

Resolutions in this Package:

- Bold Systems
- HSRE-EB Holtsville

Date: July 15, 2015

At a meeting of the Town of Brookhaven Industrial Development Agency (the "Agency"), held at 8:00 a.m. local time, the Town of Brookhaven Department of Economic Development, 1 Independence Hill, 3rd Floor, Farmingville, New York 11738, on the 15th day of July, 2015, the following members of the Agency were:

Present: Martin Callahan, Felix J. Grucci, Jr., Michael Kelly, Scott Middleton & Ann-Marie Scheidt

Recused: Felix J. Grucci, Jr.

Absent:

Excused: Frederick C. Braun, III

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 consent to the subleasing of a portion of the Agency's Grucci Properties East, LLC/Pyrotechnic by Grucci Inc./Fireworks by Grucci, Inc. Facility to Bold Systems, LLC.

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

Voting Aye

Callahan
Kelly
Middleton
Scheidt

Voting Nay

RESOLUTION OF THE TOWN OF BROOKHAVEN INDUSTRIAL DEVELOPMENT AGENCY PERTAINING TO THE CONSENT TO THE SUBLEASING OF A PORTION OF THE AGENCY'S GRUCCI PROPERTIES EAST, LLC/ PYROTECHNIC BY GRUCCI INC./FIREWORKS BY GRUCCI, INC. FACILITY AND APPROVING THE FORM, SUBSTANCE, EXECUTION AND DELIVERY 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 65 of the Laws of 1975 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 in the acquisition, construction, equipping and leasing of an industrial development facility to the Crossvets Realty, LLC, a limited liability company duly organized and validly existing under the laws of the State of New York (the "**Original Company**"), Bold Systems, LLC, a limited liability company duly organized and validly existing under the laws of the State of New York, having an office at 2805 Veterans Highway, Suite 20, Ronkonkoma, New York 11779 ("**Bold Systems**") and Bold Appellate Solutions, LLC, a limited liability company duly organized and validly existing under the laws of the State of New York ("**Bold Appellate Solutions**"; and together with Bold Systems, the "**Original Sublessees**"), consisting of the acquisition of an approximately 1.75 acre parcel of land located within the Brookhaven Industrial Park on Pinehurst Drive, Bellport, Town of Brookhaven, Suffolk County, New York (further identified as Tax Map. No. 0200-813-01.00-008.029) (the "**Land**"), and the construction and equipping thereon of an approximately 19,197 square foot building including, without limitation, the furnishing and equipping of office and warehouse space (together with the Land, the "**Original Facility**"); and

WHEREAS, the Agency previously leased the Original Facility to the Original Company pursuant to the terms of a Lease Agreement, dated as of June 1, 2009 (the "**Original Lease Agreement**"), by and between the Agency and the Original Company, a memorandum of which Original Lease Agreement was recorded in the Suffolk County Clerk's Office on July 8, 2009 in Liber 12592 page 814; and

WHEREAS, the Original Company previously subleased approximately one-half of the Original Facility to Bold Systems and approximately one-half of the Original Facility to Bold Appellate Solutions, pursuant to the terms of a certain Sublease Agreement, dated June 22, 2009 (the "**Original Sublease Agreement**"), by and between the Assignor and the Original Sublessees, a memorandum of which Original Sublease Agreement was recorded in the Suffolk County Clerk's Office on July 8, 2009 in Liber 12592 page 815; and

WHEREAS, in connection with such Original Sublease Agreement (i) the Agency and Bold Systems entered into an Agency Compliance Agreement, dated as of June 1, 2009 (the "**Bold Systems Agency Compliance Agreement**"); and (ii) the Agency and Bold

Appellate Solutions entered into an Agency Compliance Agreement, dated as of June 1, 2009 (the “**Bold Appellate Solutions Agency Compliance Agreement**”); and, together with the Bold Systems Agency Compliance Agreement, the “**Original Agency Compliance Agreements**”); and

