

VILLAGE OF PORT CHESTER INDUSTRIAL DEVELOPMENT AGENCY

And

1618 NORTH MAIN, LLC

PAYMENT IN-LIEU-OF-TAX AGREEMENT

1618 North Main, LLC - 2019 Project

Premises:

**16-18 North Main Street, Port Chester, New York
TMID Numbers 142.31-1-25 and 142.31-1-26, as may be merged**

IDA Project Number 5505-19-01A

Dated April 16, 2019

Affected Tax Jurisdictions:

Westchester County
Town of Rye
Village of Port Chester
Port Chester School District

PAYMENT IN-LIEU-OF-TAX AGREEMENT

THIS PAYMENT IN-LIEU-OF TAX AGREEMENT, dated as of April 16, 2019 (herein, this "Agreement" or "PILOT Agreement"), is by and between the **VILLAGE OF PORT CHESTER INDUSTRIAL DEVELOPMENT AGENCY**, a public benefit corporation duly existing under the laws of the State of New York with offices at 222 Grace Church Street, Port Chester, New York 10573 (the "Agency") and **1618 NORTH MAIN, LLC**, a limited liability company duly organized, validly existing and in good standing under the laws of the State of New York, with offices at 345 West Putnam Avenue, Greenwich, Connecticut 06830 (the "Company").

WITNESSETH:

WHEREAS, the Agency was created by Chapter 632 of the Laws of 1970 of the State of New York pursuant to Title I of Article 18-A of the General Municipal Law ("GML") of the State of New York (collectively, the "Act") as a body corporate and politic and as a public benefit corporation of the State of New York; and

WHEREAS, the Company has requested the Agency's assistance with a certain project (the "Project") consisting of: (i) the acquisition by the Agency of a leasehold interest in certain real property located at 16-18 North Main Street, Port Chester, New York (the "Land", being more particularly described as tax parcel numbers 142.31-1-25 and 142.31-1-26, as may be merged) along with the existing improvements thereon consisting principally of (a) an approximately 2,500 square foot vacant restaurant facility and connected 6-story building structure and (b) a 3-story mixed use building comprising approximately 4,000 square foot of rentable space, along with related infrastructure improvements (the "Existing Improvements"); (ii) the demolition and rehabilitation of portions of the Existing Improvements and the planning, design, construction, operation and leasing by the Company of a multi-tenanted, mixed use redevelopment project that will include: (a) an expanded restaurant facility with mezzanine, and (b) newly constructed 5-story addition with six (6) apartment units located on upper floors, along with related utility improvements, signage, curbage, sidewalks, and landscaping improvements (collectively, the "Improvements"); (iii) the acquisition of and installation in and around the Existing Improvements and Improvements by the Company of machinery, equipment, fixtures and other items of tangible personal property (the "Equipment" and, collectively with, the Land, the Existing Improvements and the Improvements, the "Facility"); and (iv) entering into a straight lease transaction (within the meaning of subdivision (15) of Section 854 of the Act), pursuant to which the Agency will retain a leasehold interest in the Facility for a period of time and sublease such interest in the Facility back to the Company (the "Straight Lease Transaction"); and

WHEREAS, in order to induce the Company to acquire, construct and equip the Facility, the Agency is willing to accept a leasehold interest in the Land included within the Facility pursuant to a certain Lease Agreement, dated as of the date hereof (the "Lease Agreement"), and lease said Land, along with the Improvements, Equipment and other personal property

constituting the Facility back to the Company pursuant to the terms and conditions of a certain Leaseback Agreement, also dated as of the date hereof (the "Leaseback Agreement"); and

WHEREAS, pursuant to Section 874(1) of the Act, the Agency is exempt from the payment of taxes imposed upon real property and improvements owned by it or under its jurisdiction, control or supervision, other than special ad valorem levies, special assessments and service charges against real property which are or may be imposed for special improvements or special district improvements; and

WHEREAS, the Agency and the Company deem it necessary and proper to enter into an agreement making provisions for payments in lieu of taxes by the Company to the Agency for the benefit of the Village of Port Chester (the "Village"), the Town of Rye (the "Town"), the County of Westchester (the "County"), and the Port Chester School District (hereinafter the "School District" or "School" and, collectively with the Village, Town and County, the "Affected Tax Jurisdictions").

