

Date: February 20, 2019

At a meeting of the Town of Brookhaven Industrial Development Agency (the “Agency”), held at 1 Independence Hill, 3rd Floor, Farmingville, New York 11738, on the 20th day of February, 2019, the following members of the Agency were:

Present: Frederick C. Braun, III  
Martin Callahan  
Gary Pollakusky  
Ann-Marie Scheidt  
Frank C. Trotta

Recused:

Absent: Felix J. Grucci, Jr.  
Scott Middleton

Also Present: Lisa M. G. Mulligan, Chief Executive Officer

After the meeting had been duly called to order, the Chairman announced that among the purposes of the meeting was to consider and take action on certain matters pertaining to a certain industrial development facility more particularly described below (Selden Commercial Center, LLC 2013 Facility).

The following resolution was duly moved, seconded, discussed and adopted with the following members voting:

Voting Aye

Braun  
Callahan  
Pollakusky  
Scheidt  
Trotta

Voting Nay

RESOLUTION OF THE TOWN OF BROOKHAVEN INDUSTRIAL DEVELOPMENT AGENCY TAKING OFFICIAL ACTION TOWARD AUTHORIZING THE EXTENSION OF SALES TAX ABATEMENTS FOR SELDEN COMMERCIAL CENTER, LLC FACILITY, AND THE EXECUTION OF RELATED DOCUMENTS.

WHEREAS, by Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 358 of the Laws of 1970 of the State of New York, as amended from time to time (collectively, the “**Act**”), the Town of Brookhaven Industrial Development Agency (the “**Agency**”) was created with the authority and power among other things, to assist with the acquisition of certain industrial development projects as authorized by the Act; and

WHEREAS, the Act authorizes and empowers the Agency to promote, develop, encourage and assist projects such as the Facility and to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York; and

WHEREAS, the Agency previously provided assistance to Selden Commercial Center, LLC, a limited liability company duly organized and validly existing under the laws of the State of New York (the “**Company**”), in: (A) the renovation and equipping of a mixed-use industrial development facility consisting of (i) the acquisition of a leasehold interest in an approximately 6.84 acre parcel of land located at 635 Middle Country Road, Coram, Town of Brookhaven, New York (and further identified as Section 474 Block 2 Lot 1) (the “**Land**”), and an existing approximately 63,754 square foot facility located thereon (the “**Existing Building**”), which consisted of a vacant supermarket, vacant restaurant space and a day care center, (ii) the renovation of approximately 50,000 square feet of the Existing Building (the “**Renovated Space**”), (iii) the expansion of the ceiling height of the Renovated Space to be approximately 50 feet (clauses (i), (ii) and (iii) collectively referred to as the “**Improvements**”), and (iv) the acquisition, equipping and furnishing of the Renovated Space including landscaping, repaving of the existing parking area (collectively, the “**Equipment**”; and, together with the Land and the Improvements, the “**Original Facility**”), to be leased by the Agency the Company for further sublease by the Company to various tenants (collectively, the “**Sublessees**”), for use as a mixed-use facility indoor sports complex including, but not limited to, space for hosting leagues, clinics and regional tournament play, a day care center and future restaurants; (B) the acquisition and installation of approximately 1323 solar panels to be installed by the Company on the roof of the Facility and certain equipment generating approximately 430 kW of electricity in connection therewith (the “**2017 Facility**”) (the “**Project**”); and (C) the exclusion of an approximately 1,650 square foot portion of the Original Facility currently being subleased to Crossfit 631 and an approximately 950 square foot portion of the Original Facility which is currently a vacant restaurant (the “**Excluded Premises**”), from the Facility (the Original Facility, together with the 2017 Facility, less the Excluded Premises, shall be known as the “**Facility**”); and

WHEREAS, the Company leased the Facility to the Agency pursuant to a Company Lease Agreement, dated as of November 1, 2013 (the “**Company Lease**”), between the Company and the Agency; and

WHEREAS, the Agency currently leases the Facility to the Company pursuant to an Amended and Restated Lease and Project Agreement, dated as of November 1, 2017 (the “**Lease Agreement**”), between the Agency and the Company; and

WHEREAS, pursuant to Section 3.6 of the Lease Agreement, the Company agreed to complete the acquisition, construction and equipping of the 2017 Facility no later than December 31, 2018 (the “**Completion Date**”); and

WHEREAS, in order to complete the acquisition, construction and equipping of the 2017 Facility, the Company has now requested that the Agency extend the Completion Date to June 1, 2019 (the “**Completion Date Extension**”); and

WHEREAS, to provide for the Completion Date Extension, the Agency and the Company will enter into a certain Letter Agreement, dated as of February 1, 2019, or such other date as may be determined by the Chairman, Chief Executive Officer and counsel to the Agency (the “**Letter Agreement**”), by and between the Agency and the Company; and

WHEREAS, the Act authorizes and empowers the Agency to promote, develop, encourage and assist projects such as the Facility and to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York; and

NOW, THEREFORE, BE IT RESOLVED by the Agency (a majority of the members thereof affirmatively concurring) as follows:

Section 1. The Agency hereby finds and determines:

(a) By virtue of the Act, the Agency has been vested with all powers necessary and convenient to carry out and effectuate the purposes and provisions of the Act and to exercise all powers granted to it under the Act; and

(b) The Facility constitutes a “project”, as such term is defined in the Act; and

(c) The acquisition, construction and equipping of the 2017 Facility and the continued subleasing and leasing of the Facility to the Company, will promote and maintain the job opportunities, health, general prosperity and economic welfare of the citizens of Town of Brookhaven, and the State of New York and improve their standard of living and thereby serve the public purposes of the Act; and

(d) The acquisition, construction and equipping of the Facility is reasonably necessary to induce the Company to maintain and expand its business operations in the State of New York; and

(e) The Letter Agreement will be effective instruments whereby the Agency grants the Completion Date Extension to the Company.

Section 2. In consequence of the foregoing, the Agency hereby (i) approves the Completion Date Extension, (ii) approves the form and substance of the Letter Agreement,

and (iii) authorizes the execution and delivery of the Letter Agreement and such other related documents as may be necessary or appropriate to effect the Completion Date Extension.

Section 3. Counsel to the Agency and Nixon Peabody LLP, Transaction Counsel to the Agency are hereby authorized and directed to prepare, for submission to the Agency, the Letter Agreement and all documents necessary to effect the Completion Date Extension described in the foregoing resolution.

Section 4. The Chairman, the Chief Executive Officer, and any member of the Agency are each hereby authorized and directed (i) to distribute copies of this resolution to the Company, and (ii) to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this resolution.

Section 5. This resolution shall take effect immediately.

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

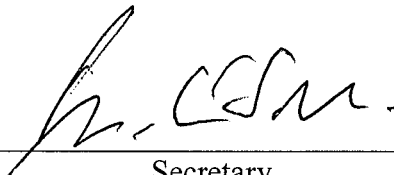
I, the undersigned Secretary of the Town of Brookhaven Industrial Development Agency, DO HEREBY CERTIFY:

That I have compared the annexed extract of the minutes of the meeting of the Town of Brookhaven Industrial Development Agency (the “**Agency**”), including the resolutions contained therein, held on the 20th day of February, 2019, with the original thereof on file in my office, and that the same is a true and correct copy of the proceedings of the Agency and of such resolutions set forth therein and of the whole of said original insofar as the same related to the subject matters therein referred to.

That the Agency Documents contained in this transcript of proceedings are each in substantially the form presented to the Agency and/or approved by said meeting.

I FURTHER CERTIFY that public notice of the time and place of said meeting was duly given to the public and the news media in accordance with the New York Open Meetings Law, constituting Chapter 511 of the Laws of 1976 of the State of New York, that all members of said Agency had due notice of said meeting and that the meeting was all respects duly held.

IN WITNESS WHEREOF, I have hereunto set my hand as of the 20th day of February, 2019.

By:   
Secretary

Date: August 15, 2018

At a meeting of the Town of Brookhaven Industrial Development Agency (the “Agency”), held on the 15th day of August, 2018 at 8:00 a.m. local time, at the Town of Brookhaven, 1 Independence Hill, 3<sup>rd</sup> Floor, Farmingville, New York 11738, the following members of the Agency were:

Present: Frederick C. Braun, III  
Martin Callahan  
Felix J. Grucci, Jr.  
Michael Kelly  
Ann-Marie Scheidt  
Gary Pollakusky

Recused:

Absent: Scott Middleton

Also Present: Lisa M. G. Mulligan, Chief Executive Officer

After the meeting had been duly called to order, the Chairman announced that among the purposes of the meeting was to consider and take action on certain matters pertaining to the proposed mortgage financing and the execution of related loan documents in connection with a certain industrial development facility more particularly described below (Selden Commercial Center, LLC 2017 Facility) and approving the execution and delivery of related documents.

The following resolution was duly moved, seconded, discussed and adopted with the following members voting:

Voting Aye

Braun  
Callahan  
Grucci  
Kelly  
Scheidt  
Pollakusky

Voting Nay

RESOLUTION OF THE TOWN OF BROOKHAVEN INDUSTRIAL DEVELOPMENT AGENCY AUTHORIZING MORTGAGE FINANCING AND THE EXECUTION AND DELIVERY OF LOAN DOCUMENTS IN CONNECTION THEREWITH FOR THE SELDEN COMMERCIAL CENTER 2017 FACILITY AND APPROVING THE FORM, SUBSTANCE, EXECUTION AND DELIVERY OF SUCH RELATED DOCUMENTS

WHEREAS, by Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 358 of the Laws of 1970 of the State of New York, as the same may be amended from time to time (collectively, the “**Act**”), the Town of Brookhaven Industrial Development Agency (the “**Agency**”), was created with the authority and power among other things, to assist with certain industrial development projects as authorized by the Act; and

WHEREAS, the Agency has previously assisted Selden Commercial Center, LLC, a New York limited liability company (the “**Company**”), in the renovation and equipping of a mixed-use industrial development facility consisting of (i) the acquisition of a leasehold interest in an approximately 6.84 acre parcel of land located at 635 Middle Country Road, Coram, Town of Brookhaven, New York (and further identified as Section 474 Block 2 Lot 1) (the “**Land**”), and an existing approximately 63,754 square foot facility located thereon (the “**Existing Building**”), which consisted of a vacant supermarket, vacant restaurant space and a day care center, (ii) the renovation of approximately 50,000 square feet of the Existing Building (the “**Renovated Space**”), (iii) the expansion of the ceiling height of the Renovated Space to be approximately 50 feet (clauses (i), (ii) and (iii) collectively referred to as the “**Improvements**”), and (iv) the acquisition, equipping and furnishing of the Renovated Space including landscaping, repaving of the existing parking area (collectively, the “**Equipment**”; and, together with the Land and the Improvements, the “**Original Facility**”), to be leased by the Agency the Company for further sublease by the Company to various tenants (collectively, the “**Sublessees**”), for use as a mixed-use facility indoor sports complex including, but not limited to, space for hosting leagues, clinics and regional tournament play, a day care center and future restaurants; and

WHEREAS, the Agency acquired a leasehold interest in the Land and the Improvements pursuant to a certain Company Lease Agreement, dated as of November 1, 2013 (the “**Company Lease**”), between the Company and the Agency; and

WHEREAS, the Agency acquired title to the Equipment pursuant to a certain Bill of Sale, dated November 12, 2013 (the “**Original Bill of Sale**”), from the Company to the Agency; and

WHEREAS, the Agency currently leases the Original Facility to the Company pursuant to a certain Lease Agreement, dated as of November 1, 2013 (the “**Original Lease Agreement**”), by and between the Agency and the Company; and

WHEREAS, the Agency and the Company previously entered into a certain Payment-in-Lieu-of-Tax Agreement, dated as of November 1, 2013 (the “**PILOT Agreement**”), whereby the Company agreed to make certain payments-in-lieu-of-taxes to the Taxing Authorities (as defined therein); and

WHEREAS, the Agency and the Company previously entered into a certain Recapture Agreement, dated as of November 1, 2013 (the “**Recapture Agreement**”), by and between the Agency and the Company; and

WHEREAS, the Agency and the Company previously entered into a certain Environmental Compliance and Indemnification Agreement, dated as of November 1, 2013 (the “**Environmental Compliance and Indemnification Agreement**”), by and between the Agency and the Company; and

WHEREAS, in connection with the leasing and subleasing of the Original Facility, the Company and the Agency mortgaged their respective interests in the Original Facility by entering into a Mortgage and Security Agreement, dated November 12, 2013 (the “**2013 Mortgage**”), from the Company and the Agency to New York Commercial Bank (the “**Lender**”), securing the principal amount of \$2,999,999; and

WHEREAS, the Company previously requested the Agency’s assistance with respect to the acquisition and installation of approximately 1323 solar panels to be installed by the Company on the roof of the Facility and certain equipment generating approximately 430 kW of electricity in connection therewith (the “**2017 Facility**”) (the “**Project**”); and

WHEREAS, the Company also requested that an approximately 1,650 square foot portion of the Original Facility currently being subleased to Crossfit 631 and an approximately 950 square foot portion of the Original Facility which is currently a vacant restaurant (the “**Excluded Premises**”), be excluded from the Facility (the Original Facility, together with the 2017 Facility, less the Excluded Premises, shall be known as the “**Facility**”); and

WHEREAS, such Excluded Premises shall be excluded from the Facility, may be leased to various tenants (the “**Tenants**”) not subject to the terms and conditions of the Lease Agreement and will not receive any abatement of real property taxes; and

WHEREAS, the Original Lease Agreement was amended and restated pursuant to an Amended and Restated Lease and Project Agreement (collectively, the “**Lease Agreement**”), between the Agency and the Company; and

WHEREAS, the PILOT Agreement, the Recapture Agreement, and the Environmental Compliance and Indemnification Agreement were all amended and restated pursuant to the Lease Agreement; and

WHEREAS, the Company has now requested that the Agency consent to enter into a financing or refinancing with the Lender with respect to the Facility in the aggregate principal amount presently expected to be \$7,000,000 but not to exceed \$7,500,000 (the “**2018 Loan**”); and

WHEREAS, as security for such 2018 Loan being made to the Company by the Lender, the Company has submitted a request to the Agency that it join with the Company in executing and delivering to the Lender one or more mortgages and such other loan documents, satisfactory to the Agency, upon advice of counsel, in both form and substance, as may be reasonably requested by the Lender (the “**2018 Loan Documents**”); and



WHEREAS, the Act authorizes and empowers the Agency to promote, develop, encourage and assist projects such as the Facility and to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York;

WHEREAS, the Company has agreed to indemnify the Agency against certain losses, claims, expenses, damages and liabilities that may arise in connection with the transactions contemplated by the financing or refinancing of the Facility and the continued leasing and subleasing of the Facility.