WHEREAS, in connection with the leasing and the subleasing of the Original Facility, the Agency, the Original Company and the Original Sublessees entered into (i) a Payment-in-Lieu-of-Tax Agreement, dated as of June 1, 2009 (the “**Original PILOT Agreement**”), whereby the Original Company and the Original Sublessees agreed to make payments-in-lieu-of taxes with respect to the Original Facility; (ii) a Recapture Agreement, dated as of June 1, 2009 (the “**Original Recapture Agreement**”), whereby the Original Company and the Original Sublessees provided assurances to the Agency with respect to the recapture of benefits granted under the Original Lease Agreement, Original PILOT Agreement and other related documents; and (iii) an Environmental Compliance and Indemnification Agreement, dated as of June 1, 2009 (the “**Original Environmental Compliance and Indemnification Agreement**”), whereby the Original Company and the Original Sublessees agreed to comply with all Environmental Laws (as defined therein) applicable to the Original Facility; and

WHEREAS, the Agency consented to a request by the Original Company to the assignment by Original Company of all of its rights, title, interest and obligations under the Lease Agreement, the PILOT Agreement, the Recapture Agreement and the Environmental Compliance and Indemnification Agreement in connection with the Facility to Grucci Properties East, LLC (the “**Successor Company**”), and the release of the Original Company from any further liability with respect to the Facility subject to certain requirements of the Agency and the termination of the Original Sublessees Sublease Agreement (collectively, the “**Assignment**”); and

WHEREAS, the Original Company’s leasehold interest in the Original Facility was assigned by the Original Company to the Successor Company pursuant to and in accordance with a certain Assignment, Assumption and Amendment Agreement, dated August 16, 2013 (the “**Assignment, Assumption and Amendment Agreement**”), by and among the Agency, the Original Company, the Original Sublessees, the Successor Company and the Successor Sublessees, whereby the Successor Company assumed all of Original Company’s right, title, interest, liability, duties and obligations with respect to the Original Facility, including but not limited to, all of the right, title, interest, liability, duties and obligations of the Original Company under the Transaction Documents (as defined in the Lease Agreement), including, without limitation, the Original Lease Agreement, the Original PILOT Agreement, the Original Recapture Agreement and the Original Environmental Compliance and Indemnification Agreement; and

WHEREAS, the Original Sublessees’ leasehold interest in the Original Facility was assigned by the Original Sublessees to the Successor Sublessees pursuant to and in accordance with the Assignment, Assumption and Amendment Agreement, whereby the Successor Sublessees will assume all of Original Sublessees’ right, title, interest, liability, duties and obligations with respect to the Original Facility, including but not limited to, all of the right, title, interest, liability, duties and obligations of the Original Sublessees under the

Transaction Documents (as defined in the Lease Agreement), including, without limitation, the Original PILOT Agreement, the Original Recapture Agreement and the Original Environmental Compliance and Indemnification Agreement; and

WHEREAS, the Agency and the Successor Company evidenced the assignment of the Original Company's leasehold interest in the Original Lease Agreement to the Assignee pursuant to and in accordance with the Amended and Restated Lease Agreement, dated as of August 1, 2013 (the "**Amended and Restated Lease Agreement**"; and, together with the Original Lease Agreement, the "**Lease Agreement**"), by and between the Agency and the Successor Company, and a memorandum of Amended and Restated Lease Agreement was to be presented for recording in the Suffolk County Clerk's office; and

WHEREAS, the Successor Company further requested the Agency assist in (a) the renovation and equipping of the Original Facility, including, but not limited to, office furniture, fixtures and equipment (collectively, the "**Improvements**") and the acquisition and installation of certain equipment not part of the Equipment (as such term is defined in Exhibit A to the Equipment Lease Agreements, each dated as of August 1, 2013 (collectively, the "**Equipment Lease Agreements**"), by and between the Agency and the respective Successor Sublessees) (the "**Facility Equipment**"; and, together with the Facility and Improvements, the "**Company Facility**"), all to be leased by the Agency to the Assignee for further sublease by the Assignee of a portion of the Company Facility to, and use by Fireworks by Grucci and by Pyrotechnique by Grucci, and (b) the acquisition and installation of certain equipment (the "**Equipment**"), which Equipment is to be leased by the Agency to the Sublessees for use in their respective businesses (the Company Facility and the Equipment collectively referred to herein as the "**Facility**"); and

WHEREAS, in connection with the leasing and subleasing of the Facility the Agency, the Successor Company and the Successor Sublessees entered into a certain Amended and Restated PILOT Agreement, dated as of August 1, 2013 (the "**Amended and Restated PILOT Agreement**"; and, together with the Original PILOT Agreement, the "**PILOT Agreement**"), by and among the Agency, the Successor Company and the Successor Sublessees; and