NOW, THEREFORE, in consideration of the covenants herein contained, and other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, it is mutually agreed as follows:

Section I - Payment in lieu of Ad Valorem Taxes:

Section 1.1 A. Subject to the completion and filing by the taxable status date of **May 1, 2019** (the "Taxable Status Date") of New York State Form RP-412-a Application For Real Property Tax Exemption (the "Exemption Application") under Section 412-a of the New York State Real Property Tax Law ("RPTL") and Section 874 of the Act and the receipt of the Exemption Application by the appropriate assessors, the Facility shall be exempt from Real Estate Taxes commencing with the 2020 Town and County tax years and the 2020-21 Village and School tax years. For purposes of the foregoing "Real Estate Taxes" means all general levy real estate taxes levied against the Facility by the City, County and School District. The Company shall provide the Agency with the information necessary for the completion and filing of the Exemption Application and shall provide such additional information and take such actions as are required by the appropriate assessors to process the Exemption Application. Notwithstanding anything contained herein or in the Leaseback Agreement to the contrary, in the event the exemption from Real Estate Taxes is denied for any reason, the Company shall pay (and hereby agrees to pay) all Real Estate Taxes levied upon the Facility as they become due. After giving written notice to the Agency, the Company may in good faith contest any denial of the Exemption Application, provided that (i) the overall operating efficiency of the Facility is not impaired and the Facility continues to qualify as a "project" under the Act; (ii) neither the Facility nor any part of or interest in it would be in any danger of being sold, forfeited or lost; or (iii) neither the Company nor the Agency, as a result of such contest, shall be in any danger of any civil or criminal liability. The Company hereby waives any claim or cause of action against the Agency, and releases the Agency from any liability to the Company, arising from the denial of an exemption from Real Estate Taxes except to the extent that such denial results solely from the failure of the Agency to file the Exemption Application with the appropriate assessors by the Taxable Status Date.

B. Payee. As long as the Facility is owned by the Agency or under its jurisdiction, control or supervision, the Company agrees to pay annually to the Agency, on behalf of the Affected Tax Jurisdictions, as a payment in-lieu-of-taxes, on or before October 1 of each year during the term hereof (each a "Payment Date"), commencing on October 1, 2021 an amount equal to the Total PILOT payment (the "Total PILOT Payment") as described on **Schedule A** attached hereto. The Agency shall submit an invoice to the Company on or about September 1 of each PILOT Year covered by this Agreement for the Total PILOT Payment due for such PILOT Year (each a "PILOT Invoice"), however, the Company shall timely pay all Total PILOT Payments on or before October 1 in each PILOT Year even in the absence of transmittal and/or receipt of a PILOT Invoice. Each PILOT Invoice will identify the Total PILOT Payment, with a separate statement of the amount of any Future Addition PILOT Payment, if applicable.

The parties agree and acknowledge that payments made hereunder are to obtain revenues for public purposes, and to provide a revenue source that the Affected Tax Jurisdictions would otherwise lose because the subject parcels are not on the tax rolls.

The Company acknowledges and agrees that the Company shall timely pay all Real Estate Taxes and Special District Taxes (as each are defined herein) accruing and payable prior to the Taxable Status Date for those tax years prior to the effective dates contained herein.

1.2 Allocation. In accordance with Section 874 of the Act, the Agency shall remit to the Affected Tax Jurisdictions amounts received hereunder within thirty (30) days of receipt of said payment and shall allocate said payments among the Affected Tax Jurisdictions in the same proportion as ad valorem taxes would have been allocated but for the Agency's involvement, unless the Affected Tax Jurisdictions have consented in writing to a specific allocation. The Company shall have no obligation to ensure appropriate distributions of any Total PILOT Payment (including any applicable penalties or interest to the extent paid late) to the Affected Tax Jurisdictions by the Agency and shall be deemed released from any further obligations for timely distribution of any such payments made by the Company to the Agency.