NOW, THEREFORE, BE IT RESOLVED by the Agency (a majority of the members thereof affirmatively concurring) as follows:

Section 1. The Agency hereby finds and determines:

- (a) By virtue of the Act, the Agency has been vested with all powers necessary and convenient to carry out and effectuate the purposes and provisions of the Act and to exercise all powers granted to it under the Act.
- (b) The Facility continues to constitute a “project”, as such term is defined in the Act.
- (c) The Facility preserves the public purposes of the Act by increasing the number of private sector jobs in the Town of Brookhaven.
- (d) The financing or refinancing of the acquisition, renovation and equipping of the Facility will promote and maintain the job opportunities, health, general prosperity and economic welfare of the citizens of the Town of Brookhaven, Suffolk County and the State of New York and improve their standard of living and thereby serve the public purposes of the Act.
- (e) The financing or refinancing of the acquisition, renovation and equipping of the Facility as contemplated in this resolution is reasonably necessary to maintain the competitive position of the Company in its industry.
- (f) Based upon representations of the Company and counsel to the Company, the Facility continues to conform with the local zoning laws and planning regulations of the Town of Brookhaven and all regional and local land use plans for the area in which the Facility is located.
- (g) It is desirable and in the public interest for the Agency to assist in the financing or refinancing of the acquisition, construction and equipping of the Facility.
- (h) The 2018 Loan Documents will be effective instruments whereby the Agency and the Company agree to secure the 2018 Loan and assign to the Lender their respective rights under the Lease Agreement (except the Agency’s Unassigned Rights as defined therein).

## Section 2.

In consequence of the foregoing, the Agency hereby determines to: (i) grant a mortgage on and security interest in and to the Facility pursuant to a certain mortgage and security agreement for the benefit of the Lender (the “**2018 Mortgage**”), (ii) execute, deliver and perform the 2018 Mortgage, and (iii) execute, deliver and perform the 2018 Loan Document to which the Agency is a party, as may be necessary or appropriate to effect the 2018 Loan or any subsequent refinancing of the 2018 Mortgage; provided, however, the Company shall be required to pay the mortgage recording tax on the full principal amount of the 2018 Mortgage.

Section 3. Subject to the provisions of this resolution and the Lease Agreement, the Agency is hereby authorized to do all things necessary or appropriate for the execution, delivery and performance of the 2018 Loan Documents and 2018 Mortgage, and such other related documents as may be necessary or appropriate to effect the 2018 Loan, or any subsequent refinancing of the 2018 Loan, and all acts heretofore taken by the Agency with respect to such financing or refinancing are hereby approved, ratified and confirmed.

## Section 4.

(a) Subject to the provisions of this resolution and the Lease Agreement; the Chairman, Chief Executive Officer, and all other members of the Agency are hereby authorized, on behalf of the Agency, to execute and deliver the 2018 Mortgage and 2018 Loan Documents, together with such other related documents as may be, in the judgment of the Chairman and Agency Counsel, necessary or appropriate to effect the transactions contemplated by this resolution (hereinafter collectively called the “**Agency Documents**”). The execution thereof by the Chairman, Chief Executive Officer, or any member of the Agency shall constitute conclusive evidence of such approval; and

(b) the Chairman, Chief Executive Officer, and any member of the Agency are further hereby authorized, on behalf of the Agency, to designate any additional authorized representatives of the Agency.

Section 5. Subject to the provisions of this resolution and the Lease Agreement, the officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required or provided for by the provisions of the Agency Documents, and to execute and deliver all such additional certificates, instruments and documents, pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolution and to cause compliance by the Agency with all of the terms, covenants and provisions of the Agency Documents binding upon the Agency.

Section 6. Any expenses incurred by the Agency with respect to the financing or refinancing of the Facility shall be paid by the Company. The Company has agreed to pay such expenses and further shall agree to indemnify the Agency, its members, directors, employees and agents and hold the Agency and such persons harmless against claims for losses, damage or

injury or any expenses or damages incurred as a result of action taken by or on behalf of the Agency in good faith with respect to the financing or refinancing of the Facility.

Section 7. This resolution shall take effect immediately.



Date: August 16, 2017

At a meeting of the Town of Brookhaven Industrial Development Agency (the "Agency"), held at 1 Independence Hill, 3rd Floor, Farmingville, New York 11738, on the 16th day of August, 2017, the following members of the Agency were:

Present: Frederick C. Braun, III  
Martin Callahan  
Felix J. Grucci, Jr.  
Michael Kelly  
Gary Pollakusky  
Ann-Marie Scheidt

Recused:

Absent: Scott Middleton

Also Present: Lisa M. G. Mulligan, Chief Executive Officer

After the meeting had been duly called to order, the Chairman announced that among the purposes of the meeting was to consider and take action on certain matters pertaining to acquisition of a leasehold interest in and title to a certain industrial development facility more particularly described below (Selden Commercial Center, LLC 2017 Facility) and the leasing of the facility to Selden Commercial Center, LLC.

The following resolution was duly moved, seconded, discussed and adopted with the following members voting:

Voting Aye

Braun  
Callahan  
Grucci  
Kelly  
Pollakusky  
Scheidt

Voting Nay

RESOLUTION OF THE TOWN OF BROOKHAVEN  
INDUSTRIAL DEVELOPMENT AGENCY TAKING  
OFFICIAL ACTION TOWARD ACQUIRING AND  
EQUIPPING THE FACILITY, MAKING CERTAIN  
FINDINGS AND DETERMINATIONS WITH RESPECT TO  
THE FACILITY AND APPROVING THE FORM,  
SUBSTANCE AND EXECUTION OF RELATED  
DOCUMENTS

WHEREAS, by Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 358 of the Laws of 1970 of the State of New York, as amended from time to time (collectively, the “**Act**”), the Town of Brookhaven Industrial Development Agency (the “**Agency**”) was created with the authority and power among other things, to assist with the acquisition of certain industrial development projects as authorized by the Act; and

WHEREAS, the Agency has previously assisted Selden Commercial Center, LLC, a New York limited liability company (the “**Company**”), in the renovation and equipping of a mixed-use industrial development facility consisting of (i) the acquisition of a leasehold interest in an approximately 6.84 acre parcel of land located at 635 Middle Country Road, Coram, Town of Brookhaven, New York (and further identified as Section 474 Block 2 Lot 1) (the “**Land**”), and an existing approximately 63,754 square foot facility located thereon (the “**Existing Building**”), which consisted of a vacant supermarket, vacant restaurant space and a day care center, (ii) the renovation of approximately 50,000 square feet of the Existing Building (the “**Renovated Space**”), (iii) the expansion of the ceiling height of the Renovated Space to be approximately 50 feet (clauses (i), (ii) and (iii) collectively referred to as the “**Improvements**”), and (iv) the acquisition, equipping and furnishing of the Renovated Space including landscaping, repaving of the existing parking area (collectively, the “**Equipment**”; and, together with the Land and the Improvements, the “**Original Facility**”), to be leased by the Agency the Company for further sublease by the Company to various tenants (collectively, the “**Sublessees**”), for use as a mixed-use facility indoor sports complex including, but not limited to, space for hosting leagues, clinics and regional tournament play, a day care center and future restaurants; and

WHEREAS, the Agency acquired a leasehold interest in the Land and the Improvements pursuant to a certain Company Lease Agreement, dated as of November 1, 2013 (the “**Company Lease**”), between the Company and the Agency; and

WHEREAS, the Agency acquired title to the Equipment pursuant to a certain Bill of Sale, dated November 12, 2013 (the “**Bill of Sale**”), from the Company to the Agency; and

WHEREAS, the Agency currently leases the Original Facility to the Company pursuant to a certain Lease Agreement, dated as of November 1, 2013 (the “**Original Lease Agreement**”), by and between the Agency and the Company; and

WHEREAS, the Agency and the Company previously entered into a certain Payment-in-Lieu-of-Tax Agreement, dated as of November 1, 2013 (the “**PILOT Agreement**”), whereby the Company agreed to make certain payments-in-lieu-of-taxes to the Taxing Authorities (as defined therein); and

WHEREAS, the Agency and the Company previously entered into a certain Recapture Agreement, dated as of November 1, 2013 (the “**Recapture Agreement**”), by and between the Agency and the Company; and

WHEREAS, the Agency and the Company previously entered into a certain Environmental Compliance and Indemnification Agreement, dated as of November 1, 2013 (the “**Environmental Compliance and Indemnification Agreement**”), by and between the Agency and the Company; and

WHEREAS, the Company has now requested the Agency’s assistance with respect to the acquisition and installation of approximately 1323 solar panels to be installed by the Company on the roof of the Facility and certain equipment generating approximately 430 kW of electricity in connection therewith (the “**2017 Facility**”); and

WHEREAS, the Company has also requested that an approximately 2,700 square foot portion of the Original Facility currently being subleased to Crossfit 631 (the “**Excluded Premises**”), be excluded from the Facility (the Original Facility, together with the 2017 Facility, less the Excluded Premises, shall be known as the “**Facility**”); and

WHEREAS, such Excluded Premises shall be excluded from the Facility, not subject to the terms and conditions of the Lease Agreement and will not receive any abatement of real property taxes; and

WHEREAS, pursuant to Section 8.10 of the Lease Agreement, all Equipment and other property of whatever nature affixed or attached to the Land or used or to be used by the Company in connection with the Land or the Improvements shall be deemed presumptively to be owned by the Agency, rather than the Company, therefore, upon completion of the acquisition and installation of the 2017 Facility, the 2017 Facility shall be incorporated into the Facility; and

WHEREAS, the Act authorizes and empowers the Agency to promote, develop, encourage and assist projects such as the Facility and to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York; and

WHEREAS, in connection with the 2017 Facility, the Agency contemplates that it will provide financial assistance to the Company consistent with the policies of the Agency, in the form of (i) exemptions from sales and use taxes in an amount not to exceed \$74,175, in connection with the purchase or lease of equipment, building materials, services or other personal property with respect to the 2017 Facility, and (ii) abatement of real property taxes (as set forth in the PILOT Schedule attached as Exhibit C hereof), all consistent with the policies of the Agency; and

WHEREAS, in connection with the 2017 Facility, the Agency will continue to lease the Facility to the Company pursuant to a certain Amended and Restated Lease and Project Agreement, dated as of August 1, 2017, or such other date as may be determined by the Chairman, Chief Executive Officer and counsel to the Agency (the “**Amended and Restated Lease Agreement**”); and together with the Original Lease Agreement, the “**Lease Agreement**”), by and between the Agency and the Company; and

WHEREAS, the PILOT Agreement will be amended and restated pursuant to the Amended and Restated Lease Agreement; and

WHEREAS, the Recapture Agreement will be amended and restated pursuant to the Amended and Restated Lease Agreement; and

WHEREAS, the Environmental Compliance and Indemnification Agreement will be amended and restated pursuant to the Amended and Restated Lease Agreement; and

WHEREAS, a public hearing (the “**Hearing**”) was held on August 16, 2017, so that all persons with views in favor of or opposed to either the financial assistance contemplated by the Agency or the location or nature of the Facility, could be heard; and

WHEREAS, notice of the Hearing was given on August 6, 2017, and such notice (together with proof of publication), was substantially in the form annexed hereto as Exhibit A; and

WHEREAS, the report of the Hearing is substantially in the form annexed hereto as Exhibit B; and

WHEREAS, the Agency has given due consideration to the application of the Company and to representations by the Company that the proposed transaction is either an inducement to the Company to maintain and expand the Facility in the Town of Brookhaven or is necessary to maintain the competitive position of the Company in its industry; and

WHEREAS, the Company has agreed to indemnify the Agency against certain losses, claims, expenses, damages and liabilities that may arise in connection with the transaction contemplated by the leasing of the Facility by the Agency to the Company and the further subleasing of the Facility by the Company to the Sublessees.

