IN WITNESS WHEREOF, the Agency and the Company have caused this PILOT Agreement to be executed in their respective names as of the date first set forth above.

TOWN OF RIVERHEAD INDUSTRIAL
DEVELOPMENT AGENCY

By: _____
Thomas Cruso
Chairman

ISLAND INTERNATIONAL EXTERIOR
FABRICATORS LLC
a Delaware limited liability company

By: _____
Name: Jeffrey M. Robinson
Title: Chief Financial Officer

400 BURMAN BOULEVARD LLC
a New York limited liability company

By: _____
Name: Jeffrey M. Robinson
Title: Chief Financial Officer

EXHIBIT A-400 Burman Boulevard
Existing Land Value 118,700
Existing Improvement Value 257,800

REAL PROPERTY TAX ABATEMENT

<u>Tax Year</u>	<u>Abatement Above the Land Assessed Value</u>
Year 1 – 2019/2020	60%
Year 2 – 2020/2021	60%
Year 3 – 2021/2022	55%
Year 4 – 2022/2023	55%
Year 5 – 2023/2024	55%
Year 6 – 2024/2025	55%
Year 7 – 2025/2026	50%
Year 8 – 2026/2027	50%
Year 9 – 2027/2028	50%
Year 10 – 2028/2029	50%
Year 11 – 2029/2030	45%
Year 12 – 2030/2031	45%
Year 13 – 2031/2032	40%
Year 14 – 2032/2033	40%
Year 15 – 2033/2034	20%
Year 16 – 2034/2035 & thereafter	0%

EXHIBIT A-1-400 Burman Boulevard Expansion-25,000 sf

Abatement of Expansion Assessed Value Only
Currently Estimated to be \$375,000

REAL PROPERTY TAX ABATEMENT

<u>Tax Year</u>	<u>Abatement of Assessed Value of 25,000 ± sf Addition</u>
Year 1	100%
Year 2	100%
Year 3	95%
Year 4	95%
Year 5	90%
Year 6	85%
Year 7	80%
Year 8	75%
Year 9	70%
Year 10	65%
Year 11	60%
Year 12	55%
Year 13	55%
Year 14	50%
Year 15	50%
Year 16 & thereafter	0%

EXHIBIT B
DESCRIPTION OF LAND

Title No. CLC 23475S

SCHEDULE A

ALL that certain plot piece or parcel of land, situate, lying and being at Calverton, in the Town of Riverhead, County of Suffolk and State of New York, bounded and described as follows:

BEGINNING at an interior point, said point being the following three (3) courses and distances from the corner formed by the intersection of the northerly side of Grumman Boulevard with the easterly side of Wading River-Manorville Road;

- 1) Easterly along the northerly side of Grumman Boulevard, 10086.36 feet to a point;
- 2) THENCE leaving Grumman Boulevard North 04 degrees 07 minutes 36 seconds West 726.70 feet to a point;
- 3) THENCE along a curve to the left, having a radius of 47443.04 feet, 955.15 feet to the southwesterly corner of subject premises, the point or place of beginning;

RUNNING THENCE from said point of beginning the following nine (9) courses and distances:

- 1) Along a continuation of the last mentioned curve to the left, having a radius of 47443.04 feet a distance of 676.59 feet to a point of reverse curvature;
- 2) THENCE northerly, northeasterly and easterly, a distance of 80.03 feet; along the arc of said curve concave to the southeast having a radius of 50.00 feet;
- 3) THENCE North 85 degrees 36 minutes 20 seconds East tangent to said curve, a distance of 418.24 feet (deed) 418.04 (actual) to the beginning of a curve tangent to said line;
- 4) THENCE easterly and northeasterly a distance of 223.38 feet along the curve concave to the northwest, having a radius of 330.00 feet;
- 5) THENCE North 46 degrees 49 minutes 17 seconds East tangent to said curve, a distance of 213.96 feet (deed) 214.20 (actual);
- 6) THENCE South 11 degrees 49 minutes 43 seconds East a distance of 531.26 feet (deed) 531.41 feet (actual).
- 7) THENCE North 90 degree 00 minutes 00 seconds West a distance of 491.34 feet;
- 8) THENCE South 04 degrees 00 minutes 00 seconds East a distance of 441.71 feet;
- 9) THENCE South 85 degrees 03 minutes 31 seconds West, a distance of 402.24 feet to the point or place of BEGINNING.

FOR INFORMATIONAL PURPOSES ONLY:


DISTRICT: 0600 SECTION: 135.20 BLOCK: 01.00 LOT: 024.000
as shown on the Tax Map of Suffolk County

EXHIBIT C

Copy of Payment in Lieu of Tax Agreement dated as of November 8, 2013 by and between
TOWN OF RIVERHEAD INDUSTRIAL DEVELOPMENT AGENCY and 400 BURMAN
BOULEVARD LLC

STATE OF NEW YORK)
)
COUNTY OF SUFFOLK) ss.:

On the 26 day of February in the year 2019 before me, the undersigned, a notary public in and for said State, personally appeared Thomas Cruso 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 and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.