1.3 Tax Rates. For purposes of determining the calculation and allocation of the Total PILOT Payment among the Affected Tax Jurisdictions, the Agency shall use the last tax rate utilized for levy of taxes by each such jurisdiction. For County and Town purposes, the tax rates used to determine the allocation of the Total PILOT Payment shall be the tax rates relating to the calendar year which includes the PILOT payment due date. For Village and School District purposes, the tax rates used to determine the PILOT payment shall be the rate relating to the Village and School District fiscal years which include the PILOT payment due date.

1.4 Valuation of and PILOT Payments for Future Additions to the Facility: If there shall be a future addition to the Facility constructed or added in any manner after the date of this Agreement (apart from the Project described herein), the Company shall notify the Agency of such future addition ("Future Addition"). The notice to the Agency shall contain a copy of the application for a building permit, plans and specifications, and any other relevant information that the Agency may thereafter request. Unless otherwise incorporated as an amendment hereto or through a supplemental PILOT Agreement entered into by the Agency upon application by the

Company, beginning with the first PILOT Year after March 1 following the earlier of substantial completion, or the issuance of a certificate of occupancy for any such Future Addition to the Facility, the Company shall become liable for payments in lieu of taxes related to such Future Addition ("Future Addition PILOT Payment") which shall be separate and apart from the Total PILOT Payment and which shall be equal each year to the assessment of such Future Addition by the Town Assessor(s) less any applicable exemption other than the Agency's exemption, multiplied by the then current tax rates of the Affected Tax Jurisdictions. PILOT Invoices shall reflect any Future Addition PILOT Payments. The applicable assessor shall notify the Company of any proposed increase in the Total PILOT Payment related to such Future Addition. If the Company shall disagree with the determination of assessed value for any Future Additions made by the Assessor, the Company may challenge such assessment in accordance with Article IV hereof. Notwithstanding any disagreement between the Company and the assessor, the Company shall pay the Future Addition PILOT Payment as a component of Total PILOT payment until a different Future Addition PILOT Payment shall be established. If a lesser Future Addition PILOT Payment is determined in any proceeding or by subsequent agreement of the parties, the Future Addition PILOT Payment shall be re-computed and any excess payment shall be refunded to the Company or, in the Agency's sole discretion, such excess payment shall be applied as a credit against the next succeeding Future Addition PILOT Payment(s).

1.5 Period of Benefits. The tax benefits provided for herein should be deemed to include (i) the 2021 Town and County tax years through the 2029 Town and County tax years; and (ii) the 2021-22 Village and School tax year through December 31, 2029 of the 2029-30 Village and School tax years. This PILOT Agreement shall expire on December 31, 2029 (but in all events shall be co-terminus with the Leaseback Agreement); provided, however, the Company shall pay the 2030 City and County tax bills and the 2030-31 Village and School tax bills on the dates and in the amounts as if the Agency were not in title on the tax status date with respect to said tax years (and in accordance with RPTL Section 520, the Company shall also timely pay all applicable Village and School taxes accruing after December 31, 2029 following the termination of this PILOT Agreement). In no event shall the Company be entitled to receive tax benefits relative to the Facility for more than the periods provided for herein, unless the period is extended by amendment to this Agreement executed by both parties after any applicable public hearings. The Company agrees that it will not seek any tax exemption for the Facility which could provide benefits in addition or supplement to those provided herein, or for more than the periods provided for herein and specifically agrees that the exemptions provided for herein, to the extent actually received (based on the number of lease years elapsed), supersede and are in substitution of the exemptions provided by RPTL Sections 485-b and 485-e. It is hereby agreed and understood that the Affected Tax Jurisdictions can rely upon and enforce the above waiver to the same extent as if they were signatories hereto.

Section II - Special District Charges, Special Assessments, and other charges.