NOW, THEREFORE, BE IT RESOLVED by the Agency (a majority of the members thereof affirmatively concurring) as follows:

Section 1. The Agency hereby finds and determines:

(a) By virtue of the Act, the Agency has been vested with all powers necessary and convenient to carry out and effectuate the purposes and provisions of the Act and to exercise all powers granted to it under the Act; and

(b) The Facility constitutes a “project”, as such term is defined in the Act; and



(c) The acquisition and equipping of the 2017 Facility and the continued leasing of the Facility to the Company, will promote and maintain the job opportunities, health, general prosperity and economic welfare of the citizens of Town of Brookhaven, and the State of New York and improve their standard of living and thereby serve the public purposes of the Act; and

(d) The acquisition and equipping of the 2017 Facility is reasonably necessary to induce the Company to maintain and expand its business operations in the State of New York; and

(e) Based upon representations of the Company and counsel to the Company, the Facility conforms with the local zoning laws and planning regulations of the Town of Brookhaven, Suffolk County, and all regional and local land use plans for the area in which the Facility is located; and

(f) The Facility and the operations conducted therein do not have a significant effect on the environment, as determined in accordance with Article 8 of the Environmental Conservation Law of the State of New York and the regulations promulgated thereunder; and

(g) It is desirable and in the public interest for the Agency to lease the Facility to the Company; and

(h) The Amended and Restated Lease Agreement will be an effective instrument whereby the Agency leases the Facility to the Company, the Agency and the Company set forth the terms and conditions of their agreement regarding payments-in-lieu-of-taxes, the Company agrees to comply with all Environmental Laws (as defined therein) applicable to the Facility and will describe the circumstances in which the Agency may recapture some or all of the benefits granted to the Company.

Section 2. In consequence of the foregoing, the Agency hereby determines to: (i) continue leasing the Facility to the Company pursuant to the Amended and Restated Lease Agreement, and (ii) execute, deliver and perform the Amended and Restated Lease Agreement.

Section 3. The Agency is hereby authorized to acquire the 2017 Facility, and to do all things necessary or appropriate for the accomplishment thereof, and all acts heretofore taken by the Agency with respect to such acquisition are hereby approved, ratified and confirmed.

Section 4. The Agency hereby authorizes and approves the following economic benefits to be granted to the Company in connection with the acquisition and equipping of the 2017 Facility in the form of (i) exemptions from sales and use taxes in an amount not to exceed \$74,175, in connection with the purchase or lease of equipment, building materials, services or other personal property with respect to the 2017 Facility, and (ii) abatement of real property taxes (as set forth in the PILOT Schedule attached as Exhibit C hereof), all consistent with the policies of the Agency.

Section 5. Subject to the provisions of this resolution, the Company is herewith and hereby appointed the agent of the Agency to acquire, install and equip the 2017 Facility. The Company is hereby empowered to delegate its status as agent of the Agency to its agents, subagents, contractors, subcontractors, materialmen, suppliers, vendors and such other parties as the Company may choose in order to acquire, install and equip the 2017 Facility. The Agency hereby appoints the agents, subagents, contractors, subcontractors, materialmen, vendors and suppliers of the Company as agents of the Agency solely for purposes of making sales or leases of goods, services and supplies to the 2017 Facility, and any such transaction between any agent, subagent, contractor, subcontractor, materialmen, vendor or supplier, and the Company, as agents of the Agency, shall be deemed to be on behalf of the Agency and for the benefit of the 2017 Facility. This agency appointment expressly excludes the purchase by the Company of any motor vehicles, including any cars, trucks, vans or buses which are licensed by the Department of Motor Vehicles for use on public highways or streets. The Company shall indemnify the Agency with respect to any transaction of any kind between and among the agents, subagents, contractors, subcontractors, materialmen, vendors and/or suppliers and the Company, as agent of the Agency. The aforesaid appointment of the Company as agent of the Agency to acquire, install and equip the 2017 Facility shall expire at the earlier of (a) the completion of such activities and improvements, (b) a date which the Agency designates, or (c) the date on which the Company has received exemptions from sales and use taxes in an amount not to exceed \$74,175 in connection with the purchase or lease of equipment, building materials, services or other personal property; provided however, such appointment may be extended at the discretion of the Agency, upon the written request of the Company if such activities and improvements are not completed by such time. The aforesaid appointment of the Company is subject to the completion of the transaction and the execution of the documents contemplated by this resolution.

Section 6. The Company hereby agrees to comply with Section 875 of the Act. The Company further agrees that the tax exemptions and abatements provided pursuant to the Act and the appointment of the Company as agent of the Agency pursuant to this Authorizing Resolution are subject to termination and recapture of benefits pursuant to Sections 859-a and 875 of the Act and the recapture provisions of the Lease Agreement.

Section 7. The form and substance of the Amended and Restated Lease Agreement (in substantially the forms presented to or approved by the Agency and which, prior to the execution and delivery thereof, may be redated and renamed) are hereby approved.

Section 8.

(a) The Chairman, Chief Executive Officer or any member of the Agency are hereby authorized, on behalf of the Agency, to execute and deliver the Amended and Restated Lease Agreement, all in substantially the forms thereof presented to this meeting with such changes, variations, omissions and insertions as the Chairman, Chief Executive Officer or any member of the Agency shall approve, and such other related documents as may be, in the judgment of the Chairman and counsel to the Agency, necessary or appropriate to effect the transactions contemplated by this resolution (hereinafter collectively

called the “**Agency Documents**”). The execution thereof by the Chairman, Chief Executive Officer or any member of the Agency shall constitute conclusive evidence of such approval.

(b) The Chairman, Chief Executive Officer or any member of the Agency are further hereby authorized, on behalf of the Agency, to designate any additional Authorized Representatives of the Agency (as defined in and pursuant to the Amended and Restated Lease Agreement).

Section 9. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required or provided for by the provisions of the Agency Documents, and to execute and deliver all such additional certificates, instruments and documents, pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolution and to cause compliance by the Agency with all of the terms, covenants and provisions of the Agency Documents binding upon the Agency.

Section 10. Any expenses incurred by the Agency with respect to the Facility shall be paid by the Company.

Section 11. This resolution shall take effect immediately.

ADOPTED: August 16, 2017

## EXHIBIT A

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### NOTICE OF PUBLIC HEARING

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NOTICE IS HEREBY GIVEN that a public hearing pursuant to Article 18-A of the New York State General Municipal Law will be held by the Town of Brookhaven Industrial Development Agency (the “**Agency**”) on the 16<sup>th</sup> day of August, 2017, at 8:30 a.m. local time, at the Town of Brookhaven Division of Economic Development, 2<sup>nd</sup> Floor, One Independence Hill, Farmingville, New York 11738, in connection with the following matters:

The Agency has previously assisted to Selden Commercial Center, LLC, a New York limited liability company (the “**Company**”), in the renovation and equipping of a mixed-use industrial development facility consisting of (i) the acquisition of a leasehold interest in an approximately 6.84 acre parcel of land located at 635 Middle Country Road, Coram, Town of Brookhaven, New York (and further identified as Section 474 Block 2 Lot 1) (the “**Land**”), and an existing approximately 63,754 square foot facility located thereon (the “**Existing Building**”), which consisted of a vacant supermarket, vacant restaurant space and a day care center, (ii) the renovation of approximately 50,000 square feet of the Existing Building (the “**Renovated Space**”), (iii) the expansion of the ceiling height of the Renovated Space to be approximately 50 feet (clauses (i), (ii) and (iii) collectively referred to as the “**Improvements**”), and (iv) the acquisition, equipping and furnishing of the Renovated Space including landscaping, repaving of the existing parking area (collectively, the “**Equipment**”; and, together with the Land and the Improvements, the “**Original Facility**”), to be leased by the Agency the Company for further sublease by the Company to various tenants (collectively, the “**Sublessees**”), for use as a mixed-use facility indoor sports complex including, but not limited to, space for hosting leagues, clinics and regional tournament play, a day care center and future restaurants.

The Company has now requested the Agency’s assistance with respect to the acquisition and installation of approximately 1323 solar panels to be installed by the Company on the roof of the Facility and certain equipment generating approximately 430 kW of electricity in connection therewith (the “**2017 Facility**”; and together with the Original Facility, the “**Facility**”). The 2017 Facility will be initially owned, operated and/or managed by the Company.

The Agency will provide financial assistance to the Company in connection with the acquisition and installation of the 2017 Facility and lease or sell the 2017 Facility to the Company. The Agency contemplates that it will provide financial assistance to the Company in the form of exemptions from sales and use taxes in connection with the acquisition and installation of the 2017 Facility and abatement of real property taxes, consistent with the policies of the Agency.

A representative of the Agency will at the above-stated time and place hear and accept written comments from all persons with views in favor of or opposed to either the proposed financial assistance to the Company or the location or nature of the 2017 Facility.

Dated: August 6, 2017

TOWN OF BROOKHAVEN INDUSTRIAL  
DEVELOPMENT AGENCY

By: Lisa MG Mulligan  
Title: Chief Executive Officer

equipment generating approximately 430 kW of electricity in connection therewith (the “**2017 Facility**”; and together with the Original Facility, the “**Facility**”). The 2017 Facility will be initially owned, operated and/or managed by the Company.

The Agency will provide financial assistance to the Company in connection with the acquisition and installation of the 2017 Facility and lease or sell the 2017 Facility to the Company. The Agency contemplates that it will provide financial assistance to the Company in the form of exemptions from sales and use taxes in connection with the acquisition and installation of the 2017 Facility and abatement of real property taxes, consistent with the policies of the Agency.

Section 4. The hearing officer then opened the hearing for comments from the floor for or against the proposed transfer of real estate, the other financial assistance proposed by the Agency and the location and nature of the Facility. The following is a listing of the persons heard and a summary of their views:

N/A

5. The hearing officer then asked if there were any further comments, and, there being none, the hearing was closed at 9:00 a.m.



EXHIBIT C

Proposed PILOT Schedule

Schedule of payments-in-lieu-of-taxes: Town of Brookhaven, (including any existing incorporated village and any village which may be incorporated after the date hereof, within which the Facility is wholly or partially located), Middle Country Central School District, Suffolk County and Appropriate Special Districts

<u>Year</u>	<u>Tax Year</u>	<u>Payment</u>
1.	2017/2018	\$ 161,303
2.	2018/2019	\$ 164,529
3.	2019/2020	\$ 167,819
4.	2020/2021	\$ 171,176
5.	2021/2022	\$ 174,599
6.	2022/2023	\$ 178,091
7.	2023/2024	\$ 181,653
8.	2024/2025	\$ 185,286
9.	2026/2027 and thereafter	100% of full taxes and assessments on the Facility

Date: September 18, 2013

At a meeting of the Town of Brookhaven Industrial Development Agency (the "Agency"), held on the 18<sup>th</sup> day of September at 7:45 a.m. local time, the Town of Brookhaven Division of Economic Development, 1 Independence Hill, 2<sup>nd</sup> Floor, Farmingville, New York 11738, the following members of the Agency were:

Present: Frederick C. Braun, III, Gasper C. Celauro, Ronald J. LaVita and  
Peter G. Moloney

Absent: Felix J. Grucci, Jr., John Rose and Ann-Marie Scheidt

Recused:

Also Present: Lisa M. G. Mulligan, Chief Executive Officer  
James Ryan, Chief Financial Officer

After the meeting had been duly called to order, the Chairman announced that among the purposes of the meeting was to consider and take action on certain matters pertaining to the acquisition of a certain industrial development facility more particularly described below (Selden Commercial Center, LLC Facility).

