

Date: November 14, 2018

At a meeting of the Town of Brookhaven Industrial Development Agency (the “Agency”), held on the 14th day of November, 2018, at 1 Independence Hill, 3rd Floor, Farmingville, New York 11738, the following members of the Agency were:

Present: Frederick C. Braun, III
Martin Callahan
Felix J. Grucci, Jr.
Scott Middleton
Gary Pollakusky
Frank C. Trotta

Recused:

Absent: Ann-Marie Scheidt

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 the authorization of the assignment and assumption of the Agency’s Intercounty Associates II LLC/Intercounty Appliance Corp. Facility, the execution of documents with respect thereto and the sale of the facility to 10 National Medford LLC for continued leasing to Intercounty Appliance Corp.

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

Voting Aye

Voting Nay

Braun
Callahan
Grucci
Middleton
Pollakusky
Trotta

RESOLUTION OF THE TOWN OF BROOKHAVEN
INDUSTRIAL DEVELOPMENT AGENCY APPROVING THE
ASSIGNMENT AND ASSUMPTION OF A CERTAIN
INDUSTRIAL DEVELOPMENT FACILITY TO 10 NATIONAL
MEDFORD LLC, A DELAWARE LIMITED LIABILITY
COMPANY 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 provided its assistance to Intercounty Associates II LLC, formerly known as Intercounty Yaphank LLC, a New York limited liability company (the “**Original Company**”) and Intercounty Appliance Corp., a New York business corporation (the “**Lessee**”), by issuing its (i) \$9,000,000 Taxable Variable Rate Demand Industrial Development Revenue Bonds, Series 2005 (Intercounty Associates II LLC/Intercounty Appliance Corp. Facility) (the “**Series 2005 Bonds**”), which Series 2005 Bonds were used to finance certain costs of an industrial development facility consisting of the acquisition of an approximately 29.77 acre parcel of land located at 10 National Boulevard, Medford, New York, and the construction and equipping thereon of an approximately 250,000 square foot building (collectively, the “**Original Facility**”), and (ii) its additional \$4,500,000 Taxable Variable Rate Demand Industrial Development Revenue Bonds, Series 2013 (Intercounty Associates II LLC/Intercounty Appliance Corp. 2013 Facility) (the “**Series 2013 Bonds**”; and together with the Series 2005 Bonds, the “**Bonds**”), for the acquisition, construction, renovation and equipping of an approximately 75,000 square foot addition to an existing approximately 250,000 square foot building located at the Original Facility all for use by the Lessee as warehouse and office space for the distribution of appliances (collectively, the “**2013 Facility**”; and together with the Original Facility, the “**Facility**”); and

WHEREAS, the Agency sold the Original Facility to the Company pursuant to and in accordance with the terms of a certain Installment Sale Agreement, dated as of January 1, 2005 (the “**Original Installment Sale Agreement**”), by and between the Agency and the Company, a memorandum of which Original Installment Sale Agreement was recorded in the Suffolk County Clerk’s office; and

WHEREAS, the Company leased the Original Facility to the Lessee pursuant to a Lease Agreement, dated January 26, 2005 (the “**Original Lease Agreement**”), by and between the Company and the Lessee, a memorandum of which Original Lease Agreement was recorded in the Suffolk County Clerk’s office; and

WHEREAS, in connection with the acquisition, construction and equipping of the Original Facility, the Agency, the Company and the Lessee entered into a Payment-in-Lieu-

of-Tax Agreement, dated as of January 1, 2005 (the “**Original PILOT Agreement**”), whereby the Company and the Lessee agreed to make certain payments-in-lieu-of real property taxes on the Original Facility; and

WHEREAS, in connection with the acquisition, construction and equipping of the Original Facility, the Agency, The Bank of New York Mellon, as Trustee (the “**Trustee**”), Capital One, National Association (the “**LOC Bank**”), the Company and the Lessee entered into an Environmental Compliance and Indemnification Agreement, dated as of January 1, 2005 (the “**Original Environmental Compliance and Indemnification Agreement**”), whereby the Company and the Lessee agreed to comply with all Environmental Laws (as defined therein) applicable to the Original Facility; and