Notary Public

RICHARD A. EHLERS
Notary Public, State of New York
Suffolk County No. 02EH4738288
Commission Expires February 28, 2022

STATE OF NEW YORK)
)
COUNTY OF SUFFOLK)

ss.:

On the 27 day of February in the year 2019 before me, the undersigned, a notary public in and for said State, personally appeared Jeffrey M. Robinson 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 and that by his signature on the instrument, the individual acted, executed the instrument.



Notary Public

ELIZABETH A. FITZPATRICK
No. 02FI6321022
Notary Public, State of New York
Qualified in Suffolk County
My Commission Expires 03/16/2019

TOWN OF RIVERHEAD INDUSTRIAL DEVELOPMENT AGENCY

and

400 BURMAN BLVD LLC

PAYMENT IN LIEU OF TAX AGREEMENT

Dated as of November 8, 2013

FILED
2013 NOV 20 P 2:10
BOARD OF ASSESSORS
TOWN OF RIVERHEAD

THIS PAYMENT IN LIEU OF TAX AGREEMENT, dated as of November 8, 2013, is by and between the TOWN OF RIVERHEAD INDUSTRIAL DEVELOPMENT AGENCY, a public benefit corporation and an industrial development agency of the State of New York (the "State") duly organized and existing under the laws of the State, having its office at the Town of Riverhead Town Hall, 200 Howell Avenue, Riverhead, New York 11901 (the "Agency"), and 400 BURMAN BLVD LLC, a limited liability company authorized to do business in the State of New York, having an office at 1101 Scott Avenue, Calverton, NY 11933 (the "Company").

W I T N E S S E T H:

WHEREAS, Title 1 of Article 18-A, as amended, of the General Municipal Law of the State (the "Enabling Act") has been duly enacted into law as Chapter 1030 of the Laws of 1969 of the State; and

WHEREAS, the Enabling Act authorizes the creation of industrial development agencies for the benefit of the several counties, cities, villages and towns in the State and empowers such agencies, among other things, to acquire, construct, reconstruct, improve, maintain, equip and lease or sell land and any building or other improvement, and all real and personal properties, including, but not limited to, machinery, equipment and other facilities deemed necessary in connection therewith, whether or not now in existence or under construction, which shall be suitable for manufacturing, warehousing, research, civic, commercial or industrial purposes, in order to advance the job opportunities, health, general prosperity and the economic welfare of the people of the State and to improve their standard of living; and

WHEREAS, the Enabling Act further authorizes each such agency to enter into an agreement which includes provisions such as those contained herein (this agreement being hereinafter referred to as the "PILOT Agreement"); and

WHEREAS, pursuant to and in accordance with the provisions of the Enabling Act, the Agency was created for the benefit of the Town of Riverhead, Suffolk County, New York (the "Town") and the inhabitants thereof by Chapter 624 of the Laws of 1980 (together with the Enabling Act, the "Act"); and

WHEREAS, the Agency intends to enter into a ground lease from the Company (the "Ground Lease") to acquire a leasehold interest in a parcel of real property located at 400 Burman Boulevard, Calverton, NY (S.C.T.M. No. 0600-135.20-1-24) for the renovation and reuse of existing buildings for use by Island Green Steel, LLC as manufacturing facility of metal studs used as framing component of exterior panel systems (the "Land" and the "Building") requiring the renovation, retrofitting and equipping of the buildings with new electric, HVAC, telecommunications, and storage and shelving systems (collectively, the "Equipment") (the Land, the Building and the Equipment collectively, the "Project"); all as contemplated by and in furtherance of the purposes of the Act; and

WHEREAS, the Project constitutes a "project" within the meaning of the Act; and

WHEREAS, under the present provisions of the Act and Section 412-a of the Real Property Tax Law of the State (the "RPTL"), the Agency is not required to pay Real Estate

Taxes (hereinafter defined) upon any of the property acquired by it or under its jurisdiction or supervision or control; and

WHEREAS, the Agency will not enter into the Ground Lease unless the Company shall agree to make payments in lieu of Real Estate Taxes ("PILOT Payments") with respect to the Project; and

WHEREAS, the Company is desirous that the Agency accept the Ground Lease and enter into the Lease Agreement and the Company is willing to enter into this PILOT Agreement in order to induce the Agency to accept the Ground Lease and enter into the Lease Agreement; and

NOW, THEREFORE, in consideration of the matters above recited, for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the parties, the parties hereto formally covenant, agree and bind themselves as follows, to wit:

ARTICLE I

REPRESENTATIONS AND WARRANTIES

Section 1.01 Representations and Warranties.