The following resolution was duly moved, seconded, discussed and adopted with the following members voting:

Voting Aye

Voting Nay

Recused

Braun

Celauro

LaVita

Moloney



RESOLUTION OF THE TOWN OF BROOKHAVEN INDUSTRIAL DEVELOPMENT AGENCY APPROVING THE APPOINTMENT OF SELDEN COMMERCIAL CENTER, LLC, A NEW YORK LIMITED LIABILITY COMPANY, AND/OR THE PRINCIPALS OF SELDEN COMMERCIAL CENTER, LLC AND/OR AN ENTITY FORMED OR TO BE FORMED ON BEHALF OF ANY OF THE FOREGOING AS AGENT OF THE AGENCY FOR THE PURPOSE OF ACQUIRING, RENOVATING AND EQUIPPING THE FACILITY, APPROVING THE ACQUISITION, RENOVATION AND EQUIPPING OF A CERTAIN INDUSTRIAL DEVELOPMENT FACILITY FOR SELDEN COMMERCIAL CENTER, LLC, APPROVING THE FORM, SUBSTANCE AND EXECUTION OF RELATED DOCUMENTS AND REQUESTING THE SUPERVISOR OF THE TOWN OF BROOKHAVEN TO CONFIRM ITS FINDINGS WITH RESPECT TO THE FACILITY

WHEREAS, by Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 358 of the Laws of 1970 of the State of New York, as the same may be amended from time to time (collectively, the "Act"), the Town of Brookhaven Industrial Development Agency (the "Agency"), was created with the authority and power among other things, to assist with certain industrial development projects as authorized by the Act; and

WHEREAS, Selden Commercial Center, LLC, a New York limited liability company formed on behalf of itself and/or the principals of Selden Commercial Center, LLC and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the "Company"), has applied to the Agency for its assistance in the acquisition, renovation and equipping of a mixed-use industrial development facility consisting of (i) the acquisition of an approximately 6.84 acre parcel of land located at 635 Middle Country Road, Coram, Town of Brookhaven, New York (and further identified as Section 474 Block 2 Lot 1) (the "Land") and an existing approximately 63,754 square foot facility located thereon (the "Existing Building"), which currently consists of a vacant supermarket, vacant restaurant space and a day care center, (ii) the renovation of approximately 50,000 square feet of the Existing Building (the "Renovated Space"), (iii) the expansion of the ceiling height of the Renovated Space to be approximately 50 feet (clauses (i), (ii) and (iii) collectively referred to as the "Improvements"), and (iv) the acquisition, equipping and furnishing of the Renovated Space including landscaping, repaving of the existing parking area (collectively, the "Equipment"; and, together with the Land and the Improvements, the "Facility"), all to be leased by the Agency to the Company for use as mixed-use facility indoor sports complex including, but not limited to, space for hosting leagues, clinics and regional tournament play, a day care center and future restaurants, including the following as they relate to the appointment of the Company as agent of the Agency pursuant to Section 5 hereof with respect to the acquisition, renovation and equipping of such Facility, whether or not any materials or supplies described below are incorporated into or become an integral part of

such Facility: (i) all purchases, leases, rentals and other uses of tools, machinery and equipment in connection with the acquisition, renovation and equipping of the Facility, (ii) all purchases, rentals, uses or consumption of supplies, materials and services of every kind and description used in connection with the acquisition, renovation and equipping of the Facility, and (iii) all purchases, leases, rentals and uses of equipment, machinery and other tangible personal property (including installation costs with respect thereto) installed or placed in, upon or under such Facility; and

WHEREAS, in connection with the request by the Company for the Agency's assistance, a public hearing (the "**Hearing**") was held on August 12, 2013, so that all persons with views in favor of or opposed to either the financial assistance contemplated by the Agency or the location or nature of the Facility, could be heard, and such notice (together with proof of publication) was substantially in the form annexed hereto as Exhibit A; and

WHEREAS, the minutes of the Hearing are substantially in the form annexed hereto as Exhibit B; and

WHEREAS, the Agency will acquire title to or a leasehold interest in the Facility and will lease or sublease the Facility to the Company pursuant to a certain Lease Agreement, dated as of September 1, 2013 or such other date as the Chairman, Chief Executive Officer and counsel to the Agency shall agree (the "**Lease Agreement**"), by and between the Agency and the Company; and

WHEREAS, the Agency will hereby make its findings and determinations that the Facility qualifies as a "project" under the Act and that the Facility satisfies all other requirements of the Act; and

WHEREAS, the Facility will be used for recreational use as an indoor soccer fields, to customers who personally visit the Facility and would be considered a "recreational facility" as defined in Section 854(9) and a facility described in accordance with the provisions of Section 862(2) of the Act, however, based upon the representations and warranties of the Company in the application for financial assistance filed by the Company with the Agency, dated April 30, 2013 (the "**Application**"), the Facility will provide services not readily available to the residents of the Town of Brookhaven;

WHEREAS, by a confirmation to be executed prior to the closing of the transaction described herein (the "**Confirmation**"), the Town Supervisor of the Town of Brookhaven, New York (the "**Town**"), will have confirmed the Agency's findings and determinations with respect to the Facility that the Facility qualifies as a "project" under the Act and that the Facility satisfies all other requirements of the Act; and

WHEREAS, the Agency contemplates that it will provide financial assistance to the Company, consistent with the policies of the Agency, in the form of (i) exemptions from mortgage recording taxes in an aggregate amount presently estimated to be \$2,500,000 but not to exceed \$3,000,000, in connection with the financing of the acquisition, renovation and equipping of the Facility and any future financing, refinancing or permanent financing of the costs of acquiring, renovating, and equipping of the Facility, (ii) exemptions from sales and

use taxes on the acquisition of fixtures, furniture and equipment to be installed in the Facility in connection with the purchase or lease of equipment, building materials, services or other personal property in an amount not to exceed \$124,200 (as set forth in the Form of Sales Tax Letter set forth as Exhibit C hereof), and (iii) abatement of real property taxes (as set forth in the PILOT Schedule attached as Exhibit D hereof), all consistent with the policies of the Agency exemptions from mortgage recording taxes in connection with the financing or any subsequent refinancing of the Facility or permanent financing of the Facility; and

WHEREAS, as security for a loan or loans from a lender or lenders not yet determined (collectively, the "**Lender**"), the Agency and the Company will execute and deliver to the Lender, one or more mortgages, each dated a date to be determined and each from the Company and the Agency to the Lender, and such other loan documents satisfactory to the Agency, upon advice of counsel, in both form and substance, as may be reasonably required by the Lender (collectively, the "**Loan Documents**"), in connection with the financing, refinancing or permanent financing of the costs of acquiring, renovating and equipping of the Facility; and

WHEREAS, the Act authorizes and empowers the Agency to promote, develop, encourage and assist projects such as the Facility and to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law and the regulations adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively, the "**SEQR Act**" or "**SEQR**"), the Agency constitutes a "State Agency";

WHEREAS, to aid the Agency in determining whether the acquisition, renovation and equipping of the Facility may have a significant effect upon the environment, the Assignees have prepared and submitted to the Agency an Environmental Assessment Form and related documents (the "**Questionnaire**") with respect to the Facility, a copy of which is on file at the office of the Agency;

WHEREAS, the Questionnaire has been reviewed by the Agency; and

WHEREAS, the Agency has given due consideration to the representations of the Company that the transactions referred to herein are either an inducement to the Company to maintain and expand the Facility in the Town of Brookhaven or are necessary to maintain the competitive position of the Company in its industry; and

WHEREAS, the Company has agreed to indemnify the Agency against certain losses, claims, expenses, damages and liabilities that may arise in connection with the transaction contemplated by the transfer of fee title to or a leasehold interest in the Land (as such term is defined in the Lease Agreement) and the Facility to the Agency and the leasing or subleasing of the Facility to the Company.

NOW, THEREFORE, BE IT RESOLVED by the Agency (a majority of the members thereof affirmatively concurring) as follows:

Section 1. Based upon the Questionnaire prepared by the Company and reviewed by the Agency, and other representations and information furnished regarding the Facility, the Agency determines that the action relating to the acquisition, renovation, equipping and operation of the Facility in an "Unlisted" action, as that term is defined under SEQR. The Agency also determines that the Facility will not have a "significant effect" on the environment and, therefore, an environmental impact statement will not be prepared. This determination constitutes a negative declaration for purposes of SEQR. Notice of this determination shall be filed to the extent required by the applicable regulations under SEQR or as may be deemed advisable by the Chairman or the Chief Executive Officer of the Agency or counsel to the Agency.

Section 2. The Agency hereby makes its findings and determinations of the Facility as follows:

(a) While the Facility will be a Recreational Facility as defined in 854(9) of the Act and will be used in making sales or providing services to customers who personally visit the Facility would be considered a facility in accordance with the provisions of Section 862(a) of the Act, based upon the representations and warranties of the Company in the Application, the Facility will provide services not readily available to the residents of the Town of Brookhaven.

(b) The Facility will preserve the public purposes of the Act by increasing the number of private sector jobs in the Town of Brookhaven. The Company and the Sublessee have represented to the Agency that they will provide approximately seven (7) full-time equivalent employees ("FTE") within the first year of completion.

Section 3. The Agency hereby finds and determines:

(a) By virtue of the Act, the Agency has been vested with all powers necessary and convenient to carry out and effectuate the purposes and provisions of the Act and to exercise all powers granted to it under the Act; and

(b) The Facility constitutes a "project", as such term is defined in the Act; and

(c) The acquisition, renovation, equipping of the Facility, and leasing of the Facility to the Company will promote and maintain the job opportunities, health, general prosperity and economic welfare of the citizens of the Town of Brookhaven and the State of New York and improve their standard of living and thereby serve the public purposes of the Act; and

(d) The acquisition, renovation and equipping of the Facility is reasonably necessary to induce the Company to maintain and expand its business operations in the State of New York; and

(e) Based upon representations of the Company and counsel to the Company, the Facility conforms with the local zoning laws and planning regulations of the Town of Brookhaven and all regional and local land use plans for the area in which the Facility is located; and

(f) The Facility and the operations conducted therein do not have a significant effect on the environment, as determined in the accordance with Article 8 of the Environmental Conservation Law of the State of New York and the regulations promulgated thereunder; and

(g) It is desirable and in the public interest for the Agency to lease the Facility; and

(h) The Lease Agreement will be an effective instrument whereby the Agency will lease the Facility to the Company; and

(i) The Payment-in-Lieu-of-Tax Agreement, dated as of September 1, 2013 (the "**PILOT Agreement**"), or such other date as the Chairman and Agency Counsel shall agree, by and between the Company and the Agency, in form satisfactory to the Chairman and Agency Counsel, will be an effective instrument whereby the Agency and the Company set forth the terms and conditions of their Agreement regarding payments in lieu of real property taxes; and

(j) The Recapture Agreement, dated as of September 1, 2013 (the "**Recapture Agreement**"), or such other date as the Chairman and Agency Counsel shall agree, by and between the Company and the Agency, in the form satisfactory to the Chairman and Agency Counsel, will be an effective instrument whereby the Agency and the Company describe the circumstances in which the Agency may recapture some or all of the benefits granted to the Company; and

(k) The Environmental Compliance and Indemnification Agreement, dated as of September 1, 2013 (the "**Environmental Compliance and Indemnification Agreement**"), or such other date as the Chairman and Agency Counsel shall agree, by and between the Company and the Agency will be an effective instrument whereby the Company agrees to comply with all Environmental Laws (as defined therein) applicable to the Facility and will indemnify and hold harmless the Agency for all liability under all such Environmental Laws; and

(l) The Loan Documents will be effective instruments whereby the Agency and the Assignee agree to secure the Loan and assign to the Lender their respective rights under the Lease Agreement, as amended and as assigned (except for the Agency's Unassigned Rights).

Section 4. In consequence of the foregoing, the Agency hereby determines to: (i) lease the Facility to the Company pursuant to the Lease Agreement, (ii) execute, deliver and perform the Lease Agreement, (iii) execute, deliver and perform the PILOT Agreement, (iv) execute, deliver and perform the Recapture Agreement, (v) execute and deliver the Environmental Compliance and Indemnification Agreement; (vi) grant mortgage liens on and security interests in and to the Facility pursuant to the Loan Documents, and (vii) execute, deliver and perform such other related documents as may be necessary or appropriate to effect the acquisition, renovation and equipping of the Facility.

Section 5. The Agency is hereby authorized to acquire the real property and personal property described in Exhibit A and Exhibit B, respectively, to the Lease Agreement and to do all things necessary or appropriate for the accomplishment thereof, and all acts heretofore taken by the Agency with respect to such acquisition are hereby approved, ratified and confirmed.

Section 6. The Company is hereby appointed the true and lawful agent of the Agency to acquire, renovate, furnish and equip the Facility on behalf of the Agency, with the authority to delegate its status as agent of the Agency to the Company's agents, subagents, contractors, subcontractors, suppliers and vendors and other such parties as the Company may choose. The terms and conditions of the appointment of the Company as agent of the Agency for the purposes described in this Section 6 are set forth in the form of the attached letter addressed to the Company, marked as Exhibit C to this resolution, which is incorporated herein by reference. The appointment described above includes the following activities as they relate to the acquisition, renovation, expansion, equipping and furnishing of the Facility, whether or not the materials, services or supplies described below are incorporated into or become an integral part of the Facility: (i) all purchases, leases, rentals and other uses of tools, machinery and equipment in connection with the acquisition, renovation, expansion, equipping and furnishing of the Facility, (ii) all purchases, rentals, uses or consumption of supplies, materials and services of every kind and description in connection with acquisition, renovation, expansion, equipping and furnishing the Facility, and (iii) all purchases, leases, rentals and uses of equipment, machinery and other tangible personal property (including installation costs with respect thereto) installed or placed in, upon or under the Facility. This Agency appointment includes the power to make, execute, acknowledge and deliver any contracts, orders, receipts, writings and instructions, as the stated agents for the Agency, and in general to do all things which may be requisite or proper for completing the Facility, all with the same powers and with the same validity as the Agency could do if acting on its own behalf. The aforesaid appointment of the Company as agent of the Agency to acquire, renovate, expand, furnish and equip the Facility shall expire at the earlier of (a) the completion of such acquisition, construction, renovation, furnishing and equipping of the Facility, or (b) March 31, 2015, or (c) the date on which the Company has received exemptions from sales and use taxes in connection with the purchase or lease of equipment, building materials, services or other personal property in an amount not to exceed \$124,200; provided however, such appointment may be extended at the discretion of the Agency, upon the written request of the Company, if such activities and improvements are not completed by such time. The aforesaid agency appointment expressly excludes the Company from purchasing motor vehicles, including any cars, trucks, vans or buses which are licensed by the Department of Motor Vehicles for use on public highways or streets.