WHEREAS, in connection with the issuance and sale of the Series 2013 Bonds, the Original Installment Sale Agreement was amended pursuant to a First Amendment to Installment Sale Agreement, dated as of September 1, 2013 (the “**First Amendment to Installment Sale Agreement**”; and together with the Original Installment Sale Agreement, the “**Installment Sale Agreement**”), by and between the Agency and the Company, a memorandum of which First Amendment to Installment Sale Agreement was recorded in the Suffolk County Clerk’s office; and

WHEREAS, the Original Lease Agreement was amended to reflect the leasing of the Facility by the Company to the Lessee pursuant to a certain First Amendment of Lease Agreement, dated September 26, 2013 (the “**First Amendment to Lease**”; and together with the Original Lease Agreement, the “**Lease Agreement**”), by and between the Company and the Lessee; and

WHEREAS, in connection with the issuance and sale of the Series 2013 Bonds, the Agency, the Company and the Lessee entered into an Amended and Restated Payment-in-Lieu-of-Tax Agreement, dated as of September 1, 2013 (the “**Amended and Restated PILOT Agreement**”; and together with the Original PILOT Agreement, the “**PILOT Agreement**”), by and among the Company, the Lessee and the Agency; and

WHEREAS, in connection with the acquisition, construction, renovation and equipping of the Facility, the Agency, the Company, the Lessee, the Trustee and the LOC Bank entered into an Environmental Compliance and Indemnification Agreement, dated as of September 1, 2013 (the “**2013 Environmental Compliance and Indemnification Agreement**”; and together with the Original Environmental Compliance and Indemnification Agreement, the “**Environmental Compliance and Indemnification Agreement**”), by and among the Agency, the Company, the Lessee, the LOC Bank and the Trustee; and

WHEREAS, the Agency, the Company and the Lessee entered into a certain Recapture Agreement, dated as of September 1, 2013 (the “**Recapture Agreement**”), pursuant to which the Agency has the right to recapture certain economic benefits and assistance granted to the Company and the Lessee upon the terms and conditions set forth in the Recapture Agreement, which Recapture Agreement was recorded in the Suffolk County Clerk’s office; and

WHEREAS, 10 National Medford LLC, a limited liability company organized and existing under the laws of the State of Delaware or another entity formed or to be formed by 10 National Medford LLC or the principals thereof (collectively, the “**Assignee**”), has now requested the Agency’s consent to the (i) assignment by the Original Company of all of its rights, title, interest and obligations under the Installment Sale Agreement, the PILOT Agreement and certain other agreements in connection with the Facility to and the assumption by the Assignee of all of such rights, title, interest and obligations of the Original Company, (ii) the continued subleasing of the Facility to the Lessee, and (iii) the release of the Original Company from any further liability with respect to the Facility and the release of the Lessee from liability under the original transaction documents, in each case subject to certain requirements of the Agency, all pursuant to the terms of an Assignment, Assumption and Amendment Agreement, to be dated as of November 1, 2018 or such other date as may be determined by the Chairman, Chief Executive Officer and counsel to the Agency (the “**Assignment and Assumption Agreement**”), by and among the Agency, the Company, the Lessee and the Assignee; and

WHEREAS, the Installment Sale Agreement will be assigned and amended pursuant to the Assignment and Assumption Agreement, and a memorandum of such Installment Sale Agreement, as assigned and amended shall be recorded in the Suffolk County Clerk’s office; and

WHEREAS, the Environmental Compliance and Indemnification Agreement shall be assigned and amended pursuant to the Assignment and Assumption Agreement; and