(a) The Agency does hereby represent and warrant that it has been duly established under the provisions of the Act, its Members have duly adopted a resolution dated July 8, 2013 that authorizes the transactions contemplated by this PILOT Agreement, it has the power to enter into the transactions contemplated by this PILOT Agreement and to carry out its obligations and exercise its rights hereunder and that its Chairman, Vice Chairman or Executive Director has been duly authorized to execute and deliver this PILOT Agreement; and

(b) The Company does hereby represent and warrant that it is a limited liability corporation duly formed under the laws of the State of New York, is in good standing under its documents of formation and the laws of the State of New York, is duly qualified to do business in the State of New York, its board of directors has duly authorized the transactions contemplated by this PILOT Agreement, it has the power to enter into the transactions contemplated by this PILOT Agreement and to carry out its obligations and exercise its rights hereunder and that its managing member has been duly authorized to execute and deliver this PILOT Agreement.

ARTICLE II

COVENANTS AND AGREEMENTS

Section 2.01 Tax-Exempt Status of the Land and the Project.

(a) Assessment of Project. Pursuant to Section 874 of the General Municipal Law and Section 412-a of the Real Property Tax Law, the parties hereto understand that, upon acquisition of a leasehold interest in the Project and continuing for the period during which the Agency maintains a leasehold interest in the Project, as provided in the Ground Lease, the Project shall be assessed as exempt upon the assessment rolls of the Town, except for Special

Levies (hereinafter defined) and as hereafter provided. The parties hereto understand that the Project shall be entitled to such exempt status on the tax rolls of the Town from the first taxable status date following (i) the Agency's acquisition of a leasehold interest in the Project, and (ii) the completion and submission of all necessary filings in connection therewith, including but not limited to the Application for Real Property Tax Exemption, attached hereto as Exhibit A. It is the intent of this PILOT Agreement that the Company shall, at all times during which the Project shall be entitled to an exempt status due to the Agency's leasehold interest, be obligated to pay either PILOT Payments or Real Estate Taxes, and that the foregoing obligations shall not be duplicative of each other or otherwise be additive. For example, and without limitations, (i) the Company shall be obligated to pay Real Estate Taxes until such time as the Agency's exemption with respect to the Project lawfully takes effect on the tax rolls of the Town, and shall be obligated to pay PILOT Payments at all times thereafter until the Agency's exemption with respect to the Project is no longer in effect on the tax rolls, and (ii) after the Agency no longer has a leasehold interest in the Project PILOT Payments shall continue to be payable by the Company until such time as the Agency's lack of interest in such Project has been reflected on the tax rolls of the Town. PILOT Payments shall be adjusted from year to year in the same manner as Real Estate Taxes. The term "Real Estate Taxes" shall mean 100% of the real property taxes which would be levied upon or with respect to the Project by the Town, the County of Suffolk, the Riverhead Central School District and the Manorville Fire District as if the Agency did not have a leasehold interest in the Project and shall include interest and penalties as provided in this PILOT Agreement. Real Estate Taxes shall include all real property taxes of every kind and nature, all general and special assessments and levies, all water and sewer rents and charges, and all other public charges whether of a like or different nature, foreseen and unforeseen, ordinary and extraordinary, imposed upon or assessed against the Project, or any part thereof, or arising in respect of the occupancy, use or possession thereof (but excluding Special Levies and any other item from which the Agency is not exempt in accordance with applicable law); provided however, that Real Estate Taxes shall not include any taxes on or measured by net income, franchise taxes, unincorporated business taxes, use taxes, sales taxes, recording taxes and other taxes not generally known as real estate taxes that either are actually paid by the Agency or the Company to any taxing authority or would not be payable even if the Project was owned by the Company and not lease to the Agency.

(b) To the extent the Project, or any portion thereof, is declared to be subject to taxation or assessment by a final judgment of a court of competent jurisdiction, an amendment to the Act or other legislative or administrative change, the obligations of the Company to make PILOT Payments hereunder shall, to such extent only, be replaced by the obligation of the Company to pay Real Estate Taxes. To the extent that the foregoing declaration of non-exemption is given retroactive effect, any PILOT Payments previously made by the Company during such retroactive period shall be credited against Real Estate Taxes due for such period. Nothing herein contained shall prohibit the Company from contesting the validity or constitutionality of any such amendment, legislative or administrative change or judicial decision.