WHEREAS, in connection with the leasing and subleasing of the Facility the Agency, the Successor Company and the Successor Sublessees entered into a certain Amended and Restated Recapture Agreement, dated as of August 1, 2013 (the "**Amended and Restated Recapture Agreement**"; and, together with the Original Recapture Agreement, the "**Recapture Agreement**"), by and among the Agency, the Successor Company and the Successor Sublessees, and such Amended and Restated Recapture Agreement was to be presented for recording in the Suffolk County Clerk's office; and

WHEREAS, in connection with the leasing and subleasing of the Facility the Agency, the Successor Company and the Successor Sublessees entered into a certain Amended and Restated Environmental Compliance and Indemnification Agreement, dated as of August 1, 2013 (the "**Amended and Restated 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 Successor Company and the Successor Sublessees; and

WHEREAS, the Successor Company is now in negotiations to sublease a portion of the Facility totaling approximately a 2,500 square foot floor area, on a month-to-month basis, to Bold Systems, LLC (the “**Sublessee**”), to be used for general office use, initially employing approximately seven (7) full-time and two (2) seasonal employees; and

WHEREAS, the Successor Company has requested that the Agency consent to the subleasing of a portion of the Facility to the Sublessee; and

WHEREAS, the Facility may not be subleased, in whole or in part, without the prior written consent of the Agency; and

WHEREAS, such consent may be manifested by the execution and delivery of a Tenant Agency Compliance Agreement, to be dated a date to be determined, between the Agency and the Sublessee (the “**Tenant Agency Compliance Agreement**”); and

WHEREAS, the Successor 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 subleasing of a portion 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 subleasing of a portion of the Facility to the Sublessee 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.

(c) Based on the certification of the Sublessee in the Tenant Agency Compliance Agreement, the occupancy of the Facility by the Sublessee shall not result in the removal of a facility or plant of the Sublessee from one area of the State to another area of the State or in the abandonment of one or more plants or facilities of the Sublessee located within the State; unless: (i) such occupation of the Facility is reasonably necessary to discourage the Sublessee from removing such other plant or facility to a location outside the State, or (ii) such occupation of the Facility is reasonably necessary to preserve the competitive position of the Sublessee in its industry.

(d) It consents to the subleasing of a portion of the Facility to the Sublessee.

(e) The execution of the Tenant Agency Compliance Agreement will satisfy the requirement of Section 9.3 of the Lease Agreement that any subleasing of the Facility be consented to in writing by the Agency.

(f) It is desirable and in the public interest for the Agency to consent to the subleasing of a portion of the Facility and to enter into the Tenant Agency Compliance Agreement.

Section 2. In consequence of the foregoing, the Agency hereby determines to enter into the Tenant Agency Compliance Agreement.

Section 3. The form and substance of the Tenant Agency Compliance Agreement and (in substantially the form presented to the Agency and which, prior to the execution and delivery thereof, may be redated) is hereby approved.

Section 4.

(a) The Chairman, the Chief Executive Officer, or any member of the Agency are hereby authorized, on behalf of the Agency, to execute and deliver the Tenant Agency Compliance Agreement, in substantially the form thereof presented to this meeting with such changes, variations, omissions and insertions as the Chairman, the 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, the Chief Executive Officer, 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, the Chief Executive Officer, or any member of the Agency shall constitute conclusive evidence of such approval.

(b) The Chairman, the 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 5. 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. 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 15th day of July, 2015, 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 15th day of July, 2015.

By 
Secretary

Date: July 15, 2015

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 15th day of July, 2015, the following members of the Agency were:

Present: Martin Callahan, Felix J. Grucci, Jr., Michael Kelly, Scott Middleton
& Ann-Marie Scheidt

Absent: Frederick C. Braun, III

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 (HSRE-EB Holtsville, LLC 2015 Facility) and the leasing of the facility to HSRE-EB Holtsville, LLC.