WHEREAS, the PILOT Agreement shall be assigned and amended pursuant to the Assignment and Assumption Agreement and further amended and restated pursuant to a certain Second Amended and Restated Payment-in-Lieu-of-Tax Agreement, to be dated as of November 1, 2018 or such other date as may be determined by the Chairman, Chief Executive Officer and counsel to the Agency (the “**Second Amended and Restated PILOT Agreement**”), by and between the Assignee and the Agency; and

WHEREAS, the Recapture Agreement shall be assigned pursuant to the Assignment and Assumption Agreement and further amended pursuant to a certain Amendment of Recapture Agreement, to be dated as of November 1, 2018 or such other date as may be determined by the Chairman, Chief Executive Officer and counsel to the Agency (the “**Amendment of Recapture Agreement**”), by and between the Assignee and the Agency, which Amendment of Recapture Agreement will be recorded in the Suffolk County Clerk’s office; and

WHEREAS, the Assignee shall continue leasing the Facility to the Lessee pursuant to an Assignment of Lease or such other document as may be determined, dated a date to be determined (the “**Assignment of Lease**”); and

WHEREAS, the Agency and the Lessee will enter into a certain Agency Compliance Agreement, to be dated as of November 1, 2018 or such other date as may be determined by the Chairman, Chief Executive Officer and counsel to the Agency (the “**Agency Compliance Agreement**”), by and between the Agency and the Lessee; and

WHEREAS, the Agency and the Assignee will enter into such other documents upon advice of counsel, in both form and substance, as may be reasonably required to effectuate the assignment and assumption of the Facility (together with the Assignment and Assumption Agreement, the “**Assignment Documents**”); and

WHEREAS, pursuant to Section 9.3 of the Installment Sale Agreement, the Facility may be assigned, in whole or in part, with the prior written consent of the Agency; and

WHEREAS, subject to the execution and delivery of the Assignment and Assumption Agreement and the other required Assignment Documents, the Agency will consent to the assignment by the Company and the assumption by the Assignee of the Company’s interests in the Facility and the Agency will thereafter sell the Facility to the Assignee; and

WHEREAS, the Agency contemplates that it will provide financial assistance to the Assignee in the form of: (i) exemptions from mortgage recording taxes for one or more mortgages securing an amount presently estimated to be \$18,000,000 but not to exceed \$22,000,000 in connection with the financing of the acquisition of the Facility and any future financing, refinancing or permanent financing of the costs of acquiring the Facility, and (ii) continued abatement of real property taxes (as set forth in the PILOT Schedule attached as Exhibit A to the PILOT Agreement), consistent with the policies of the Agency; and

WHEREAS, as security for a loan or loans, the Agency and the Assignee will execute and deliver to a lender or lenders to be determined (collectively, the “**Lender**”), a mortgage or mortgages, 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, to be dated a date to be determined, in connection with the financing, any refinancing or permanent financing of the costs of the acquisition of the Facility (collectively, the “**Loan Documents**”); and

WHEREAS, a public hearing (the “**Hearing**”) was held on November 13, 2018 and notice of the Hearing was given and such notice (together with proof of publication) together with the minutes of the Hearing are in substantially in the form annexed hereto as Exhibits A and B respectively; and

WHEREAS, the Agency has given due consideration to the application of the Assignee and to representations by the Assignee that the proposed Facility is either an inducement to the Assignee to maintain and expand the Facility in the Town of Brookhaven or is necessary to maintain the competitive position of the Assignee in its industry; 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 Company, the Lessee and the Assignee have agreed to indemnify the Agency against certain losses, claims, expenses, damages and liabilities that may arise in connection with the transaction contemplated by the assignment and assumption of the Facility and the sale of the Facility by the Agency to the Company for continued leasing to the Lessee.