Section 7. The Agency hereby authorizes and approves the following economic benefits to be granted to the Company in connection with the acquisition, renovation and equipping of the Facility in the form of exemptions from mortgage recording taxes in an in an aggregate amount presently estimated to be \$31,500 but not to exceed \$42,000, in connection with the financing of the acquisition, renovation and equipping of the Facility and any future financing, refinancing or permanent financing of the costs of acquiring, renovating and equipping of the Facility, exemptions from sales and use taxes in connection with the purchase or lease of equipment, building materials, services or other personal property in an

amount not to exceed \$124,200 (as set forth in the Form of Sales Tax Letter set forth as Exhibit C hereof) and abatement of real property taxes (as set forth in the PILOT Schedule attached as Exhibit D hereof), consistent with the policies of the Agency.

Section 8. The Company hereby agrees to comply with Section 875 of the Act. The Company further agrees that the exemption of sales and use tax provided pursuant to the Act and the appointment of the Company as agent of the Agency pursuant to this resolution is subject to termination and recapture of benefits pursuant to Section 875 of the Act and the Recapture Agreement.

Section 9. The Agency hereby finds and determines:

(a) The Chairman, Chief Executive Officer, or any member of the Agency are hereby authorized, on behalf of the Agency, to execute and deliver the Lease Agreement, the PILOT Agreement, the Recapture Agreement, the Environmental Compliance and Indemnification Agreement and the Loan Documents that the Agency is a party, all in substantially the forms thereof presented to this meeting with such changes, variations, omissions and insertions as the Chairman, Chief Executive Officer, or any member of the Agency shall approve, and such other related documents as may be, in the judgment of the Chairman, Chief Executive Officer, and counsel to the Agency, necessary or appropriate to effect the transactions contemplated by this resolution (hereinafter collectively called the "**Agency Documents**"). The execution thereof by the Chairman, Chief Executive Officer, or any member or any member of the Agency shall constitute conclusive evidence of such approval.

(b) The Chairman, Chief Executive Officer, or any member of the Agency, are further hereby authorized, on behalf of the Agency, to designate any additional Authorized Representatives of the Agency (as defined in and pursuant to the Lease Agreement).

Section 10. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required or provided for by the provisions of the Agency Documents, and to execute and deliver all such additional certificates, instruments and documents, pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolution and to cause compliance by the Agency with all of the terms, covenants and provisions of the Agency Documents binding upon the Agency.

Section 11. This resolution shall take effect immediately.





EXHIBIT A

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NOTICE OF PUBLIC HEARING

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NOTICE IS HEREBY GIVEN that a public hearing pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended (the "**Code**"), and Title 1 of Article 18-A of the New York State General Municipal Law will be held by the Town of Brookhaven Industrial Development Agency (the "**Agency**") on the 12th day of August, 2013, at 9:30 a.m., local time, at Town of Brookhaven Division of Economic Development, 1 Independence Hill, 2nd Floor, Farmingville, New York 11738, in connection with the following matters:

Selden Commercial Center, LLC, a New York limited liability company formed on behalf of itself and/or the principals of Selden Commercial Center, LLC and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the "**Company**"), has applied to the Agency for assistance in the acquisition, renovation and equipping of a mixed-use industrial development facility consisting of (i) the acquisition of an approximately 6.84 acre parcel of land located at 635 Middle Country Road, Coram, Town of Brookhaven, New York (and further identified as Section 474 Block 2 Lot 1) (the "**Land**") and an existing approximately 63,754 square foot facility located thereon (the "**Existing Building**"), which currently consists of a vacant supermarket, vacant restaurant space and a day care center, (ii) the renovation of approximately 50,000 square feet of the Existing Building (the "**Renovated Space**"), (iii) the expansion of the ceiling height of the Renovated Space to be approximately 50 feet (clauses (i), (ii) and (iii) collectively referred to as the "**Improvements**"), and (iv) the acquisition, equipping and furnishing of the Renovated Space including landscaping, repaving of the existing parking area (collectively, the "**Equipment**"; and, together with the Land and the Improvements, the "**Facility**"), all to be leased by the Agency to the Company for use as mixed-use facility indoor sports complex including, but not limited to, space for hosting leagues, clinics and regional tournament play, a day care center and future restaurants. The Facility will be initially owned, operated and/or managed by the Company. The Agency will acquire title to or a leasehold interest in the Facility and will lease or sell the Facility to the Company.

The Agency contemplates providing financial assistance to the Company with respect to the Facility in the form of exemptions from mortgage recording taxes in connection with the construction financing or permanent financing or any subsequent refinancing of the Facility, exemptions from sales and use taxes, and abatement of real property taxes, all consistent with the policies of the Agency.

A representative of the Agency will, at the above-stated time and place, hear and accept written comments from all persons with views in favor of or opposed to the granting of financial assistance contemplated by the Agency or the location or nature of the Facility. At the hearing, all persons will have the opportunity to review the application for financial assistance filed by the Company with the Agency, and an analysis of the costs and benefits of the proposed Facility.

Dated: July 31, 2013

TOWN OF BROOKHAVEN INDUSTRIAL  
DEVELOPMENT AGENCY

By: Lisa MG Mulligan  
Title: Chief Executive Officer

EXHIBIT B

MINUTES OF PUBLIC HEARING HELD ON  
AUGUST 12, 2013

EXHIBIT C

(To be copied on Agency letterhead and delivered to the Company  
at closing)

\_\_\_\_\_, 2013

Selden Commercial Center, LLC  
750 Route 25A, Suite 3  
Setauket, NY 11733  
Attention: Parviz Farahzad, President

RE: Town of Brookhaven Industrial Development Agency  
(Selden Commercial Center, LLC Facility)

Dear Mr. Farahzad:

Pursuant to a resolution duly adopted on September 18, 2013, the Town of Brookhaven Industrial Development Agency (the "**Agency**") appointed Selden Commercial Center, LLC, a New York limited liability company to be formed on behalf of itself and/or the principals Selden Commercial Center, LLC and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the "**Company**"), the true and lawful agent of the Agency in connection with the Agency's assistance consisting of the acquisition, renovation and equipping of a mixed-use industrial development facility consisting of (i) the acquisition of an approximately 6.84 acre parcel of land located at 635 Middle Country Road, Coram, Town of Brookhaven, New York (and further identified as Section 474 Block 2 Lot 1) (the "**Land**") and an existing approximately 63,754 square foot facility located thereon (the "**Existing Building**"), which currently consists of a vacant supermarket, vacant restaurant space and a day care center, (ii) the renovation of approximately 50,000 square feet of the Existing Building (the "**Renovated Space**"), (iii) the expansion of the ceiling height of the Renovated Space to be approximately 50 feet (clauses (i), (ii) and (iii) collectively referred to as the "**Improvements**"), and (iv) the acquisition, equipping and furnishing of the Renovated Space including landscaping, repaving of the existing parking area (collectively, the "**Equipment**"; and, together with the Land and the Improvements, the "**Facility**"), all to be leased by the Agency to the Company for use as mixed-use facility indoor sports complex including, but not limited to, space for hosting leagues, clinics and regional tournament play, a day care center and future restaurants.

This appointment includes authority to purchase on behalf of the Agency all materials to be incorporated into and made an integral part of the Facility, and the following activities as they relate to any construction, erection and completion of any buildings, whether or not

any materials, equipment or supplies described below are incorporated into or become an integral part of such Facility: (i) all purchases, leases, rentals and other uses of tools, machinery and equipment in connection with the acquisition, rehabilitation, renovation and equipping of the Facility, (ii) all purchases, rentals, uses or consumption of supplies, materials and services of every kind and description used in connection with the acquisition, rehabilitation, renovation and equipping of the Facility, and (iii) all purchases, leases, rentals and uses of equipment, machinery and other tangible personal property (including installation costs with respect thereto) installed or placed in, upon or under such Facility.

The agency appointment includes the power to delegate such agency appointment, in whole or in part, to agents, subagents, contractors, subcontractors, materialmen, suppliers and vendors of the Company and to such other parties as the Company choose so long as they are engaged, directly or indirectly, in the activities hereinbefore described.

This agency appointment expressly excludes the purchase of any motor vehicles, including any cars, trucks, vans or buses which are licensed by the Department of Motor Vehicles for use on public highways or streets.

In exercising this agency appointment, the Company, its agents, subagents, contractors and subcontractors should give the supplier or vendor a copy of this letter to show that the Company, its agents, subagents, contractors and subcontractors are each acting as agent for the Agency. The supplier or vendor should identify the Facility on each bill or invoice and indicate thereon that the Company, its respective agents, subagents, contractors and subcontractors acted as agent for the Agency in making the purchase. **You and each of your agents, subagents, contractors and/or subcontractors claiming a sales tax exemption in connection with the Facility must execute a copy of the Contract in Lieu of Exemption Certificate attached hereto, and must complete a New York State Department of Taxation and Finance Form ST-60. Original copies of each Contract in Lieu of Exemption Certificate and completed Form ST-60 must be delivered to the Agency within five (5) days of the appointment of each of your agents, subagents, contractors or subcontractors. Any agent, subagent, contractor or subcontractor of the Company which delivers a completed Form ST-60 to the Agency will be deemed to be the agent, subagent, contractor or subcontractor of the Agency for purposes of acquiring, rehabilitation, renovating and equipping the Facility. Failure to comply with these requirements may result in loss of sales tax exemptions for the Facility.**

The aforesaid appointment of the Company as agent of the Agency to acquire, renovate and equip the Facility shall expire at the earlier of (a) the completion of such activities and improvements, (b) August 21, 2015, or (c) the date on which the Company receives exemptions from sales and use taxes on the acquisition of fixtures, furniture and equipment to be installed in the Facility in connection with the purchase or lease of equipment, building materials, services or other personal property in an amount not to exceed \$124,200, provided, however, such appointment may be extended at the discretion of the Agency, upon the written request of the Company if such activities and improvements are not

Selden Commercial Center, LLC

\_\_\_\_\_, 2013

Page 3

completed by such time, and further provided that the Agency shall not unreasonably withhold its consent to the extension of such appointment.

You should be aware that the New York State General Municipal Law requires you to file an Annual Statement with the New York State Department of Taxation and Finance regarding the value of sales tax exemptions you, your agents, consultants or subcontractors have claimed pursuant to the authority we have conferred on you with respect to this Facility. The penalty for failure to file such statement is the removal of your authority to act as an agent.

If, for some reason, this transaction never closes, you will be liable for payment of the sales tax, if applicable and you are not otherwise exempt, on all materials purchased.

Please sign and return a copy of this letter for our files.

Very truly yours,

**TOWN OF BROOKHAVEN INDUSTRIAL  
DEVELOPMENT AGENCY**

By: \_\_\_\_\_  
Name: Lisa MG Mulligan  
Title: Chief Executive Officer

ACCEPTED & AGREED:

**SELDEN COMMERCIAL CENTER, LLC**

By: \_\_\_\_\_  
Name: Parviz Farahzad  
Title: President

TO: All Contractors, Subcontractors,  
Suppliers and Vendors, etc. of  
Selden Commercial Center, LLC

Attached please find a "Contract in Lieu of Exemption Certificate" (the "**Contract**") which will serve as documentation for not charging Selden Commercial Center, LLC (the "**Company**") for sales or use tax in connection with any purchase, lease, rental and other use of materials, equipment, goods, services or supplies at the facility owned by the Town of Brookhaven Industrial Development Agency (the "**Agency**") and described in Addendum A to the aforesaid Contract (the "**Facility**").

In accordance with the authority granted to the Company by the Agency, you are hereby appointed as agent of the Agency for the purpose of making purchases or leases of materials, equipment, goods, services and supplies to the Facility. **Your appointment as agent of the Agency is contingent upon your completing the attached Form ST-60 and returning it to the Company and the Form ST-60 then being filed by the Agency with the New York State Department of Taxation and Finance.**

Very truly yours,

**SELDEN COMMERCIAL CENTER, LLC**

By: \_\_\_\_\_  
Name: Parviz Farahzad  
Title: President

cc: Town of Brookhaven Industrial Development Agency

## CONTRACT IN LIEU OF EXEMPTION CERTIFICATE

This Contract is entered into by and between Selden Commercial Center, LLC on behalf of itself and/or the principals of Selden Commercial Center, LLC and/or an entity formed or to be formed on behalf of any of the foregoing (the "**Company**"), as agent for and on behalf of the Town of Brookhaven Industrial Development Agency, a public benefit corporation and a governmental agency of the State of New York, hereinafter called the "**Agency**" or the "**Owner**" of the facility described in Addendum A hereto (the "**Facility**"), and the contractor or the subcontractor more particularly described on page 2 hereof (hereinafter, the "**Contractor**").