2.1 Special district charges, special assessments, and special ad valorem levies (specifically including but not limited to any fire district charges or "curb charges"), applicable pure water charges, and all sewer charges (all of the foregoing, collectively, "Special District Charges") are to be paid in full by the Company to the applicable Affected Tax Jurisdiction and/or applicable special district in accordance with normal billing practices. No such payment

by the Company for Special District Charges shall serve to offset the amount of Total PILOT Payments due hereunder.

Section III - Transfer of Facility.

3.1 In the event that the Facility is transferred from the Agency to the Company (the Lease Agreement and Leaseback Agreement are terminated, and herein, a "Transfer"), and the Company is ineligible for a continued tax exemption under some other tax incentive program, or the exemption results in a payment to the Affected Tax Jurisdictions in excess of the payment described in Section I herein, or this Agreement terminates and the property is not timely transferred back to the Company, the provisions of RPTL Sections 302 and 520 shall be deemed to apply, and the Company agrees to pay to each of the Affected Tax Jurisdictions no later than (i) the next tax levy date (plus any applicable grace period), or (ii) the date required pursuant to any invoice issued pursuant to RPTL Section 520, an amount equal to the taxes and assessments which would have been levied on the Facility if the Facility had been classified as fully taxable as of the date of transfer or loss of eligibility of all or a portion of the exemption described herein or date of termination.

Section IV - Assessment Challenges.

4.1 The Company shall have all of the rights and remedies of a taxpayer as if and to the same extent as if the Company were the owner of the Facility or any Future Addition, with respect to any proposed assessment or change in assessment with respect to the Facility or any Future Addition by any of the Affected Tax Jurisdictions and likewise shall be entitled to protest before and be heard by the appropriate assessors or Board of Assessment Review, and shall be entitled to take any and all appropriate appeals or initiate any proceedings to review the validity or amount of any assessment or the validity or amount of any tax equivalent provided for herein. The Company, on its own behalf, and on behalf of its tenants, heirs, successors and assigns, hereby acknowledges and agrees that any such challenge shall not impact or reduce the amount of Base Value, as defined herein, which may not be challenged or reduced in any fashion during the term hereof. The foregoing forbearance from any challenge or protest relating to the amount of Base Value shall survive the assignment or termination of this Agreement and/or the Leaseback Agreement and shall be enforceable by the Agency or any of the Affected Tax Jurisdictions for the contemplated term of this Agreement (December 31, 2029).

4.2 The Company shall have all of the rights and remedies of a taxpayer with respect to any Special Charges as if and to the same extent as if the Company were the owner of the Facility.

4.3 The Company shall (i) use reasonable efforts to cause the appropriate real estate tax assessment office and tax levy officers to assess any Future Addition and apply tax rates to the respective assessments as if the Future Addition were owned by the Company, (ii) file any accounts or tax returns required by the appropriate real estate tax assessment office and tax levy officers.

Section V - Changes in Law.

5.1 To the extent the Facility is declared to be subject to taxation or assessment by an amendment to the Act, other legislative change, or by final judgment of a Court of competent jurisdiction, the obligations of the Company hereunder shall, to such extent, be null and void.

Section VI - Events of Default.

6.1 The following shall constitute "Events of Default" hereunder. The failure by the Company to: (i) make the payments described in Section I on or before the Payment Date (the "Delinquency Date"); (ii) make any other payments described herein on or before the last day of any applicable cure period within which said payment can be made without penalty; or (iii) the occurrence and continuance of any events of default under the Leaseback Agreement after the expiration of any applicable cure periods. Upon the occurrence of any Event of Default hereunder, in addition to any other right or remedy the Agency and/or the Affected Tax Jurisdictions may have at law or in equity, the Agency and/or Affected Tax Jurisdictions may, immediately and without further notice to the Company (but with notice to the Agency with respect to actions maintained by the Affected Tax Jurisdictions) pursue any action in the courts to enforce payment or to otherwise recover directly from the Company any amounts so in default. The Agency and the Company hereby acknowledge the right of the Affected Tax Jurisdictions to recover directly from the Company any amounts so in default pursuant to GML Section 874(6) and the Company shall immediately notify the Agency of any action brought, or other measure taken, by any Affected Tax Jurisdiction to recover any such amount.

