Date: July 11, 2018

At a meeting of the Town of Brookhaven Industrial Development Agency (the "**Agency**"), held on the 11th day of July, 2018 at 8:00 a.m. local time, the Town of Brookhaven Department of Economic Development, 1 Independence Hill, 2nd Floor, Farmingville, New York 11738, the following members of the Agency were:

Present:

Recused:

Absent:

Also Present:

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 revoking certain declarations of covenants and restrictions in connection with the Agency's The Meadows at Yaphank 2015 Facility, Yaphank AVR Boulevard Chelsea LLC 2017 Facility and AVR Yaphank Hotel and Loft Apartments LLC 2017 Facility.

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

Voting Aye	Voting Nay

RESOLUTION OF THE TOWN OF BROOKHAVEN INDUSTRIAL DEVELOPMENT AGENCY PERTAINING TO THE CONSENT TO REVOKING CERTAIN DECLARATIONS OF COVENANTS AND RESTRICTIONS IN CONNECTION WITH THE AGENCY'S THE MEADOWS AT YAPHANK 2015 FACILITY, YAPHANK AVR BOULEVARD CHELSEA LLC 2017 FACILITY AND AVR YAPHANK HOTEL AND LOFT APARTMENTS LLC 2017 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 358 of the Laws of 1970 of the State of New York, as 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 the acquisition of certain industrial development projects as authorized by the Act; and

WHEREAS, the Agency previously provided its assistance to AVR Yaphank Meadows Apartments LLC (the "**Meadows Company**"), in the acquisition, construction, equipping and furnishing of a mixed-use industrial development facility to be known as The Meadows at Yaphank, and which initial phase, also known as Phase 1a, will consist of (i) the acquisition of approximately 17.82 acres of land located on the northwest corner of William Floyd Parkway and the Long Island Expressway in Yaphank (collectively, the "**Meadows Land**"), and (ii) the construction, equipping and furnishing of an approximate 240 unit apartment complex consisting of ten separate buildings of 26,690 square feet, 80 garages at 200 square feet, 1 clubhouse of 6,250 square feet, and a cabana of 750 square feet (collectively, the "**Meadows Equipment**" and "**Meadows Improvements**"; and, together with the Meadows Land, the "**Meadows Facility**"); and

WHEREAS, the Meadows Company has previously agreed to lease the Meadows Land and the Meadows Improvements to the Agency pursuant to the terms of a certain Company Lease Agreement, dated as of January 1, 2015 (the "**Meadows Company Lease**"), by and between the Meadows Company and the Agency; and

WHEREAS, the Agency is currently leasing the Meadows Facility to the Meadows Company, pursuant to a certain Lease Agreement, dated as of January 1, 2015 (the "**Meadows Lease Agreement**"), between the Agency and the Meadows Company; and

WHEREAS, the Agency previously provided its assistance to Yaphank AVR Boulevard Chelsea LLC (the "**Chelsea Company**"), in (i) the acquisition of an approximately 3.33 acre parcel of land located at the southwest corner of The Boulevard West and Park Drive, Yaphank, Town of Brookhaven, New York (more particularly described as SCTM# 0200-583.00-02.00-003.002) (the "**Chelsea Land**"), (ii) the construction of two (2) buildings, totaling approximately 99,492 square feet, together with the acquisition, installation and equipping of improvements, structures and other related facilities attached to the Land (the "**Chelsea Improvements**"), and (iii) the acquisition and

installation therein of certain equipment and personal property, including but not limited to furniture, office equipment, computers and kitchen equipment (the "**Chelsea Equipment**"; and together with the Chelsea Land and the Chelsea Improvements, the "**Chelsea Facility**"); and

WHEREAS, the Chelsea Company has previously agreed to lease the Chelsea Land and the Chelsea Improvements to the Agency pursuant to the terms of a certain Company Lease Agreement, dated as of June 1, 2017 (the "**Chelsea Company Lease**"), by and between the Chelsea Company and the Agency; and

WHEREAS, the Agency is currently leasing the Chelsea Facility to the Chelsea Company, pursuant to a certain Lease and Project Agreement, dated as of June 1, 2017 (the "**Chelsea Lease Agreement**"), between the Agency and the Chelsea Company; and