Pursuant to the authority granted to the Company, as agent of the Agency, the Contractor is hereby appointed agent of said Agency for purposes of completing, executing or otherwise carrying out the obligations imposed under this Contract.

The Contractor acknowledges that the Agency holds title to and owns the Facility and that said Agency is a public benefit corporation and governmental entity of the State of New York. By reason of such status, Owner and its agents acting on its behalf are exempt from payment of all New York State and local sales and use taxes on the purchase or lease of all materials, equipment, goods, services and supplies incorporated into and made an integral component part of any structure, building or real property which becomes the property of Owner, and all equipment, machinery and other tangible personal property (including installation costs with respect thereto) which becomes the property of Owner. In addition, Owner and its agents acting on its behalf are exempt from all sales and use taxes arising out of or connected with the following, as they relate to performance under this Contract: (i) purchases, leases, rentals and other uses of tools, machinery and equipment, and (ii) purchases, leases, rentals, uses or consumption of supplies, goods, materials and services of every kind and description; provided however, that exemption from sales and use taxes with respect to clauses (i) and (ii) above shall apply only if the Contractor is then acting as agent for Owner under the terms of this Contract.

This agency appointment expressly excludes the purchase by the Company of any motor vehicles, including any cars, trucks, vans or buses which are licensed by the Department of Motor Vehicles for use on public highways or streets.

Pursuant to these exemptions from sales and use taxes, the Contractor shall not include such taxes in its contract price, bid or reimbursable costs, as the case may be. If the Contractor does not comply with the requirements for sales and use tax exemptions, as described above, then it shall be responsible for and pay any and all applicable New York State sales and use taxes, and no portion thereof shall be charged or billed to the Owner or to the Company directly or indirectly, the intent of this Contract being that neither the Owner nor the Company shall be liable for any of the sales or use taxes described above. This Contract may be accepted by the Contractor in lieu of an exemption certificate and the Contractor shall retain a copy hereof to substantiate the sales and use tax exemption.

The aforesaid appointment of the Company as agent of the Agency to acquire, renovate and equip the Facility shall expire at the earlier of (a) the completion of such

activities and improvements, (b) August 21, 2015, or (c) the date on which the Company receives exemptions from sales and use taxes on the acquisition of fixtures, furniture and equipment to be installed in the Facility in connection with the purchase or lease of equipment, building materials, services or other personal property in an amount not to exceed \$124,200, provided, however, such appointment may be extended at the discretion of the Agency, upon the written request of the Company if such activities and improvements are not completed by such time.

The Owner shall have the right to assign this Contract to the Company by written notice to the Contractor and without written consent of the Contractor, in which case Owner shall be relieved of all obligations hereunder. In the event of such assignment, all applicable sales and use taxes shall be added to the purchase price and paid to the Contractor pursuant to a change order. All of the above provisions with respect to exemptions for New York State and local sales and use taxes shall apply to all subcontractors and other parties in privity of contract with the Company, Owner or the Contractor pursuant to the terms of this Contract.

OWNER:

**SELDEN COMMERCIAL CENTER,  
LLC**

as Agent for and on behalf of  
the Town of Brookhaven Industrial  
Development Agency

\_\_\_\_\_  
Insert name of Contractor or  
Subcontractor

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

DATE: \_\_\_\_\_

Address of Contractor or Subcontractor

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

By: \_\_\_\_\_  
Name: Parviz Farahzad  
Title: President

DATE: \_\_\_\_\_

cc: Town of Brookhaven Industrial Development Agency



## ADDENDUM A

### DESCRIPTION OF THE FACILITY

The "Facility" consists of the Selden Commercial Center, LLC, a New York limited liability company to be formed on behalf of itself and/or the principals of Selden Commercial Center, LLC and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the "**Company**"), has applied to the Agency for assistance in the acquisition, renovation and equipping of a mixed-use industrial development facility consisting of (i) the acquisition of an approximately 6.84 acre parcel of land located at 635 Middle Country Road, Coram, Town of Brookhaven, New York (and further identified as Section 474 Block 2 Lot 1) (the "**Land**") and an existing approximately 63,754 square foot facility located thereon (the "**Existing Building**"), which currently consists of a vacant supermarket, vacant restaurant space and a day care center, (ii) the renovation of approximately 50,000 square feet of the Existing Building (the "**Renovated Space**"), (iii) the expansion of the ceiling height of the Renovated Space to be approximately 50 feet (clauses (i), (ii) and (iii) collectively referred to as the "**Improvements**"), and (iv) the acquisition, equipping and furnishing of the Renovated Space including landscaping, repaving of the existing parking area (collectively, the "**Equipment**"; and, together with the Land and the Improvements, the "**Facility**"), all to be leased by the Agency to the Company for use as mixed-use facility indoor sports complex including, but not limited to, space for hosting leagues, clinics and regional tournament play, a day care center and future restaurants.

EXHIBIT D

Proposed PILOT Benefits

635 Middle Country Road  
Coram, New York 11727  
Section 474  
Block 2  
Lot 1

Year	Total
1.	\$130,000
2.	\$133,000
3.	\$135,000
4.	\$138,000
5.	\$141,000
6.	\$144,000
7.	\$147,000
8.	\$149,000
9.	\$152,000
10.	\$155,000
11.	\$159,000
12.	\$391,000

These proposed PILOT Benefits are for discussion purposes and have not yet been approved by the IDA Board.

09/16/13

Date: September 18, 2013

At a meeting of the Town of Brookhaven Industrial Development Agency (the "Agency"), held on the 18<sup>th</sup> day of September at 7:45 a.m. local time, the Town of Brookhaven Division of Economic Development, 1 Independence Hill, 2<sup>nd</sup> Floor, Farmingville, New York 11738, the following members of the Agency were:

Present: Frederick C. Braun, III, Gasper C. Celauro, Ronald J. LaVita and  
Peter G. Moloney

Absent: Felix J. Grucci, Jr., John Rose and Ann-Marie Scheidt

Recused:

Also Present: Lisa M. G. Mulligan, Chief Executive Officer  
James Ryan, Chief Financial Officer

After the meeting had been duly called to order, the Chairman announced that among the purposes of the meeting was to consider and take action on certain matters pertaining to the acquisition of a certain industrial development facility more particularly described below (Selden Commercial Center, LLC Facility).

The following resolution was duly moved, seconded, discussed and adopted with the following members voting:

Voting Aye

Voting Nay

Recused

Braun

Celauro

LaVita

Moloney

RESOLUTION OF THE TOWN OF BROOKHAVEN INDUSTRIAL DEVELOPMENT AGENCY APPROVING THE APPOINTMENT OF SELDEN COMMERCIAL CENTER, LLC, A NEW YORK LIMITED LIABILITY COMPANY, AND/OR THE PRINCIPALS OF SELDEN COMMERCIAL CENTER, LLC AND/OR AN ENTITY FORMED OR TO BE FORMED ON BEHALF OF ANY OF THE FOREGOING AS AGENT OF THE AGENCY FOR THE PURPOSE OF ACQUIRING, RENOVATING AND EQUIPPING THE FACILITY, APPROVING THE ACQUISITION, RENOVATION AND EQUIPPING OF A CERTAIN INDUSTRIAL DEVELOPMENT FACILITY FOR SELDEN COMMERCIAL CENTER, LLC, APPROVING THE FORM, SUBSTANCE AND EXECUTION OF RELATED DOCUMENTS AND REQUESTING THE SUPERVISOR OF THE TOWN OF BROOKHAVEN TO CONFIRM ITS FINDINGS WITH RESPECT TO THE FACILITY

WHEREAS, by Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 358 of the Laws of 1970 of the State of New York, as the same may be amended from time to time (collectively, the "Act"), the Town of Brookhaven Industrial Development Agency (the "Agency"), was created with the authority and power among other things, to assist with certain industrial development projects as authorized by the Act; and

WHEREAS, Selden Commercial Center, LLC, a New York limited liability company formed on behalf of itself and/or the principals of Selden Commercial Center, LLC and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the "Company"), has applied to the Agency for its assistance in the acquisition, renovation and equipping of a mixed-use industrial development facility consisting of (i) the acquisition of an approximately 6.84 acre parcel of land located at 635 Middle Country Road, Coram, Town of Brookhaven, New York (and further identified as Section 474 Block 2 Lot 1) (the "Land") and an existing approximately 63,754 square foot facility located thereon (the "Existing Building"), which currently consists of a vacant supermarket, vacant restaurant space and a day care center, (ii) the renovation of approximately 50,000 square feet of the Existing Building (the "Renovated Space"), (iii) the expansion of the ceiling height of the Renovated Space to be approximately 50 feet (clauses (i), (ii) and (iii) collectively referred to as the "Improvements"), and (iv) the acquisition, equipping and furnishing of the Renovated Space including landscaping, repaving of the existing parking area (collectively, the "Equipment"; and, together with the Land and the Improvements, the "Facility"), all to be leased by the Agency to the Company for use as mixed-use facility indoor sports complex including, but not limited to, space for hosting leagues, clinics and regional tournament play, a day care center and future restaurants, including the following as they relate to the appointment of the Company as agent of the Agency pursuant to Section 5 hereof with respect to the acquisition, renovation and equipping of such Facility, whether or not any materials or supplies described below are incorporated into or become an integral part of

such Facility: (i) all purchases, leases, rentals and other uses of tools, machinery and equipment in connection with the acquisition, renovation and equipping of the Facility, (ii) all purchases, rentals, uses or consumption of supplies, materials and services of every kind and description used in connection with the acquisition, renovation and equipping of the Facility, and (iii) all purchases, leases, rentals and uses of equipment, machinery and other tangible personal property (including installation costs with respect thereto) installed or placed in, upon or under such Facility; and

WHEREAS, in connection with the request by the Company for the Agency's assistance, a public hearing (the "**Hearing**") was held on August 12, 2013, so that all persons with views in favor of or opposed to either the financial assistance contemplated by the Agency or the location or nature of the Facility, could be heard, and such notice (together with proof of publication) was substantially in the form annexed hereto as Exhibit A; and

WHEREAS, the minutes of the Hearing are substantially in the form annexed hereto as Exhibit B; and

WHEREAS, the Agency will acquire title to or a leasehold interest in the Facility and will lease or sublease the Facility to the Company pursuant to a certain Lease Agreement, dated as of September 1, 2013 or such other date as the Chairman, Chief Executive Officer and counsel to the Agency shall agree (the "**Lease Agreement**"), by and between the Agency and the Company; and

WHEREAS, the Agency will hereby make its findings and determinations that the Facility qualifies as a "project" under the Act and that the Facility satisfies all other requirements of the Act; and

WHEREAS, the Facility will be used for recreational use as an indoor soccer fields, to customers who personally visit the Facility and would be considered a "recreational facility" as defined in Section 854(9) and a facility described in accordance with the provisions of Section 862(2) of the Act, however, based upon the representations and warranties of the Company in the application for financial assistance filed by the Company with the Agency, dated April 30, 2013 (the "**Application**"), the Facility will provide services not readily available to the residents of the Town of Brookhaven;

WHEREAS, by a confirmation to be executed prior to the closing of the transaction described herein (the "**Confirmation**"), the Town Supervisor of the Town of Brookhaven, New York (the "**Town**"), will have confirmed the Agency's findings and determinations with respect to the Facility that the Facility qualifies as a "project" under the Act and that the Facility satisfies all other requirements of the Act; and

WHEREAS, the Agency contemplates that it will provide financial assistance to the Company, consistent with the policies of the Agency, in the form of (i) exemptions from mortgage recording taxes in an aggregate amount presently estimated to be \$2,500,000 but not to exceed \$3,000,000, in connection with the financing of the acquisition, renovation and equipping of the Facility and any future financing, refinancing or permanent financing of the costs of acquiring, renovating, and equipping of the Facility, (ii) exemptions from sales and

use taxes on the acquisition of fixtures, furniture and equipment to be installed in the Facility in connection with the purchase or lease of equipment, building materials, services or other personal property in an amount not to exceed \$124,200 (as set forth in the Form of Sales Tax Letter set forth as Exhibit C hereof), and (iii) abatement of real property taxes (as set forth in the PILOT Schedule attached as Exhibit D hereof), all consistent with the policies of the Agency exemptions from mortgage recording taxes in connection with the financing or any subsequent refinancing of the Facility or permanent financing of the Facility; and

WHEREAS, as security for a loan or loans from a lender or lenders not yet determined (collectively, the "**Lender**"), the Agency and the Company will execute and deliver to the Lender, one or more mortgages, each dated a date to be determined and each from the Company and the Agency to the Lender, and such other loan documents satisfactory to the Agency, upon advice of counsel, in both form and substance, as may be reasonably required by the Lender (collectively, the "**Loan Documents**"), in connection with the financing, refinancing or permanent financing of the costs of acquiring, renovating and equipping of the Facility; and

WHEREAS, the Act authorizes and empowers the Agency to promote, develop, encourage and assist projects such as the Facility and to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law and the regulations adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively, the "**SEQR Act**" or "**SEQR**"), the Agency constitutes a "State Agency";

WHEREAS, to aid the Agency in determining whether the acquisition, renovation and equipping of the Facility may have a significant effect upon the environment, the Assignees have prepared and submitted to the Agency an Environmental Assessment Form and related documents (the "**Questionnaire**") with respect to the Facility, a copy of which is on file at the office of the Agency;

WHEREAS, the Questionnaire has been reviewed by the Agency; and

WHEREAS, the Agency has given due consideration to the representations of the Company that the transactions referred to herein are either an inducement to the Company to maintain and expand the Facility in the Town of Brookhaven or are necessary to maintain the competitive position of the Company in its industry; and

WHEREAS, the Company has agreed to indemnify the Agency against certain losses, claims, expenses, damages and liabilities that may arise in connection with the transaction contemplated by the transfer of fee title to or a leasehold interest in the Land (as such term is defined in the Lease Agreement) and the Facility to the Agency and the leasing or subleasing of the Facility to the Company.