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 sale of the Facility to the Assignee 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; and

(d) The sale of the Facility is reasonably necessary to induce the Assignee to maintain and expand its business operations in the State of New York; and

(e) Based upon representations of the Assignee and counsel to the Assignee, 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) It is desirable and in the public interest for the Agency to sell the Facility to the Assignee; and

(g) It is desirable and in the public interest for the Agency to consent to the assignment and assumption of the interest in the Facility from the Company to the Assignee; and

(h) The Assignment and Assumption Agreement and the Assignment Documents to which the Agency is a party will be effective instruments whereby the Agency, the Assignee, the Company and/or the Lessee will effectuate the assignment and assumption of the Facility; and

(i) The Second Amended and Restated PILOT Agreement will be an effective instrument whereby the Agency and the Assignee will set forth the terms and conditions under which the Assignee will make payments in lieu of taxes on the Facility; and

(j) The Amendment of Recapture Agreement will be an effective instrument whereby the Agency and the Assignee will amend the Recapture Agreement; and

(k) The Agency Compliance Agreement will be an effective instrument whereby the Lessee will provide certain assurances regarding the Facility to the Agency; and

(l) The Loan Documents to which the Agency is a party will be effective instruments whereby the Agency and the Assignee agree to secure the Loan made to the Assignee by the Lender.

Section 2. The Agency has assessed all material information included in connection with the Assignee's application for financial assistance, including but not limited to, the cost-benefit analysis prepared by the Agency and such information has provided the Agency a reasonable basis for its decision to provide the financial assistance described herein to the Assignee.

Section 3. In consequence of the foregoing, the Agency hereby determines to: (i) consent to the assignment and assumption of the Facility from the Company to and by the Assignee pursuant to the Assignment and Assumption Agreement, (ii) execute, deliver and perform the Assignment and Assumption Agreement, (iii) execute and deliver the other Assignment Documents, (iv) execute, deliver and perform the Second Amended and Restated PILOT Agreement, (v) execute, deliver and perform the Amendment of Recapture Agreement, (vi) execute and deliver the Agency Compliance Agreement, (vii) grant a mortgage on and security interest in and to the Facility pursuant to the Loan Documents, and (viii) execute, deliver and perform the Loan Documents to which the Agency is a party.

Section 4. The Agency is hereby authorized to consent to the assignment and assumption of the Facility by the Assignee and to do all things necessary or appropriate for the accomplishment thereof, and all acts heretofore taken by the Agency with respect to such assignment and assumption are hereby approved, ratified and confirmed.

Section 5. The Agency hereby authorizes and approves the following economic benefits to be granted to the Assignee in the form of: (i) exemptions from mortgage recording taxes for one or more mortgages securing an amount presently estimated to be \$18,000,000 but not to exceed \$22,000,000 in connection with the financing of the acquisition of the Facility and any future financing, refinancing or permanent financing of the costs of acquiring the Facility, and (ii) continued abatement of real property taxes (as set forth in the PILOT Schedule attached as Exhibit A to the PILOT Agreement), consistent with the policies of the Agency.

Section 6. The Assignee is hereby notified that it will be required to comply with Section 875 of the Act. The Company shall be required to agree to the terms of Section 875 pursuant to the Recapture Agreement, as assigned and amended. The Assignee is further notified that the tax exemptions and abatements provided pursuant to the Act are subject to termination and recapture of benefits pursuant to Sections 859-a and 875 of the Act and the Recapture Agreement.

Section 7. The form and substance of the Assignment and Assumption Agreement, the Assignment Documents, the Second Amended and Restated PILOT Agreement, the Amendment of Recapture Agreement, the Agency Compliance Agreement and the Loan Documents to which the Agency is a party (each 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, the Chief Executive Officer of the Agency or any member of the Agency are hereby authorized, on behalf of the Agency, to execute and deliver the Assignment and Assumption Agreement, the other Assignment Documents, the Second Amended and Restated PILOT Agreement, the Amendment of Recapture Agreement, the Agency Compliance Agreement and the Loan Documents to which 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, the Chief Executive Officer of the Agency 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, the Chief Executive Officer of the Agency or any member of the Agency shall constitute conclusive evidence of such approval.