(c) Special Assessments. The parties hereto understand that the tax exemption extended to the Agency by Section 874 of the General Municipal Law and Section 412-a of the RPTL does not entitle the Agency to exemption from certain special assessments, special ad valorem levies and certain rents and charges (collectively, "Special Levies"). The

Company shall be obligated to pay all Special Levies to the appropriate parties even if Section 874 of the General Municipal Law, Section 412-a of the RPTL, or any other provisions of law, are amended to entitle the Agency to exemptions from any or all Special Levies.

(d) Counsel Fees. The Company expressly covenants and agrees to pay in full the reasonable fees and expenses of the Agency's counsel and all court costs, promptly upon receipt of a statement therefor, which are incurred after the date hereof and which fees and expenses arise in connection with any matter related to this PILOT Agreement.

Section 2.02 Payments in Lieu of Taxes.

(a) Agreement to Make Payments. The Company agrees that it shall make, or cause to be made, PILOT Payments in lieu of Real Estate Taxes to the Agency with respect to the Land and any improvement thereon in an amount equal to the amount of Real Estate Taxes attributable to the value of the Land and any improvement thereon based on a partial abatement of real property taxes attributable to any increase in assessed value of the real property comprising the Project over the present assessed value of such real property (\$118,700.00) for a period of ten years as designated in the attached Exhibit A at the address and to the attention of the person set forth in Section 5.03 hereof for remittal by the Agency to each affected taxing jurisdiction, being the Town of Riverhead, the County of Suffolk, the Riverhead Central School District and the Manorville Fire District, in amounts, as determined solely by the Agency, equal to the percentage which the tax levy of each such taxing jurisdiction is of the total tax levy of all such taxing jurisdictions, as shown upon the Town of Riverhead Tax Receiver's rate sheet for the year in which such PILOT Payments are payable, not later than January 10 of each year in which PILOT Payments are payable hereunder, after which date such PILOT Payments shall be considered delinquent Real Estate Taxes if not paid in full. If any portion of the facility is operated for a use which would not be eligible for IDA benefits under New York Law, the real property tax abatement shall be reduced, and the Payment In Lieu of Tax Payment increased based on the pro-rata floor area of the non-permitted use for the tax year of such use, and that no lease shall be entered into by the facility owner for a non-medical use without the prior application and approval of the Agency upon the form of standard application of the Agency. The Company agrees to forgo any right to contest the deemed assessed value and thereby reduce the \$118,700.00 during the term of the PILOT Agreement.

(b) Maximum PILOT. Notwithstanding anything else contained herein, the PILOT Payments due under this PILOT Agreement shall not exceed the Real Estate Taxes that would have been due from the Company during each period that this PILOT Agreement is in effect if the Land and the Project were owned by the Company and were not leased to the Agency during such period.

(c) Method of Payment. All payments hereunder shall be paid by check made payable to the order of the Agency in then lawful money of the United States of America.

(d) Interest and Penalties. If the Company shall fail to make any payment required by this PILOT Agreement when due, its obligation to make the payment so in default shall continue as an obligation of the Company until such payment in default shall have been made in full, and the Company shall pay the same together with interest and penalties thereon, to

the extent permitted by law, at the rate per annum which would be payable if such amounts were delinquent Real Estate Taxes at the rate provided by applicable law or laws, until so paid in full.

Section 2.03 Review of Assessments.

As long as this PILOT Agreement is in effect, the Agency and the Company agree that (i) the Agency hereby irrevocably appoints the Company its agent and attorney-in-fact for the purpose of instituting judicial review of any assessment of the real estate with respect to the Land and the Project pursuant to this PILOT Agreement and the provisions of Article 7 of the RPTL or any other applicable law as the same may be amended from time to time during the term of this PILOT Agreement, such appointment being coupled with an interest; and (ii) the Company shall have sole authority and power to file grievances and protests, protesting any assessment placed on the Land or the Project or seeking judicial review after the final determination by the assessor of any grievance or protest.

Upon receipt from the Town of notice of any change in the assessment of the Land or the Project pursuant to the applicable provisions of the RPTL, the Agency shall use its best efforts to provide to the Company, in the same manner and at the same time as if the Company were a taxpayer (or within fifteen calendar days thereof) a copy thereof. Failure of the Agency to provide to the Company a copy of any such notice within the time herein stated shall not relieve the Company of its obligations under this PILOT Agreement to pay PILOT Payments in the amounts due. Notwithstanding the foregoing, if the assessment of the Land or the Project is reduced as a result of any such grievance, protest or judicial review so that the Company would be entitled to receive a refund or refunds of taxes paid if the Company were the taxpayer of record, then the payments due pursuant to this PILOT Agreement shall be recalculated based on such reduction and the Company shall be entitled to a credit against future PILOT Payments in the amount equal to the payment due to the Company as the result of such recalculation unless the Agency or the Town shall pay to the Company any overpayment made. In no event shall the Agency refund any PILOT Payment previously made or be liable for any credit against future PILOT Payments which exceeds future PILOT Payments due.