6.2 If payments pursuant to Section I herein are not made by the Delinquency Date, or if any other payment required to be made hereunder is not made by the last day of any applicable cure period within which said payment can be made without penalty, the Company shall pay penalties and interest as follows. With respect to payments to be made pursuant to Section I herein, if said payment is not received by the Delinquency Date defined in Section 6.1 herein, Company shall pay, in addition to said payment, (i) a late payment penalty equal to five percent (5%) of the amount due and (ii) for each month, or any part thereof, that any such payment is delinquent beyond the first month, interest on the total amount due plus the late payment penalty, in an amount equal to one percent (1%) per month. With respect to all other payments due hereunder, if said payment is not paid within any applicable cure period, Company shall pay, in addition to said payment, the greater of the applicable penalties and interest or penalties and interest which would have been incurred had payments made hereunder been tax payments to the Affected Tax Jurisdictions.

Section VII - Assignment.

7.1 No portion of any interest in this Agreement may be assigned by the Company, nor shall any person other than the Company be entitled to succeed to or otherwise obtain any benefits of the Company hereunder without the prior application to and written consent of the Agency as applicable and in accordance with the Leaseback Agreement. The assignment, mortgage, collateral assignment, or grant of security interest in all or any part of Agency's interests in the Facility, including the Company's rights and obligations pursuant to this

Agreement, or any part or parts thereof, in connection with the Company's financing of the Facility, shall be governed pursuant to Section 6.1 of the Leaseback Agreement. In connection with any such assignment, mortgage, collateral assignment or grant of security interest, the Agency agrees to execute an estoppel certificate regarding the status of this Agreement, and such further documents as are reasonably requested by any person providing debt, equity, or other financing for the Facility. Other than by operation of law in accordance with the Act, the Agency shall not assign or cause the assignment of this Agreement to any other party without the Company's written consent.

Section VIII - Miscellaneous.

8.1 Counterparts. This Agreement may be executed in any number of counterparts each of which shall be deemed an original but which together shall constitute a single instrument.

8.2 Notices. All notices, claims and other communications hereunder shall be in writing and shall be deemed to be duly given if personally delivered or mailed first class, postage prepaid, or by nationally recognized courier, such as Federal Express, as follows:

To the Agency: Village of Port Chester Industrial Development Agency
222 Grace Church Street
Port Chester, New York 10573
Attn: Chairman

With Copy To: Harris Beach PLLC
677 Broadway, Suite 1101
Albany, New York 12207
Attn: Justin S. Miller, Esq.

To the Company: 1618 North Main, LLC
c/o Peter Carriero, President
Post Road Iron Works, Inc.
345 West Putnam Avenue
Greenwich, Connecticut 06830

With Copy To: DelBello Donnellan Weingarten Wise & Widerkehr, LLP
1 North Lexington Avenue
White Plains, New York 10601
Attn: Peter J. Wise, Esq.

or at such other address as any party may from time to time furnish to the other party by notice given in accordance with the provisions of this Section. All notices shall be deemed given when mailed or personally delivered in the manner provided in this Section.

8.3 Applicable Law. This Agreement shall be governed by, and all matters in connection herewith shall be construed and enforced in accordance with, the laws of the State of

New York applicable to agreements executed and to be wholly performed therein and the parties hereto hereby agree to submit to the personal jurisdiction of the federal or state courts located in Westchester County, New York.

8.4 No Recourse. Notwithstanding any other term or condition contained herein, all obligations of the Agency hereunder shall constitute a special obligation payable solely from the revenues and other monies, if any, derived from the Facility and paid to the Agency by the Company. Neither member of the Agency nor any person executing this Agreement on its behalf shall be liable personally under this Agreement. No recourse shall be had for the payment of the principal or interest on amounts due hereunder or for any claim based upon or in respect of any modification of or supplement hereto against any past, present or future member, officer, agent, servant, or employee, as such, of the Agency, or of any successor or political subdivision, either directly or through the Agency or any such successor, all such liability of such members, officer, agents, servants and employees being, to the extent permitted by law, expressly waived and released by the acceptance hereof and as part of the consideration for the execution of this Agreement.