WHEREAS, the Agency previously provided its assistance to AVR Yaphank Hotel and Loft Apartments LLC (the "**Hotel Company**"; and together with the Meadows Company and the Chelsea Company, the "**Companies**"), in the acquisition, construction and equipping of Phase 1b of the Meadows at Yaphank which is a multi-phase development (Phase 1b is a mixed-use industrial development facility comprised of two (2) components as described below) consisting of (a) the acquisition of an approximately 35.55 acres of land located on the southeast and northeast corners of The Boulevard and Yaphank Woods Boulevard Ext., also known as Tax Map No. 0200-584.00-02.00-001.006 and p/o 001.005 (collectively, the "**Hotel Land**"), and the acquisition and installation therein of certain equipment not part of the Hotel Equipment (as such term is defined herein) (the "**Hotel Facility Equipment**"), (b) the construction and equipping of a 295 unit apartment complex consisting of 192 units in four 4-story buildings, 77 units in 2-story townhouse buildings, and 26 units in 2-story carriage house units, consisting of collectively, 80 one-bedroom units, 199 two-bedroom units and 16 three-bedroom units of which 30 are affordable units (including 18 one-bedroom units, 11 two-bedroom units and 1 three-bedroom unit), all totaling approximately 482,480 square feet located on an approximately 32.85 acre portion of the Hotel Land (known as Tax Map No. 0200-584.00-02.00-p/o 001.005), including, but not limited to, equipment and furnishings, along with a 6,800 square foot clubhouse for use by the residents of the units (collectively, the "**Phase 1b Apartments**"), to provide much needed rental housing on Long Island, and (c) the construction and equipping of a 146 suite 4-story hotel with kitchenettes, conference rooms and meeting spaces totaling approximately 96,780 square feet located on an approximately 2.7 acre parcel of the Hotel Land (known as Tax Map No. 0200-584.00-02.00-001.006) and to be known as a Hilton Home 2 Suite Hotel, or such other hotel as may be determined, including, but not limited to, building materials, landscaping, furniture, office equipment, kitchen equipment, pool equipment and gym equipment (collectively, the "**Phase 1b Hotel**"), to serve the needs of business travelers (the Phase 1b Hotel, together with the Phase 1b Apartments, the Hotel Land, and the Hotel Facility Equipment are collectively referred to as the "**Hotel Company Facility**"), and the Hotel Company Facility is leased by the Agency to the Hotel Company for further sublease as follows: the Phase 1b Apartments will be subleased to AVR Loft Apartments at Yaphank LLC (the "**Phase 1b Apartments Sublessee**") and the Phase 1b Hotel will be subleased to AVR Boulevard Hotel at Yaphank LLC (the "**Phase 1b Hotel Sublessee**"; and together with the Phase 1b Apartments Sublessee, the "**Sublessees**"), which such Sublessees will enter into the Equipment Lease

Agreements for the leasing of the Phase 1b Apartments Equipment (the "**Phase 1b Apartments Equipment**"), and the Phase 1b Hotel Equipment (the "**Phase 1b Hotel Equipment**"; and together with the Phase 1b Apartments Equipment, the "**Hotel Equipment**"; and together with the Hotel Company Facility, the "**Hotel Facility**"; and together with the Meadows Facility and the Chelsea Facility, the "**Facilities**"), with the Agency in connection with the equipping and furnishing of each component of the Hotel Facility (the "**Hotel Project**"); and

WHEREAS, the Hotel Company has previously agreed to lease the Hotel Land and the Hotel Improvements to the Agency pursuant to the terms of a certain Company Lease Agreement, dated as of December 1, 2017 (the "**Hotel Company Lease**"), by and between the Hotel Company and the Agency; and

WHEREAS, the Agency is currently leasing the Hotel Company Facility to the Hotel Company, pursuant to a certain Lease and Project Agreement, dated as of December 1, 2017 (the "**Hotel Lease Agreement**"), between the Agency and the Hotel Company; and

WHEREAS, the Companies have now requested the Agency's consent to the removal and revocation of an existing Declaration of Covenants and Restrictions, dated September 26, 2007 (the "**Declaration**"), made by Rose Breslin Associates, LLC (the "**Developer**"), to the Planning Board of the Town of Brookhaven (the "**Planning Board**"), which Declaration is a lien and encumbrance upon the Facilities; and

WHEREAS, the Agency hereby consents to the revocation and removal of the Declaration; and

WHEREAS, such consent may be manifested by the execution of this resolution and such other documents as may be required by the Companies, the Developer and the Planning Board (the "**Revocation Documents**"); and

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

WHEREAS, the Companies and the Developer 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 revocation and removal of the Declaration.

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 revocation and removal of the Declaration 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

(c) It is desirable and in the public interest for the Agency to consent to the revocation and removal of the Declaration; and

(d) The Agency consents to the revocation and removal of the Declaration; and

(e) It is desirable and in the public interest for the Agency to execute the Revocation Documents.

Section 2. The form and substance of the Revocation Documents (in substantially the form presented to the Agency and which, prior to the execution and delivery thereof, may be redated) is hereby approved.

Section 3.

(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 Revocation Documents in the form 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, or any member and Agency Counsel, necessary or appropriate to effect the transactions contemplated by this resolution (hereinafter collectively called the "**Agency Documents**"). The execution thereof by Chairman, Vice 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 Meadows Lease Agreement, the Chelsea Lease Agreement and the Hotel Lease Agreement).

Section 4. 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 5. This resolution shall take effect immediately.

ADOPTED: July 11, 2018

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 11th day of July, 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 11th day of July, 2018.

By_____
Secretary