ARTICLE III

LIMITED OBLIGATION OF THE PARTIES

Section 3.01 No Recourse; Limited Obligation of the Agency.

(a) No Recourse. Except as provided in a certain guaranty (the "Guaranty") from Timothy W. Stevens all covenants, stipulations, promises, agreements and obligations of the Agency contained in this PILOT Agreement shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the Agency and not of any member, officer, agent, servant or employee of the Agency in his or her individual capacity, and no recourse under or upon any obligations, covenant or agreement contained in this PILOT Agreement, or otherwise based or in respect of this PILOT Agreement, or for any claim based thereon or otherwise in respect thereof, shall be had against any past, present or future member, officer, agent, servant or employee, as such, of the Agency, or any successor public benefit corporation. It is expressly understood that this PILOT Agreement is a corporate obligation, and

that no such personal liability whatever shall attach to, or is or shall be incurred by, any such member, officer, agent, servant or employee of the Agency or of any successor public benefit corporation. Any and all such personal liability of, and any and all such rights and claims against, every such member, officer, agent, servant or employee under or by reason of the obligations, covenants or agreements contained in this PILOT Agreement or implied therefrom are, to the extent permitted by law, expressly waived and released as a condition of, and as a consideration for, the execution of this PILOT Agreement.

(b) Limited Obligation. The obligations and agreements of the Agency contained herein shall not constitute or give rise to an obligation of the Town and the Town shall not be liable thereon. Furthermore, such obligations and agreements shall not constitute or give rise to a general obligation of the Agency, but rather shall constitute limited obligations of the Agency payable solely from the revenues of the Agency derived and to be derived from this PILOT Agreement, the Ground Lease, the Lease Agreement, the Guaranty, the Land and the Project generally, or sale or other disposition of the Land or the Project.

(c) Further Limitation. Notwithstanding any provision of this PILOT Agreement to the contrary, the Agency shall not be obligated to take any action pursuant to any provision hereof unless (i) the Agency shall have been requested to do so in writing by the Company and (ii) if compliance with such request is reasonably expected to result in the incurrence by the Agency (or any of its members, officers, agents, servants or employees) of any liability, fees, expenses or other costs, the Agency shall have received from the Company security or indemnity satisfactory to the Agency for protection against all such liability, however remote, and for the reimbursement of all such fees, expenses and other costs. Nothing in this paragraph shall be construed as requiring the Agency to receive any such written request or indemnity as a precondition to the exercise by the Agency of its rights hereunder.

Section 3.02 No Recourse.

Except as provided in the Guaranty, all covenants, stipulations, promises, agreements and obligations of the Company contained in this PILOT Agreement shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the Company, not of any officer, agent, servant or employee of the Company, and no recourse under or upon any obligation, covenant or agreement contained in this PILOT Agreement, or otherwise based or in respect of this PILOT Agreement, or for any claim based thereon or otherwise in respect thereof, shall be had against any past, present or future officer, agent, servant or employee, as such of the Company or any successor thereto. It is expressly understood that, except as provided in the Guaranty, this PILOT Agreement is an obligation of the Company, and that no such personal liability whatever shall attach to, or is or shall be incurred by, any such officer, agent, servant or employee by reason of the obligations, covenants or agreements contained in this PILOT Agreement or implied therefrom. Except as provided in the Guaranty, any and all such personal liability of, and any and all such rights and claims against, every such officer, agent, servant or employee under or by reason of the obligations, covenants or agreements contained in this PILOT Agreement or implied therefrom are, to the extent permitted by law, expressly waived and released as a condition of, and as a consideration for, the execution of this PILOT Agreement.

ARTICLE IV

EVENTS OF DEFAULT

Section 4.01 Nature of Events. An "Event of Default" shall exist if any of the following occurs:

(a) Particular Covenant Defaults. The Company fails to perform or observe any covenant contained in Sections 2.01(c), 2.01(d), 2.02(a), and 2.02(d) hereof and such failure continues for more than 30 days after written notice of such failure has been given to the Company by the Agency and the Mortgagee (as such term is defined in the Lease Agreement); or

(b) Warranties or Representations. Any warranty, representation or other statement by the Company contained in this PILOT Agreement is false or misleading in any material respect.

Section 4.02 Default Remedies.

(a) If an Event of Default exists and the Agency has provided written notice to the Mortgagee as required under section 4.02(a), the Agency may proceed, to the extent permitted by law, to enforce the provisions hereof available for its benefit and to exercise any other rights, powers and remedies available to the Agency hereunder and, or, to terminate the PILOT Agreement, the Ground Lease and Lease Agreement, subject to the notice and cure provisions in favor of the Mortgagee set forth in the Lease Agreement.