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

Voting Aye

Callahan
Grucci
Kelly
Middleton
Scheidt

Voting Nay

AMENDED RESOLUTION OF THE TOWN OF
BROOKHAVEN INDUSTRIAL DEVELOPMENT AGENCY
APPROVING THE ACQUISITION, CONSTRUCTION AND
EQUIPPING OF A CERTAIN INDUSTRIAL DEVELOPMENT
FACILITY FOR HSRE-EB HOLTSVILLE, LLC., A 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, there was submitted to the Agency a proposal to undertake the providing and leasing of an industrial development facility to EB at Holtsville, LLC (formerly known as EB at Farmingville, LLC), a limited liability company organized and existing under the laws of the State of New York on behalf of itself and/or the principals of EB at Holtsville, LLC and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the “**Original Company**”), consisting of (i) the acquisition of a parcel of land totaling approximately 5.14 acres located on the north side of the intersection of the Long Island Expressway North Service Road and approximately 414.64 feet west of North Ocean Avenue in Holtsville, Town of Brookhaven, County of Suffolk, New York (further identified as SCTM# 0200-696.00-05.00-001.003) (the “**Land**”), and (ii) the construction, equipping and furnishing of a four-story above-grade approximately 120,000 square foot building to be located thereon consisting of approximately 140 assisted living units and 150 beds, for use by elderly citizens in the community as a fully integrated residence including living, dining, housekeeping, personal laundry and transportation services (collectively, the “**Facility**”), all for use by the Original Company as an assisted living residential facility; and

WHEREAS, the Agency by resolution duly adopted on February 18, 2015 (the “**Authorizing Resolution**”), authorized the acquisition, construction and equipping of the Facility and the execution and delivery of the Agency Documents (as defined therein); and

WHEREAS, the Original Company, by letter dated June 26, 2015 (the “**Letter Amendment**”), notified the Agency of its intent to amend its application for assistance dated February 10, 2014 (the “**Application**”), to reflect that the Original Company will be replaced with HSRE-EB Holtsville, LLC, a limited liability company organized and existing under the laws of the State of Delaware, on behalf of itself and/or the principals of HSRE-EB Holtsville, LLC and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the “**Company**”); and

WHEREAS, the Original Company has represented to the Agency that 50% of the ownership and the principals of the Company is the Original Company and that the remaining 50% of the ownership and the principals is HSRE-EB IIA, LLC; and

WHEREAS, the Agency intends to amend its Authorizing Resolution in order to reflect the substitution of HSRE-EB Holtsville, LLC, as 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

WHEREAS, a public hearing (the "**Hearing**") was held on July 14, 2015, so that all persons with views in favor of or opposed to either the financial assistance contemplated by the Agency or the replacement of the Original Company by the Company or the location or nature of the Facility, could be heard; and

WHEREAS, notice of the Hearing was given on July 3, 2015, and such notice (together with proof of publication), was substantially in the form annexed hereto as Exhibit A; and

WHEREAS, the form of Minutes of the Hearing is annexed hereto as Exhibit B; and

WHEREAS, the Agency ratifies and confirms all terms contemplated under the Authorizing Resolution, as amended by this Amended Authorizing Resolution, including the Agency Documents (as defined therein); 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 transaction contemplated in the Authorizing Resolution, as amended by this Amended Authorizing Resolution; and

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

Section 1. The Agency hereby amends the Authorizing Resolution to substitute the name of the Company to be HSRE-EB Holtsville, LLC, as the lessee and sublessee of the Agency under the Lease Agreement.

Section 2. The Agency hereby ratifies and confirms all terms contemplated by the Authorizing Resolution, as amended by this Amended Authorizing Resolution, including the Agency Documents.

Section 3. This amended 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 15th day of July, 2015, 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 in all respects duly held.

IN WITNESS WHEREOF, I have hereunto set my hand as of the 15th day of July, 2015.