8.5 Agency Financial Assistance Recapture Provisions. In accordance with the Agency's Project Recapture and Termination Policy, as adopted June 7, 2016 (the "Recapture Policy"), and notwithstanding anything contained herein to the contrary, the Agency, at its sole but reasonable discretion and on a case-by-case basis, may determine during the term hereof, (but shall not be required to do so) that the Project has failed to meet its intended capital investment and job creation goals as detailed within the Application for Financial Assistance submitted by the Company to the Agency, as updated December 22, 2017 (the "Application") and memorialized and defined as "Material Term Commitment #1" and "Material Term Commitment #2" within the Agent and Financial Assistance and Project Agreement, dated as of April 16, 2019 (the "Agent Agreement") and entered into by the Agency and the Company, or failed to cause the Facility to be constructed, as described herein, and to require the Company to agree to the recapture by the Agency of the value of any or all exemptions from taxation granted with respect to the project by virtue of the Agency's involvement. Events that the Agency may determine will trigger recapture (each a "Recapture Event") may include, but not limited to (i) permanent closure of all or portions of the Facility; (ii) a default by the Company under the Agent Agreement which is subject to a Recapture Event Determination; (iii) Significant change in use in Facility, which shall mean a change in use of the Facility from its intended use as a mixed use restaurant and market rate apartment facility, or such other use as may be consented to by the Agency in writing; (iv) Significant change in business activities at the Facility, which shall mean a change in the business activities from the intended use of the Facility as a mixed use restaurant and market rate apartment facility, or such other use as may be consented to by the Agency in writing; or (v) material noncompliance with or breach of terms of Agency transaction documents (including any Event of Default as defined herein or within the Leaseback Agreement). If the Agency determines to provide for the recapture of benefits with respect to the Project, the Agency also shall, in its sole but reasonable discretion and on a case-by-case basis, determine the timing and percentage of recapture. The Agency shall notify the Company in writing within thirty (30) days of any such Recapture Event and/or Event of Default of its intent to recapture any financial assistance provided by the Agency to the Company, including PILOT benefits (or any portion thereof, and collectively, a "Recapture"), and in accordance with the

Recapture Policy, the Company will be afforded a hearing at which the Company will be provided with an opportunity to provide a valid explanation for the Recapture Event. Following said hearing, and upon the Agency's final determination for a Recapture, the Company agrees to pay same within thirty (30) days of demand therefor.

8.6 Consents to be Reasonable. Any approval, consent, opinion or judgment of the parties hereto provided for herein shall not be unreasonably withheld, conditioned or delayed, except as may be specifically provided for otherwise herein.

8.7 Successors and Assigns. This Agreement shall inure to the benefit of, and shall be binding upon the parties hereto and their respective successors and assigns as permitted hereunder and within the Leaseback Agreement.

8.8 Severability. If any article, section, subdivision, paragraph, sentence, clause, phrase, provision or portion of this 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 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.

8.9 Section Headings Not Controlling. The headings of the several Sections in this Agreement have been prepared for convenience of reference only and shall not control or affect the meaning of or be taken as an interpretation of any provision of this Agreement.

8.10 No Waiver. In the event any agreement herein should be breached by any party and thereafter waived by any other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

8.11 Amendment. This Agreement may not be amended, changed, modified or altered except in writing executed by the parties hereto.


8.12 Complete Agreement. Unless supplemented or otherwise amended in writing by the Company and the Agency in accordance with the laws of the State of New York, this Agreement constitutes the parties' entire agreement with respect to the subject set forth herein except as may be provided for in the Leaseback Agreement and no other agreements or policies, written or unwritten, implied or express, will be deemed effective.

(Remainder of page intentionally left blank)

[Signature Page to PILOT Agreement]

IN WITNESS WHEREOF, the Agency and the Company have caused this PILOT Agreement to be executed as of the date first above written.

