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December 15, 2016

Via: Email lmulligan@brookhaven.org

Town of Brookhaven Industrial Development Agency One Independence Hill Farmingville, NY 11738

Attn: Lisa Mulligan

Chief Executive Officer

Re: Scheff Family Realty Co., LLC/Burmax Project

Dear Ms. Mulligan:

In connection with the above-referenced Project, this letter shall serve as a formal request to amend the Inducement Resolution dated November 18, 2015.

In particular, the Resolution provided that the anticipated mortgage was estimated to be \$2,200,000, but not to exceed \$2,500,00 (Section 5 of said Resolution). Based upon increases in construction costs, it is now anticipated that the institutional mortgage will be \$2,600,000. As such, the Resolution should be amended to increase the authority of the Agency to execute and deliver a new mortgage (when requested) in said increased amount, and provide mortgage tax exemptions based upon said new amount.

Further, the Company had previously requested and was granted (Section 6 of said Resolution) a sales tax exemption in the amount of \$79,350.00. The Company now anticipates the building material costs to be greater than initially anticipated and also will be purchasing racking for expansion area of the Facility. As such, the Resolution should be amended to grant sales tax exemptions in the amount of \$150,000.

The Company will commence construction and equipping of the expansion Facility prior to closing with its mortgage lender. So as to be afforded the sales tax exemption benefits prior to that financing being closed, we would expect to have the closing with the Agency on this Project, whereupon the sales tax exemption and the new PILOT would be put into place and a few months thereafter, request that the Agency join in the new mortgage or mortgages, as required by the lender to document the permanent loan.

Of course, if you require any further information, please don't hesitate to contact the undersigned. Thank you for your anticipated courtesies and cooperation herein.

Very truly yours,

ANDREW D. PRESBERG

ADP:ea

cc: William Weir, Esq.