Section 4.03 Remedies: Waiver and Notice.

(a) No remedy herein conferred upon or reserved to the Agency is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity or by statute.

(b) No delay or omission to exercise any right or power accruing upon the occurrence of any Event of Default hereunder shall impair any such right or power or shall be construed to be a waiver thereof, but any such right or power may be exercised from time to time and as often as may be deemed expedient.

(c) In order to entitle Agency to exercise any remedy reserved to it in this PILOT Agreement, it shall not be necessary to give any notice, other than such notice as may be expressly required in this PILOT Agreement.

(d) In the event any provision contained in this PILOT Agreement should be breached by the Company and thereafter duly waived by the Agency, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

(e) No waiver, amendment, release or modification of this Agreement shall be established by conduct, custom or course of dealing.

ARTICLE V

MISCELLANEOUS

Section 5.01 Amendment of PILOT Agreement.

This PILOT Agreement may not be amended, changed, modified, altered or terminated, unless such amendment, change, modification, alteration or termination is in writing and signed by the Agency and the Company.

Section 5.02 Agreement to Run with the Land.

This PILOT Agreement shall run with the Land, both as respects benefits and burdens created herein, and shall be binding upon and inure to the benefit of the successors and assigns of the respective parties.

Section 5.03 Notices.

All notices, certificates or other communications hereunder shall be in writing and shall be sufficiently given and shall be deemed received, served or noticed, as applicable, when delivered or when mailed by United States registered or certified mail, postage prepaid, return receipt requested, to the Agency and the Company, as the case may be, addressed as follows:

To the Agency: Town of Riverhead Industrial Development Agency
 Town of Riverhead Town Hall
 200 Howell Avenue
 Riverhead, New York 11901
 Attention: Executive Director

To the Company: 400 BURMAN BLVD LLC
 1101 Scott Avenue

 Calverton, NY 11933

 Attn: Larry Menaker, Controller

With Copy To: Bonnie S. Nachamie, Esq.

 Bonnie S. Nachamie, P.C.

 7 Smith Street

 Merrick, NY 11566

To the Guarantor: Timothy W. Stevens

 1101 Scott Avenue

Calverton, NY 11933

To the Mortgagee: Community National Bank
200 Middle Neck Road
Great Neck, NY 11022
Attn: John J. Governale,
First Vice President

With a copy to: Berkman, Henoch, Peterson, Peddy &
Fenchel, PC
100 Garden City Plaza
Garden City, NY 11530
Attn: Steven J. Peddy, Esq.

Any notice, demand or report required to be delivered by the Agency or the Company hereunder shall also be delivered to the Mortgagee at the same time, and in the same manner, as such notice, demand or report is required to be given to the Agency or the Company hereunder.

The Agency shall deliver to the Mortgagee a copy of any notice of default or notice of its intent to terminate the Lease Agreement that the Agency delivers to the Company. Such copies shall be delivered at the same time and in the same manner as such notice is required to be given to the Company.

The Agency, Mortgagee or the Company may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates and other communications shall be sent.

Section 5.04 Binding Effect.

This PILOT Agreement shall inure to the benefit of the Agency and the Company, and shall be binding upon the Agency and the Company and their respective successors and assigns.

Section 5.05 Severability.

If any article, section, subdivision, paragraph, sentence, clause, phrase, provision or portion of this PILOT Agreement shall for any reason be held or adjudged to be invalid or illegal or unenforceable by any court of competent jurisdiction, such article, section, subdivision,

paragraph, sentence, clause, phrase, provision or portion so adjudged invalid, illegal or unenforceable shall be deemed separate, distinct and independent and the remainder of this PILOT Agreement shall be and remain in full force and effect and shall not be invalidated or rendered illegal or unenforceable or otherwise affected by such holding or adjudication.

Section 5.06 Counterparts.

This PILOT Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 5.07 Applicable Law.

This PILOT Agreement shall be governed by and construed in accordance with the laws of the State of New York. Venue is agreed to be vested in the Supreme Court of the State of New York at Suffolk County.

Section 5.08 Recording.

This PILOT Agreement shall be filed in the Office of the Suffolk County Clerk, Division of Land Records of the County of Suffolk pertaining to the real property described in Exhibit B hereto.

Section 5.09 Estoppel Certificates.

The Agency, within 10 days after a request in writing by the Company or a mortgagee, shall furnish a written statement, duly acknowledged, that this PILOT Agreement is in full force and effect and that there are not defaults thereunder by the Company, or if there are any defaults, such statement shall specify the defaults the Agency claims to exist.

Section 5.10 Termination.

Unless sooner terminated in accordance with the terms hereof, this PILOT Agreement, the Ground Lease and the Lease Agreement shall terminate thirty (30) days prior to the taxable status date in effect in the year 2024.