(b) The Chairman, the Chief Executive Officer of the Agency 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 Installment Sale 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 Assignee. The Assignee agrees to pay such expenses and further agrees 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 Facility.

Section 11. This resolution shall take effect immediately.

ADOPTED: November 14, 2018

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

I, the undersigned Assistant 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 14th day of November, 2018, 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 14th day of November, 2018.


By:  _____
Assistant Secretary

EXHIBIT A

NOTICE OF PUBLIC HEARING

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 13th day of November, 2018, at 10:30 a.m. local time, at the Town of Brookhaven Division of Economic Development, 2nd Floor, One Independence Hill, Farmingville, New York 11738, in connection with the following matters

The Agency has previously provided its assistance to Intercounty Associates II LLC, formerly known as Intercounty Yaphank LLC, a New York limited liability company (the “**Original Company**”) and Intercounty Appliance Corp., a New York business corporation (the “**Lessee**”), by issuing its \$9,000,000 Taxable Variable Rate Demand Industrial Development Revenue Bonds, Series 2005 (Intercounty Associates II LLC/Intercounty Appliance Corp. Facility) (the “**Series 2005 Bonds**”), which Series 2005 Bonds were used to finance certain costs of an industrial development facility consisting of the acquisition of an approximately 29.77 acre parcel of land located at 10 National Boulevard, Medford, New York, and the construction and equipping thereon of an approximately 250,000 square foot building (collectively, the “**Original Facility**”), the issuance of a series of additional Taxable Variable Rate Demand Industrial Development Revenue Bonds, Series 2013 (Intercounty Associates II LLC/Intercounty Appliance Corp. 2013 Facility) (the “**Additional Bonds**”; and together with the Series 2005 Bonds, the “**Bonds**”), in an aggregate principal amount of \$4,500,000, for the acquisition, construction, renovation and equipping of an approximately 75,000 square foot addition to an existing approximately 250,000 square foot building located at the Original Facility all for use by the Lessee as warehouse and office space for the distribution of appliances (collectively, the “**2013 Facility**”; and together with the Original Facility, the “**Facility**”), which Facility was sold to the Original Company pursuant to a certain Installment Sale Agreement, dated as of January 1, 2005, as amended as of September 1, 2013 (collectively, the “**Installment Sale Agreement**”), between the Agency and the Original Company.

In connection therewith, the Agency, the Original Company and the Lessee, entered into a certain Payment-in-Lieu-of-Tax Agreement, dated as of January 1, 2005, as amended and restated as of September 1, 2013 (collectively, the “**PILOT Agreement**”), whereby the Original Company and the Lessee agreed to make certain payments-in-lieu-of-taxes on the Facility to the Taxing Authorities (as defined therein).

10 National Medford LLC, a limited liability company organized and existing under the laws of the State of Delaware or another entity formed or to be formed by 10 National Medford LLC or the principals thereof (collectively, the “**Assignee**”), has now requested the Agency’s consent to the (i) assignment by the Original Company of all of its rights, title, interest and obligations under the Installment Sale Agreement, the PILOT Agreement and certain other agreements in connection with the Facility to and the assumption by the Assignee of all of such rights, title, interest and obligations of the Original Company, (ii) the

continued subleasing of the Facility to the Lessee, and (iii) the release of the Original Company from any further liability with respect to the Facility and the release of the Lessee from liability under the original transaction documents, in each case subject to certain requirements of the Agency.

The Agency contemplates that it will provide financial assistance to the Assignee, consistent with the policies of the Agency, in the form of continued abatement of real property taxes and exemptions from the mortgage recording tax in connection with the assignment and assumption of the Installment Sale Agreement and the PILOT Agreement.

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 proposed financial assistance to the Assignee.