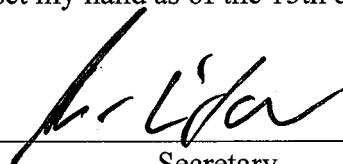
By:  _____
Secretary

EXHIBIT A

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that a public hearing pursuant to 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 on the 14th day of July, 2015, at 10:00 a.m., local time, at the Town of Brookhaven, Offices of Economic Development, One Independence Hill, 3rd Floor, Farmingville, New York, in connection with the following matters:

HSRE-EB Holtsville, LLC, a limited liability company organized and existing under the laws of the State of Delaware on behalf of itself and/or the principals of HSRE-EB Holtsville, LLC and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the “**Company**”), has applied to the Town of Brookhaven Industrial Development Agency (the “**Agency**”) to enter into a transaction in which the Agency will assist in (i) the acquisition of a parcel of land totaling approximately 5.89 acres located on the north side of the intersection of the Long Island Expressway North Service Road and approximately 414.64 feet west of North Ocean Avenue in Holtsville, Town of Brookhaven, County of Suffolk, New York (further identified as SCTM# 0200-696.00-05.00-001.003) (the “**Land**”), (ii) the construction, equipping and furnishing of a four-story above-grade approximately 120,000 square foot building to be located thereon consisting of approximately 140 assisted living units and 150 beds, for use by elderly citizens in the community as a fully integrated residence including living, dining, housekeeping, personal laundry and transportation services (collectively, the “**Facility**”), all for use by the Company as an assisted living residential facility. The Facility will be initially owned by the Company.

The Agency will acquire a leasehold interest in the Facility and will lease the 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 construction and equipping of the Facility, exemptions from mortgage recording taxes in connection with the financing or any subsequent refinancing or permanent financing of the Facility 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 either the proposed financial assistance to the Company 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 3, 2015

TOWN OF BROOKHAVEN
INDUSTRIAL DEVELOPMENT
AGENCY

By: Lisa MG Mulligan
Title: Chief Executive Officer

EXHIBIT B

FORM OF MINUTES OF PUBLIC HEARING TOWN OF BROOKHAVEN INDUSTRIAL DEVELOPMENT AGENCY

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

2. The Chief Executive Officer then described the location and nature of the Facility to be financed as follows:

HSRE-EB Holtsville, LLC, a limited liability company organized and existing under the laws of the State of Delaware on behalf of itself and/or the principals of HSRE-EB Holtsville, LLC and/or an entity formed or to be formed on behalf of any of the foregoing (collectively, the “**Company**”), has applied to the Town of Brookhaven Industrial Development Agency (the “**Agency**”) to enter into a transaction in which the Agency will assist in (i) the acquisition of a parcel of land totaling approximately 5.89 acres located on the north side of the intersection of the Long Island Expressway North Service Road and approximately 414.64 feet west of North Ocean Avenue in Holtsville, Town of Brookhaven, County of Suffolk, New York (further identified as SCTM# 0200-696.00-05.00-001.003) (the “**Land**”), (ii) the construction, equipping and furnishing of a four-story above-grade approximately 120,000 square foot building to be located thereon consisting of approximately 140 assisted living units and 150 beds, for use by elderly citizens in the community as a fully integrated residence including living, dining, housekeeping, personal laundry and transportation services (collectively, the “**Facility**”), all for use by the Company as an assisted living residential facility. The Facility will be initially owned by the Company.

The Agency will acquire a leasehold interest in the Facility and will lease the 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 construction and equipping of the Facility, exemptions from mortgage recording taxes in connection with the financing or any subsequent refinancing or permanent financing of the Facility and abatement of real property taxes, all consistent with the policies of the Agency.

3. The Agency contemplates that it will provide financial assistance to the Company in the form of exemptions from mortgage recording taxes in connection with the financing or any subsequent refinancing of the Facility, and exemptions from sales and use taxes in connection

with the construction and equipping of the Facility and abatement of real property taxes, consistent with the policies of the Agency.

4. The hearing officer then opened up the hearing for comments from the floor for or against 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 Chief Executive Officer then asked if there were any further comments and, there being none, the hearing was closed at 10:30 a.m.

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

I, the undersigned Chief Executive Officer of the Town of Brookhaven Industrial Development Agency, DO HEREBY CERTIFY:

That I have compared the foregoing copy of the minutes of a public hearing held by the Town of Brookhaven Industrial Development Agency (the "Agency") on July 14, 1025, at 10:00 a.m. local time, at the Town of Brookhaven Division of Economic Development, 1 Independence Hill, 2nd Floor, Farmingville, New York 11738, with the original thereof on file in the office of the Agency, and that the same is a true and correct copy of the minutes in connection with such matter.

IN WITNESS WHEREOF, I have hereunto set my hand as of July 14, 2015.



Chief Executive Officer