NOW, THEREFORE, BE IT RESOLVED by the Agency (a majority of the members thereof affirmatively concurring) as follows:

Section 1. Based upon the Questionnaire prepared by the Company and reviewed by the Agency, and other representations and information furnished regarding the Facility, the Agency determines that the action relating to the acquisition, renovation, equipping and operation of the Facility in an "Unlisted" action, as that term is defined under SEQR. The Agency also determines that the Facility will not have a "significant effect" on the environment and, therefore, an environmental impact statement will not be prepared. This determination constitutes a negative declaration for purposes of SEQR. Notice of this determination shall be filed to the extent required by the applicable regulations under SEQR or as may be deemed advisable by the Chairman or the Chief Executive Officer of the Agency or counsel to the Agency.

Section 2. The Agency hereby makes its findings and determinations of the Facility as follows:

(a) While the Facility will be a Recreational Facility as defined in 854(9) of the Act and will be used in making sales or providing services to customers who personally visit the Facility would be considered a facility in accordance with the provisions of Section 862(a) of the Act, based upon the representations and warranties of the Company in the Application, the Facility will provide services not readily available to the residents of the Town of Brookhaven.

(b) The Facility will preserve the public purposes of the Act by increasing the number of private sector jobs in the Town of Brookhaven. The Company and the Sublessee have represented to the Agency that they will provide approximately seven (7) full-time equivalent employees ("FTE") within the first year of completion.

Section 3. The Agency hereby finds and determines:

(a) By virtue of the Act, the Agency has been vested with all powers necessary and convenient to carry out and effectuate the purposes and provisions of the Act and to exercise all powers granted to it under the Act; and

(b) The Facility constitutes a "project", as such term is defined in the Act; and

(c) The acquisition, renovation, equipping of the Facility, and leasing of the Facility to the Company will promote and maintain the job opportunities, health, general prosperity and economic welfare of the citizens of the Town of Brookhaven and the State of New York and improve their standard of living and thereby serve the public purposes of the Act; and

(d) The acquisition, renovation and equipping of the Facility is reasonably necessary to induce the Company to maintain and expand its business operations in the State of New York; and

(e) Based upon representations of the Company and counsel to the Company, the Facility conforms with the local zoning laws and planning regulations of the Town of Brookhaven and all regional and local land use plans for the area in which the Facility is located; and

(f) The Facility and the operations conducted therein do not have a significant effect on the environment, as determined in the accordance with Article 8 of the Environmental Conservation Law of the State of New York and the regulations promulgated thereunder; and

(g) It is desirable and in the public interest for the Agency to lease the Facility; and

(h) The Lease Agreement will be an effective instrument whereby the Agency will lease the Facility to the Company; and

(i) The Payment-in-Lieu-of-Tax Agreement, dated as of September 1, 2013 (the "**PILOT Agreement**"), or such other date as the Chairman and Agency Counsel shall agree, by and between the Company and the Agency, in form satisfactory to the Chairman and Agency Counsel, will be an effective instrument whereby the Agency and the Company set forth the terms and conditions of their Agreement regarding payments in lieu of real property taxes; and

(j) The Recapture Agreement, dated as of September 1, 2013 (the "**Recapture Agreement**"), or such other date as the Chairman and Agency Counsel shall agree, by and between the Company and the Agency, in the form satisfactory to the Chairman and Agency Counsel, will be an effective instrument whereby the Agency and the Company describe the circumstances in which the Agency may recapture some or all of the benefits granted to the Company; and

(k) The Environmental Compliance and Indemnification Agreement, dated as of September 1, 2013 (the "**Environmental Compliance and Indemnification Agreement**"), or such other date as the Chairman and Agency Counsel shall agree, by and between the Company and the Agency will be an effective instrument whereby the Company agrees to comply with all Environmental Laws (as defined therein) applicable to the Facility and will indemnify and hold harmless the Agency for all liability under all such Environmental Laws; and

(l) The Loan Documents will be effective instruments whereby the Agency and the Assignee agree to secure the Loan and assign to the Lender their respective rights under the Lease Agreement, as amended and as assigned (except for the Agency's Unassigned Rights).

Section 4. In consequence of the foregoing, the Agency hereby determines to: (i) lease the Facility to the Company pursuant to the Lease Agreement, (ii) execute, deliver and perform the Lease Agreement, (iii) execute, deliver and perform the PILOT Agreement, (iv) execute, deliver and perform the Recapture Agreement, (v) execute and deliver the Environmental Compliance and Indemnification Agreement; (vi) grant mortgage liens on and security interests in and to the Facility pursuant to the Loan Documents, and (vii) execute, deliver and perform such other related documents as may be necessary or appropriate to effect the acquisition, renovation and equipping of the Facility.



Section 5. The Agency is hereby authorized to acquire the real property and personal property described in Exhibit A and Exhibit B, respectively, to the Lease Agreement and to do all things necessary or appropriate for the accomplishment thereof, and all acts heretofore taken by the Agency with respect to such acquisition are hereby approved, ratified and confirmed.

Section 6. The Company is hereby appointed the true and lawful agent of the Agency to acquire, renovate, furnish and equip the Facility on behalf of the Agency, with the authority to delegate its status as agent of the Agency to the Company's agents, subagents, contractors, subcontractors, suppliers and vendors and other such parties as the Company may choose. The terms and conditions of the appointment of the Company as agent of the Agency for the purposes described in this Section 6 are set forth in the form of the attached letter addressed to the Company, marked as Exhibit C to this resolution, which is incorporated herein by reference. The appointment described above includes the following activities as they relate to the acquisition, renovation, expansion, equipping and furnishing of the Facility, whether or not the materials, services or supplies described below are incorporated into or become an integral part of the Facility: (i) all purchases, leases, rentals and other uses of tools, machinery and equipment in connection with the acquisition, renovation, expansion, equipping and furnishing of the Facility, (ii) all purchases, rentals, uses or consumption of supplies, materials and services of every kind and description in connection with acquisition, renovation, expansion, equipping and furnishing the Facility, and (iii) all purchases, leases, rentals and uses of equipment, machinery and other tangible personal property (including installation costs with respect thereto) installed or placed in, upon or under the Facility. This Agency appointment includes the power to make, execute, acknowledge and deliver any contracts, orders, receipts, writings and instructions, as the stated agents for the Agency, and in general to do all things which may be requisite or proper for completing the Facility, all with the same powers and with the same validity as the Agency could do if acting on its own behalf. The aforesaid appointment of the Company as agent of the Agency to acquire, renovate, expand, furnish and equip the Facility shall expire at the earlier of (a) the completion of such acquisition, construction, renovation, furnishing and equipping of the Facility, or (b) March 31, 2015, or (c) the date on which the Company has received exemptions from sales and use taxes in connection with the purchase or lease of equipment, building materials, services or other personal property in an amount not to exceed \$124,200; provided however, such appointment may be extended at the discretion of the Agency, upon the written request of the Company, if such activities and improvements are not completed by such time. The aforesaid agency appointment expressly excludes the Company from purchasing motor vehicles, including any cars, trucks, vans or buses which are licensed by the Department of Motor Vehicles for use on public highways or streets.

Section 7. The Agency hereby authorizes and approves the following economic benefits to be granted to the Company in connection with the acquisition, renovation and equipping of the Facility in the form of exemptions from mortgage recording taxes in an in an aggregate amount presently estimated to be \$31,500 but not to exceed \$42,000, in connection with the financing of the acquisition, renovation and equipping of the Facility and any future financing, refinancing or permanent financing of the costs of acquiring, renovating and equipping of the Facility, exemptions from sales and use taxes in connection with the purchase or lease of equipment, building materials, services or other personal property in an

amount not to exceed \$124,200 (as set forth in the Form of Sales Tax Letter set forth as Exhibit C hereof) and abatement of real property taxes (as set forth in the PILOT Schedule attached as Exhibit D hereof), consistent with the policies of the Agency.

Section 8. The Company hereby agrees to comply with Section 875 of the Act. The Company further agrees that the exemption of sales and use tax provided pursuant to the Act and the appointment of the Company as agent of the Agency pursuant to this resolution is subject to termination and recapture of benefits pursuant to Section 875 of the Act and the Recapture Agreement.

Section 9. The Agency hereby finds and determines:

(a) The Chairman, Chief Executive Officer, or any member of the Agency are hereby authorized, on behalf of the Agency, to execute and deliver the Lease Agreement, the PILOT Agreement, the Recapture Agreement, the Environmental Compliance and Indemnification Agreement and the Loan Documents that the Agency is a party, all in substantially the forms thereof presented to this meeting with such changes, variations, omissions and insertions as the Chairman, Chief Executive Officer, or any member of the Agency shall approve, and such other related documents as may be, in the judgment of the Chairman, Chief Executive Officer, and counsel to the Agency, necessary or appropriate to effect the transactions contemplated by this resolution (hereinafter collectively called the "**Agency Documents**"). The execution thereof by the Chairman, Chief Executive Officer, or any member or any member of the Agency shall constitute conclusive evidence of such approval.

(b) The Chairman, Chief Executive Officer, or any member of the Agency, are further hereby authorized, on behalf of the Agency, to designate any additional Authorized Representatives of the Agency (as defined in and pursuant to the Lease Agreement).

Section 10. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required or provided for by the provisions of the Agency Documents, and to execute and deliver all such additional certificates, instruments and documents, pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolution and to cause compliance by the Agency with all of the terms, covenants and provisions of the Agency Documents binding upon the Agency.

Section 11. This resolution shall take effect immediately.



EXHIBIT A

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NOTICE OF PUBLIC HEARING

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NOTICE IS HEREBY GIVEN that a public hearing pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended (the "**Code**"), and Title 1 of Article 18-A of the New York State General Municipal Law will be held by the Town of Brookhaven Industrial Development Agency (the "**Agency**") on the 12th day of August, 2013, at 9:30 a.m., local time, at Town of Brookhaven Division of Economic Development, 1 Independence Hill, 2nd Floor, Farmingville, New York 11738, in connection with the following matters:

Selden Commercial Center, LLC, a New York limited liability company formed on behalf of itself and/or the principals of Selden Commercial Center, LLC and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the "**Company**"), has applied to the Agency for assistance in the acquisition, renovation and equipping of a mixed-use industrial development facility consisting of (i) the acquisition of an approximately 6.84 acre parcel of land located at 635 Middle Country Road, Coram, Town of Brookhaven, New York (and further identified as Section 474 Block 2 Lot 1) (the "**Land**") and an existing approximately 63,754 square foot facility located thereon (the "**Existing Building**"), which currently consists of a vacant supermarket, vacant restaurant space and a day care center, (ii) the renovation of approximately 50,000 square feet of the Existing Building (the "**Renovated Space**"), (iii) the expansion of the ceiling height of the Renovated Space to be approximately 50 feet (clauses (i), (ii) and (iii) collectively referred to as the "**Improvements**"), and (iv) the acquisition, equipping and furnishing of the Renovated Space including landscaping, repaving of the existing parking area (collectively, the "**Equipment**"; and, together with the Land and the Improvements, the "**Facility**"), all to be leased by the Agency to the Company for use as mixed-use facility indoor sports complex including, but not limited to, space for hosting leagues, clinics and regional tournament play, a day care center and future restaurants. The Facility will be initially owned, operated and/or managed by the Company. The Agency will acquire title to or a leasehold interest in the Facility and will lease or sell the Facility to the Company.

The Agency contemplates providing financial assistance to the Company with respect to the Facility in the form of exemptions from mortgage recording taxes in connection with the construction financing or permanent financing or any subsequent refinancing of the Facility, exemptions from sales and use taxes, and abatement of real property taxes, all consistent with the policies of the Agency.

A representative of the Agency will, at the above-stated time and place, hear and accept written comments from all persons with views in favor of or opposed to the granting of financial assistance contemplated by the Agency or the location or nature of the Facility. At the hearing, all persons will have the opportunity to review the application for financial assistance filed by the Company with the Agency, and an analysis of the costs and benefits of the proposed Facility.