Dated: November 3, 2018

**TOWN OF BROOKHAVEN INDUSTRIAL
DEVELOPMENT AGENCY**

By: Lisa MG Mulligan
Title: Chief Executive Office

EXHIBIT B

MINUTES OF PUBLIC HEARING HELD ON
November 13, 2018

TOWN OF BROOKHAVEN INDUSTRIAL DEVELOPMENT AGENCY
ASSIGNMENT AND ASSUMPTION OF
(INTERCOUNTY ASSOCIATES II LLC/INTERCOUNTY APPLIANCE CORP.
FACILITY)

Section 1. Lisa MG Mulligan, Chief Executive Officer of the Town of Brookhaven Industrial Development Agency (the “**Agency**”) called the hearing to order.

Section 2. Lisa MG Mulligan then appointed herself the hearing officer of the Agency, to record the minutes of the hearing.

Section 3. The hearing officer then described the proposed transfer of the real estate, the other financial assistance proposed by the Agency and the location and nature of the Facility as follows:

The Agency has previously provided its assistance to Intercountry Associates II LLC, formerly known as Intercountry Yaphank LLC, a New York limited liability company (the “**Original Company**”) and Intercountry Appliance Corp., a New York business corporation (the “**Lessee**”), by issuing its \$9,000,000 Taxable Variable Rate Demand Industrial Development Revenue Bonds, Series 2005 (Intercountry Associates II LLC/Intercountry Appliance Corp. Facility) (the “**Series 2005 Bonds**”), which Series 2005 Bonds were used to finance certain costs of an industrial development facility consisting of the acquisition of an approximately 29.77 acre parcel of land located at 10 National Boulevard, Medford, New York, and the construction and equipping thereon of an approximately 250,000 square foot building (collectively, the “**Original Facility**”), the issuance of a series of additional Taxable Variable Rate Demand Industrial Development Revenue Bonds, Series 2013 (Intercountry Associates II LLC/Intercountry Appliance Corp. 2013 Facility) (the “**Additional Bonds**”; and together with the Series 2005 Bonds, the “**Bonds**”), in an aggregate principal amount of \$4,500,000, for the acquisition, construction, renovation and equipping of an approximately 75,000 square foot addition to an existing approximately 250,000 square foot building located at the Original Facility all for use by the Lessee as warehouse and office space for the distribution of appliances (collectively, the “**2013 Facility**”; and together with the Original Facility, the “**Facility**”), which Facility was sold to the Original Company pursuant to a certain

Installment Sale Agreement, dated as of January 1, 2005, as amended as of September 1, 2013 (collectively, the “**Installment Sale Agreement**”), between the Agency and the Original Company.

In connection therewith, the Agency, the Original Company and the Lessee, entered into a certain Payment-in-Lieu-of-Tax Agreement, dated as of January 1, 2005, as amended and restated as of September 1, 2013 (collectively, the “**PILOT Agreement**”), whereby the Original Company and the Lessee agreed to make certain payments-in-lieu-of-taxes on the Facility to the Taxing Authorities (as defined therein).

10 National Medford LLC, a limited liability company organized and existing under the laws of the State of Delaware or another entity formed or to be formed by 10 National Medford LLC or the principals thereof (collectively, the “**Assignee**”), has now requested the Agency’s consent to the (i) assignment by the Original Company of all of its rights, title, interest and obligations under the Installment Sale Agreement, the PILOT Agreement and certain other agreements in connection with the Facility to and the assumption by the Assignee of all of such rights, title, interest and obligations of the Original Company, (ii) the continued subleasing of the Facility to the Lessee, and (iii) the release of the Original Company from any further liability with respect to the Facility and the release of the Lessee from liability under the original transaction documents, in each case subject to certain requirements of the Agency.

The Agency contemplates that it will provide financial assistance to the Assignee, consistent with the policies of the Agency, in the form of continued abatement of real property taxes and exemptions from the mortgage recording tax in connection with the assignment and assumption of the Installment Sale Agreement and the PILOT Agreement.

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

Section 5. The hearing officer then asked if there were any further comments, and, there being none, the hearing was closed at 11:00 a.m.