IN WITNESS WHEREOF, the Agency and the Company have caused this PILOT Agreement to be executed in their respective names as of the date first set forth above.

TOWN OF RIVERHEAD INDUSTRIAL
DEVELOPMENT AGENCY

By: _____

Thomas Cruso

Chairman

400 BURMAN BLVD LLC

By: _____

Timothy W. Stevens.

Authorized Representative

STATE OF NEW YORK)
) ss.:
COUNTY OF SUFFOLK)

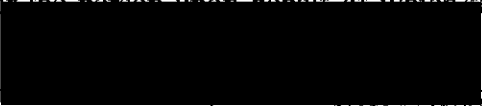
On the 11th day of November in the year 2013 before me, the undersigned, a notary public in and for said State, personally appeared Thomas Cruso personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Notary Public

RICHARD A. EHLERS
Notary Public, State of New York
Suffolk County No. 02EH4738288 11/4
Commission Expires February 28, 20__

STATE OF NEW YORK)
) ss.:
COUNTY OF SUFFOLK)

On the 11 day of November in the year 2013 before me, the undersigned, a notary public in and for said State, personally appeared Timothy W. Stevens 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 and that by his signature on the instrument, the individual, ~~on the person upon behalf of which the~~ individual acted, executed the instrument.



Notary Public
BONNIE S. NACHAMIE
Notary Public, State Of New York
No. 30-4831264
Qualified In Nassau County
Commission Expires February 28, 2014

Exhibit A

SCHEDULE A

REAL PROPERTY TAX ABATEMENT

<u>Tax Year</u>	<u>% of abatement over \$118,700 AV</u>
2014-2015	100%
2015-2016	90%
2016-2017	80%
2017-2018	70%
2018-2019	60%
2019-2020	50%
2020-2021	40%
2021-2022	30%
2022-2023	20%
2023-2024	10%
2024-2025	0%

EXHIBIT B

Description of Land

SCHEDULE A

DESCRIPTION OF THE LAND

ALL THAT CERTAIN PLOT, PIECE OR PARCEL OF LAND, SITUATE, LYING AND BEING AT CALVERTON, IN THE TOWN OF RIVERHEAD, COUNTY OF SUFFOLK AND STATE OF NEW YORK, BOUNDED AND DESCRIBED AS FOLLOWS;

BEGINNING AT AN INTERIOR POINT, SAID POINT BEING THE FOLLOWING THREE (3) COURSES AND DISTANCES FROM THE CORNER FORMED BY THE INTERSECTION OF THE NORTHERLY SIDE OF GRUMMAN BOULEVARD WITH THE EASTERLY SIDE OF WADING RIVER-MANORVILLE ROAD;

1. EASTERLY ALONG THE NORTHERLY SIDE OF GRUMMAN BOULEVARD, 10086.36 FEET TO A POINT;
2. THENCE LEAVING GRUMMAN BOULEVARD NORTH 04 DEGREES 07 MINUTES 36 SECONDS WEST 726.70 FEET TO A POINT;
3. THENCE ALONG A CURVE TO THE LEFT, HAVING A RADIUS OF 47443.04 FEET, 955.15 FEET TO THE SOUTHWESTERLY CORNER OF SUBJECT PREMISES, THE POINT OR PLACE OF BEGINNING;

RUNNING THENCE FROM SAID POINT OF BEGINNING THE FOLLOWING NINE (9) COURSES AND DISTANCES;

1. ALONG A CONTINUATION OF THE LAST MENTIONED CURVE TO THE LEFT, HAVING A RADIUS OF 47443.04 FEET A DISTANCE OF 676.59 FEET TO A POINT OF REVERSE CURVATURE;
2. THENCE NORTHERLY, NORTHEASTERLY AND EASTERLY, A DISTANCE OF 80.03 FEET ALONG THE ARC OF SAID CURVE CONCAVE TO THE SOUTHEAST HAVING A RADIUS OF 50.00 FEET;
3. THENCE NORTH 85 DEGREES 36 MINUTES 20 SECONDS EAST TANGENT TO SAID CURVE, A DISTANCE OF 418.24 FEET (DEED) 418.04 (ACTUAL) TO THE BEGINNING OF A CURVE TANGENT TO SAID LINE;
4. THENCE EASTERLY AND NORTHEASTERLY A DISTANCE OF 223.38 FEET ALONG THE CURVE CONCAVE TO THE NORTHWEST, HAVING A RADIUS OF 330.00 FEET;
5. THENCE NORTH 46 DEGREES 49 MINUTES 17 SECONDS EAST TANGENT TO SAID CURVE, A DISTANCE OF 213.96 FEET (DEED) 214.20 (ACTUAL)
6. THENCE SOUTH 11 DEGREES 49 MINUTES 43 SECONDS EAST A DISTANCE OF 531.26 FEET (DEED) 531.41' (ACTUAL)
7. THENCE NORTH 90 DEGREES 00 MINUTES 00 SECONDS WEST A DISTANCE OF 491.34 FEET;
8. THENCE SOUTH 04 DEGREES 00 MINUTES 00 SECONDS EAST A DISTANCE OF 441.71 FEET;
9. THENCE SOUTH 85 DEGREES 03 MINUTES 31 SECONDS WEST, A DISTANCE OF 402.25 FEET TO THE POINT OR PLACE OF BEGINNING.