Dated: July 31, 2013

TOWN OF BROOKHAVEN INDUSTRIAL  
DEVELOPMENT AGENCY

By: Lisa MG Mulligan  
Title: Chief Executive Officer

EXHIBIT B

MINUTES OF PUBLIC HEARING HELD ON  
AUGUST 12, 2013

EXHIBIT C

(To be copied on Agency letterhead and delivered to the Company  
at closing)

\_\_\_\_\_, 2013

Selden Commercial Center, LLC  
750 Route 25A, Suite 3  
Setauket, NY 11733  
Attention: Parviz Farahzad, President

RE: Town of Brookhaven Industrial Development Agency  
(Selden Commercial Center, LLC Facility)

Dear Mr. Farahzad:

Pursuant to a resolution duly adopted on September 18, 2013, the Town of Brookhaven Industrial Development Agency (the "**Agency**") appointed Selden Commercial Center, LLC, a New York limited liability company to be formed on behalf of itself and/or the principals Selden Commercial Center, LLC and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the "**Company**"), the true and lawful agent of the Agency in connection with the Agency's assistance consisting of the acquisition, renovation and equipping of a mixed-use industrial development facility consisting of (i) the acquisition of an approximately 6.84 acre parcel of land located at 635 Middle Country Road, Coram, Town of Brookhaven, New York (and further identified as Section 474 Block 2 Lot 1) (the "**Land**") and an existing approximately 63,754 square foot facility located thereon (the "**Existing Building**"), which currently consists of a vacant supermarket, vacant restaurant space and a day care center, (ii) the renovation of approximately 50,000 square feet of the Existing Building (the "**Renovated Space**"), (iii) the expansion of the ceiling height of the Renovated Space to be approximately 50 feet (clauses (i), (ii) and (iii) collectively referred to as the "**Improvements**"), and (iv) the acquisition, equipping and furnishing of the Renovated Space including landscaping, repaving of the existing parking area (collectively, the "**Equipment**"; and, together with the Land and the Improvements, the "**Facility**"), all to be leased by the Agency to the Company for use as mixed-use facility indoor sports complex including, but not limited to, space for hosting leagues, clinics and regional tournament play, a day care center and future restaurants.

This appointment includes authority to purchase on behalf of the Agency all materials to be incorporated into and made an integral part of the Facility, and the following activities as they relate to any construction, erection and completion of any buildings, whether or not

any materials, equipment or supplies described below are incorporated into or become an integral part of such Facility: (i) all purchases, leases, rentals and other uses of tools, machinery and equipment in connection with the acquisition, rehabilitation, renovation and equipping of the Facility, (ii) all purchases, rentals, uses or consumption of supplies, materials and services of every kind and description used in connection with the acquisition, rehabilitation, renovation and equipping of the Facility, and (iii) all purchases, leases, rentals and uses of equipment, machinery and other tangible personal property (including installation costs with respect thereto) installed or placed in, upon or under such Facility.

The agency appointment includes the power to delegate such agency appointment, in whole or in part, to agents, subagents, contractors, subcontractors, materialmen, suppliers and vendors of the Company and to such other parties as the Company choose so long as they are engaged, directly or indirectly, in the activities hereinbefore described.

This agency appointment expressly excludes the purchase of any motor vehicles, including any cars, trucks, vans or buses which are licensed by the Department of Motor Vehicles for use on public highways or streets.

In exercising this agency appointment, the Company, its agents, subagents, contractors and subcontractors should give the supplier or vendor a copy of this letter to show that the Company, its agents, subagents, contractors and subcontractors are each acting as agent for the Agency. The supplier or vendor should identify the Facility on each bill or invoice and indicate thereon that the Company, its respective agents, subagents, contractors and subcontractors acted as agent for the Agency in making the purchase. **You and each of your agents, subagents, contractors and/or subcontractors claiming a sales tax exemption in connection with the Facility must execute a copy of the Contract in Lieu of Exemption Certificate attached hereto, and must complete a New York State Department of Taxation and Finance Form ST-60. Original copies of each Contract in Lieu of Exemption Certificate and completed Form ST-60 must be delivered to the Agency within five (5) days of the appointment of each of your agents, subagents, contractors or subcontractors. Any agent, subagent, contractor or subcontractor of the Company which delivers a completed Form ST-60 to the Agency will be deemed to be the agent, subagent, contractor or subcontractor of the Agency for purposes of acquiring, rehabilitation, renovating and equipping the Facility. Failure to comply with these requirements may result in loss of sales tax exemptions for the Facility.**

The aforesaid appointment of the Company as agent of the Agency to acquire, renovate and equip the Facility shall expire at the earlier of (a) the completion of such activities and improvements, (b) August 21, 2015, or (c) the date on which the Company receives exemptions from sales and use taxes on the acquisition of fixtures, furniture and equipment to be installed in the Facility in connection with the purchase or lease of equipment, building materials, services or other personal property in an amount not to exceed \$124,200, provided, however, such appointment may be extended at the discretion of the Agency, upon the written request of the Company if such activities and improvements are not

Selden Commercial Center, LLC

\_\_\_\_\_, 2013

Page 3

completed by such time, and further provided that the Agency shall not unreasonably withhold its consent to the extension of such appointment.

You should be aware that the New York State General Municipal Law requires you to file an Annual Statement with the New York State Department of Taxation and Finance regarding the value of sales tax exemptions you, your agents, consultants or subcontractors have claimed pursuant to the authority we have conferred on you with respect to this Facility. The penalty for failure to file such statement is the removal of your authority to act as an agent.

If, for some reason, this transaction never closes, you will be liable for payment of the sales tax, if applicable and you are not otherwise exempt, on all materials purchased.

Please sign and return a copy of this letter for our files.

Very truly yours,

**TOWN OF BROOKHAVEN INDUSTRIAL  
DEVELOPMENT AGENCY**

By: \_\_\_\_\_  
Name: Lisa MG Mulligan  
Title: Chief Executive Officer

ACCEPTED & AGREED:

**SELDEN COMMERCIAL CENTER, LLC**

By: \_\_\_\_\_  
Name: Parviz Farahzad  
Title: President



TO: All Contractors, Subcontractors,  
Suppliers and Vendors, etc. of  
Selden Commercial Center, LLC

Attached please find a "Contract in Lieu of Exemption Certificate" (the "**Contract**") which will serve as documentation for not charging Selden Commercial Center, LLC (the "**Company**") for sales or use tax in connection with any purchase, lease, rental and other use of materials, equipment, goods, services or supplies at the facility owned by the Town of Brookhaven Industrial Development Agency (the "**Agency**") and described in Addendum A to the aforesaid Contract (the "**Facility**").

In accordance with the authority granted to the Company by the Agency, you are hereby appointed as agent of the Agency for the purpose of making purchases or leases of materials, equipment, goods, services and supplies to the Facility. **Your appointment as agent of the Agency is contingent upon your completing the attached Form ST-60 and returning it to the Company and the Form ST-60 then being filed by the Agency with the New York State Department of Taxation and Finance.**

Very truly yours,

**SELDEN COMMERCIAL CENTER, LLC**

By: \_\_\_\_\_  
Name: Parviz Farahzad  
Title: President

cc: Town of Brookhaven Industrial Development Agency

## CONTRACT IN LIEU OF EXEMPTION CERTIFICATE

This Contract is entered into by and between Selden Commercial Center, LLC on behalf of itself and/or the principals of Selden Commercial Center, LLC and/or an entity formed or to be formed on behalf of any of the foregoing (the "**Company**"), as agent for and on behalf of the Town of Brookhaven Industrial Development Agency, a public benefit corporation and a governmental agency of the State of New York, hereinafter called the "**Agency**" or the "**Owner**" of the facility described in Addendum A hereto (the "**Facility**"), and the contractor or the subcontractor more particularly described on page 2 hereof (hereinafter, the "**Contractor**").

Pursuant to the authority granted to the Company, as agent of the Agency, the Contractor is hereby appointed agent of said Agency for purposes of completing, executing or otherwise carrying out the obligations imposed under this Contract.

The Contractor acknowledges that the Agency holds title to and owns the Facility and that said Agency is a public benefit corporation and governmental entity of the State of New York. By reason of such status, Owner and its agents acting on its behalf are exempt from payment of all New York State and local sales and use taxes on the purchase or lease of all materials, equipment, goods, services and supplies incorporated into and made an integral component part of any structure, building or real property which becomes the property of Owner, and all equipment, machinery and other tangible personal property (including installation costs with respect thereto) which becomes the property of Owner. In addition, Owner and its agents acting on its behalf are exempt from all sales and use taxes arising out of or connected with the following, as they relate to performance under this Contract: (i) purchases, leases, rentals and other uses of tools, machinery and equipment, and (ii) purchases, leases, rentals, uses or consumption of supplies, goods, materials and services of every kind and description; provided however, that exemption from sales and use taxes with respect to clauses (i) and (ii) above shall apply only if the Contractor is then acting as agent for Owner under the terms of this Contract.

This agency appointment expressly excludes the purchase by the Company of any motor vehicles, including any cars, trucks, vans or buses which are licensed by the Department of Motor Vehicles for use on public highways or streets.

Pursuant to these exemptions from sales and use taxes, the Contractor shall not include such taxes in its contract price, bid or reimbursable costs, as the case may be. If the Contractor does not comply with the requirements for sales and use tax exemptions, as described above, then it shall be responsible for and pay any and all applicable New York State sales and use taxes, and no portion thereof shall be charged or billed to the Owner or to the Company directly or indirectly, the intent of this Contract being that neither the Owner nor the Company shall be liable for any of the sales or use taxes described above. This Contract may be accepted by the Contractor in lieu of an exemption certificate and the Contractor shall retain a copy hereof to substantiate the sales and use tax exemption.

The aforesaid appointment of the Company as agent of the Agency to acquire, renovate and equip the Facility shall expire at the earlier of (a) the completion of such

activities and improvements, (b) August 21, 2015, or (c) the date on which the Company receives exemptions from sales and use taxes on the acquisition of fixtures, furniture and equipment to be installed in the Facility in connection with the purchase or lease of equipment, building materials, services or other personal property in an amount not to exceed \$124,200, provided, however, such appointment may be extended at the discretion of the Agency, upon the written request of the Company if such activities and improvements are not completed by such time.

The Owner shall have the right to assign this Contract to the Company by written notice to the Contractor and without written consent of the Contractor, in which case Owner shall be relieved of all obligations hereunder. In the event of such assignment, all applicable sales and use taxes shall be added to the purchase price and paid to the Contractor pursuant to a change order. All of the above provisions with respect to exemptions for New York State and local sales and use taxes shall apply to all subcontractors and other parties in privity of contract with the Company, Owner or the Contractor pursuant to the terms of this Contract.

OWNER:

**SELDEN COMMERCIAL CENTER,  
LLC**

as Agent for and on behalf of  
the Town of Brookhaven Industrial  
Development Agency

\_\_\_\_\_  
Insert name of Contractor or  
Subcontractor

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

DATE: \_\_\_\_\_

Address of Contractor or Subcontractor

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

By: \_\_\_\_\_  
Name: Parviz Farahzad  
Title: President

DATE: \_\_\_\_\_

cc: Town of Brookhaven Industrial Development Agency

ADDENDUM A

DESCRIPTION OF THE FACILITY

The "Facility" consists of the Selden Commercial Center, LLC, a New York limited liability company to be formed on behalf of itself and/or the principals of Selden Commercial Center, LLC and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the "**Company**"), has applied to the Agency for assistance in the acquisition, renovation and equipping of a mixed-use industrial development facility consisting of (i) the acquisition of an approximately 6.84 acre parcel of land located at 635 Middle Country Road, Coram, Town of Brookhaven, New York (and further identified as Section 474 Block 2 Lot 1) (the "**Land**") and an existing approximately 63,754 square foot facility located thereon (the "**Existing Building**"), which currently consists of a vacant supermarket, vacant restaurant space and a day care center, (ii) the renovation of approximately 50,000 square feet of the Existing Building (the "**Renovated Space**"), (iii) the expansion of the ceiling height of the Renovated Space to be approximately 50 feet (clauses (i), (ii) and (iii) collectively referred to as the "**Improvements**"), and (iv) the acquisition, equipping and furnishing of the Renovated Space including landscaping, repaving of the existing parking area (collectively, the "**Equipment**"; and, together with the Land and the Improvements, the "**Facility**"), all to be leased by the Agency to the Company for use as mixed-use facility indoor sports complex including, but not limited to, space for hosting leagues, clinics and regional tournament play, a day care center and future restaurants.

EXHIBIT D

Proposed PILOT Benefits

635 Middle Country Road  
Coram, New York 11727  
Section 474  
Block 2  
Lot 1

Year	Total
1.	\$130,000
2.	\$133,000
3.	\$135,000
4.	\$138,000
5.	\$141,000
6.	\$144,000
7.	\$147,000
8.	\$149,000
9.	\$152,000
10.	\$155,000
11.	\$159,000
12.	\$391,000

These proposed PILOT Benefits are for discussion purposes and have not yet been approved by the IDA Board.

09/16/13