**VILLAGE OF PORT CHESTER INDUSTRIAL
DEVELOPMENT AGENCY**

By: 
Name: Christopher Steers
Title: Administrative Director

1618 NORTH MAIN, LLC

By: _____
Name: Peter Carriero
Title: President

[Signature Page to PILOT Agreement]

IN WITNESS WHEREOF, the Agency and the Company have caused this PILOT Agreement to be executed as of the date first above written.


**VILLAGE OF PORT CHESTER INDUSTRIAL
DEVELOPMENT AGENCY**

By: _____

Name: Christopher Steers

Title: Administrative Director

1618 NORTH MAIN, LLC

By:  _____

Name: Peter Carriero

Title: ~~President~~
Manager

[Acknowledgment Page to PILOT Agreement]

STATE OF NEW YORK

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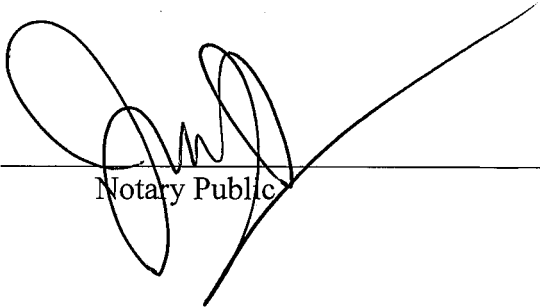
) ss.:

COUNTY OF WESTCHESTER

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On the 15th day of April in the year 2019, before me, the undersigned, personally appeared **CHRISTOPHER STEERS**, 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.

JUSTIN S. MILLER
Notary Public, State of New York
No. 02MI6020242
Qualified in Albany County
Commission Expires June 8, 2019



Notary Public

STATE OF NEW YORK)

) ss.:

COUNTY OF WESTCHESTER)

On the ___ day of April in the year 2019, before me, the undersigned, personally appeared **PETER CARRIERO**, 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

SCHEDULE A
TO PILOT AGREEMENT DATED AS OF APRIL 16, 2019
VILLAGE OF PORT CHESTER INDUSTRIAL DEVELOPMENT AGENCY AND
1618 NORTH MAIN, LLC

Total PILOT Payment” shall be calculated as follows:

<u>PILOT Year</u>	<u>County and Town Tax Years</u>	<u>Village and School Tax Years</u>	<u>Total PILOT Payment</u>
Interim	2019 and 2020	2018-2019, 2019-2020 and 2020-2021	Base Value only
Year 1	2021	2021-22	Base Value, plus (Added Value x .00)
Year 2	2022	2022-23	Base Value, plus (Added Value x .00)
Year 3	2023	2023-24	Base Value, plus (Added Value x .10)
Year 4	2024	2024-25	Base Value, plus (Added Value x .20)
Year 5	2025	2025-26	Base Value, plus (Added Value x .30)
Year 6	2026	2026-27	Base Value, plus (Added Value x .40)
Year 7	2027	2027-28	Base Value, plus (Added Value x .50)
Year 8	2028	2028-29	Base Value, plus (Added Value x .60)
Year 9	2029	2029-30	Base Value, plus (Added Value x .70)

For the term of this PILOT Agreement, the Company shall continue to pay full taxes based on the assessed value of the Land and any improvements existing thereon as of the date of this agreement prior to the completion of any Project improvements (the “Base Valuation”). During the term of this PILOT Agreement, the Base Valuation shall be frozen at a total of \$532,500.00. The Total Taxable Valuation for each Total PILOT Payment shall be calculated such that a graduated abatement factor (“Abatement Factor”) shall be applied to the increased assessed valuation attributable to the Improvements made to the Facility by the Company, as an Agent of the Agency, as noted above (the “Added Value”). This PILOT Agreement terminates on December 31, 2029.

Once the Total Taxable Valuation is established using the Abatement Factor, the Total PILOT Payment shall be determined by multiplying the Total Taxable Valuation by the respective tax rate for each affected tax jurisdiction (after application of any applicable equalization rate).

Total Taxable Valuation = Base Valuation + (Added Value x Abatement Factor)
Total PILOT Payment = Total Taxable Valuation (after equalization) x Tax Rate