EXHIBIT 2

APPLICATION FOR REAL PROPERTY EXEMPTION – 412-a

AMENDED



**NYS DEPARTMENT OF TAXATION & FINANCE
OFFICE OF REAL PROPERTY TAX SERVICES**

RP-412-a (1/95)

**INDUSTRIAL DEVELOPMENT AGENCIES
APPLICATION FOR REAL PROPERTY TAX EXEMPTION**
(Real Property Tax Law, Section 412-a and General Municipal Law, Section 874)

1. INDUSTRIAL DEVELOPMENT AGENCY (IDA)

Name Riverhead Industrial Development Agency
 Street 200 Howell Avenue
 City Riverhead, New York 11901
 Telephone no. Day (631) 3695129
 Evening () same
 Contact Tracy Stark-James
 Title Executive Director

2. OCCUPANT (IF OTHER THAN IDA)

(If more than one occupant attach separate listing)

Name 400 Burman Boulevard LLC
 Street 400 Burman Boulevard
 City Calverton, NY 11933
 Telephone no. Day (631) 208-3500
 Evening () same
 Contact Timothy W. Stevens
 Title Managing Member

3. DESCRIPTION OF PARCEL

- a. Assessment roll description (tax map no./roll year)
0600-135.020-0001-024.000
- b. Street address 400 Burman Boulevard
Calverton, NY 11933
- c. City, Town or Village Riverhead Town
- d. School District Riverhead Central
- e. County Suffolk
- f. Current assessment \$376,500.
- g. Deed to IDA (date recorded; liber and page)
Deed 1/18/07 L 12538 P 703 1/28/08

4. GENERAL DESCRIPTION OF PROPERTY (if necessary, attach plans or specifications)

- a. Brief description (include property use) Manufacturing Facility for construction and wall systems
- b. Type of construction mixed
- c. Square footage 65,778
- d. Total cost not applicable
- e. Date construction commenced Completed
- f. Projected expiration of exemption (i.e. date when property is no longer possessed, controlled, supervised or under the jurisdiction of IDA)
February 1, 2039

5. SUMMARIZE AGREEMENT (IF ANY) AND METHOD TO BE USED FOR PAYMENTS TO BE MADE TO MUNICIPALITY REGARDLESS OF STATUTORY EXEMPTION

(Attach copy of the agreement or extract of the terms relating to the project).

- a. Formula for payment See Attached Amended and Restated Payment in Lieu of Tax Agreement.
- b. Projected expiration date of agreement February 1, 2039

c. Municipal corporations to which payments will be made

	Yes	No
County <u>Suffolk</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Town/City <u>Riverhead</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Village <u>Manorville Fire</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
School District <u>Riverhead</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

d. Person or entity responsible for payment

Name Timothy W. Stevens
 Title Managing Member
 Address 1101 Scott Avenue
Calverton, NY 11933

e. Is the IDA the owner of the property? ☐ Yes ☒ No (check one)

If "No" identify owner and explain IDA rights or interest in an attached statement.

Telephone 631-208-3500

6. Is the property receiving or has the property ever received any other exemption from real property taxation? (check one) ☒ Yes ☐ No

If yes, list the statutory exemption reference and assessment roll year on which granted:
 exemption Article 18-A GML, RPTL 412-a assessment roll year 2013/2014

7. A copy of this application, including all attachments, has been mailed or delivered on 2/27/2019 (date) to the chief executive official of each municipality within which the project is located as indicated in Item 3.

CERTIFICATION

I, Tracy Stark-James, Executive Director of
Town of Riverhead Industrial Development Agency hereby certify that the information
Organization
 on this application and accompanying papers constitutes a true statement of facts.

 Date

 Signature

FOR USE BY ASSESSOR

1. Date application filed _____
2. Applicable taxable status date _____
- 3a. Agreement (or extract) date _____
- 3b. Projected exemption expiration (year) _____
4. Assessed valuation of parcel in first year of exemption \$ _____
5. Special assessments and special as valorem levies for which the parcel is liable:

 Date

 Assessor's signature