

Town of Brookhaven

Industrial Development Agency

Meeting Agenda

Wednesday, September 23, 2026 at 12:05 PM

1. Roll Call
2. Minutes
 - a. August 19, 2026
3. CFO's Report
 - a. Budget vs. Actual Report – August 31, 2026
4. Application
 - a. Alegria South, LLC
5. Resolutions
 - a. Brookhaven Logistics Center II, LLC / Home Depot
 - b. Lawrence Aviation Solar Farm, LLC
 - c. Rail Realty, LLC
 - d. Nassau Provisions Kosher Foods / 885 Waverly, LLC
Resolution # 29
Resolution #30
6. CEO'S Report
 - a. Burmax / Scheff Family Realty Co., LLC Request
CDLI Luncheon
 - b. Agilitas / AE Manorville 2, LLC
Housing
7. Executive Session

The next IDA meeting is scheduled for Wednesday, October 21, 2026.

Town of Brookhaven
Industrial Development Agency

Meeting Minutes

August 19, 2026

Members Present: Frederick C. Braun, III
Martin Callahan
Mitchell H. Pally
Ann-Marie Scheidt (via Zoom)
Frank C. Trotta
John Rose
Vincent “Jimmy” Bonacasa

Also Present: Lisa M. G. Mulligan, Chief Executive Officer
Lori J. LaPonte, Chief Financial Officer
Amy Illardo, Director of Marketing
Jocelyn Linse, Executive Assistant
Annette Eaderesto, IDA Counsel
Barry Carrigan, Nixon Peabody, LLP
Howard Gross, Weinberg, Gross & Pergament, LLP (via Zoom)
Andrew Komaromi, Harris Beach Murtha, PLLC
Dan Deegan, Forchelli, Deegan & Terrana
Devon Daniel, YAI
Valentin Staller, Staller Associates
Cary Staller, Staller Associates
Daniel Baker, Greenberg Traurig
John Gordon, Forchelli, Deegan & Terrana
Timothy Shea, Certilman Balin
Daniel Prokopy, Ion Renewables
Benjamin Tressler, Tressler PC
Rob Gitto, The Gitto Group
Peter Curry, Farrel Fritz, P.C.
Anthony Gitto, The Gitto Group
Bill Balter, Woodcrest Commons, LLC (via Zoom)

Chairman Braun opened the IDA meeting at 10:01 A.M. on Wednesday, August 19, 2026, in the Agency’s Office on the Second Floor of Brookhaven Town Hall, One Independence Hill, Farmingville, New York. A quorum was present.

Mr. Pally made a motion to enter executive session to discuss matters pertaining to the employment history of a particular person. The motion was seconded by Ms. Scheidt and unanimously approved.

At 10:50 A.M., Mr. Rose made a motion to resume the regular agenda. The motion was seconded by Mr. Pally and all voted in favor. No action was taken in executive session.

Meeting Minutes of July 15, 2026

The motion to approve these Minutes as presented was made by Mr. Callahan, seconded by Mr. Rose, and unanimously approved.

CFO's Report

Ms. LaPonte presented the Budget vs. Actual Report for the period ending July 31, 2026. Expenses are in line with the budget. Work has begun on the 2027 budget which is due to the State by November 1, 2026. Two closings have occurred since the last report: Hawkins Ave. Development RHP2-C, LLC / Ronk Hub Phase 2C and Brookhaven Logistics Center II, LLC. Ms. LaPonte recently met with the Agency's insurance broker; there are slight changes in various policies.

All payroll taxes and related withholdings have been paid timely in accordance with Federal and State guidelines. All regulatory reports have been filed in a timely fashion.

The motion to accept the CFO's Report was made by Mr. Trotta and seconded by Mr. Rose. All voted in favor.

SPA 77 K.L.P. / Staller Associates Realty, Inc. – Application

This application is to redevelop a blighted shopping center on Route 112 in Port Jefferson Station to a mixed-use development of two hundred eighty apartments, sit down restaurants and independent retail stores. A walkable internal main street, a stage for events and a 5,000 square foot Innovation Center are also planned. Fifty-six of the apartments will be set aside as

affordable and or workforce housing for people with intellectual and or developmental disabilities and ten to fifteen jobs would be created to provide services to those residents.

Construction is anticipated to begin by the end of 2027. Fourteen units will be set aside for residents earning fifty percent of the Area Median Income (AMI), fourteen units at sixty-five percent, and twenty-eight units at eighty percent. A twenty-five year PILOT has been requested as well as a sales tax exemption and a partial exemption of the mortgage recording tax. Project costs are anticipated to be approximately \$190 million; ninety full-time equivalent positions are expected to be created.

The motion to accept the application with a caveat that the partial mortgage tax recording exemption may not be granted due to the length of the PILOT requested was made by Mr. Pally, seconded by Mr. Trotta, and unanimously approved.

Mr. Pally left the meeting at 11:26 A.M.

WB Woodcrest Commons, LLC – Application

There are currently 256 fully affordable senior units at this former IDA project in Port Jefferson Station. This application is to expand the existing facility by 104 units which will help transition some residents from the first development to a new development with elevators rather than stairs. The applicant is applying for State funding for this project, and Community Development Long Island will be administering the affordability component and be a partner in the project. Rents will be between thirty percent and sixty percent of the AMI. Units are restricted to people 62 years old or older. Improvements to the first development are also planned.

The motion to accept the application was made by Mr. Callahan and seconded by Mr. Rose. The motion passed with Mr. Braun and Ms. Scheidt recusing themselves.

CEO's Report

WF Industrial XII, LLC

This project is currently in default of their IDA agreements. Since the last meeting, information the project provided on a potential data center has been shared. Subsequent to that, the State has passed a one-year moratorium on data centers, and the Town has passed a moratorium for eighteen months. The consensus of this Board has been to not support data centers.

Mr. Baker requested that this project not be terminated at this time during the pendency of the moratorium. Talks are still ongoing with attorneys for the Agency and the project.

Rail Realty, LLC

The Agency proposed a new PILOT for this project with amounts starting at fifty percent and ramping up to full taxation over seven years. The new PILOT was accepted by Rail Realty, LLC. A public hearing will be scheduled.

The motion to move forward with the new PILOT was made by Mr. Callahan, seconded by Ms. Scheidt and unanimously approved.

Lawrence Aviation Solar Farms, LLC

This project has had a change of ownership and requests an extension of their completion date to November 30, 2026.

The motion to approve this request was made by Mr. Callahan and seconded by Mr. Trotta. All voted in favor.

Ms. Eaderesto left the meeting at 11:48 A.M.

Data Centers – Resolution

Mr. Trotta made a motion to confirm that the Agency will not support data centers. The motion was seconded by Mr. Callahan and unanimously approved.

Resolution #15 – Banking & Investing

This resolution will be amended to change signatories at existing banks and to add Dime Bank as a bank the Agency can do business with.

The motion to approve this amendment was made by Mr. Callahan and seconded by Ms. Scheidt. All voted in favor.

Four L Realty Co.

This project did not meet their promised job creation numbers which has been a recurring issue. The original agreement was for forty-two; they currently have thirty-two which seems to be more realistic. They have requested their job creation be reduced to thirty-two and add a caveat that their PILOT increase by approximately \$2,500 per year and must be paid by the company, not the subtenants.

The motion to approve this request was made by Mr. Braun, seconded by Mr. Rose and unanimously approved.

New Interdisciplinary School Event

There will be a 50th Anniversary Celebration on October 22, 2026. Mr. Braun will attend.

At 11:55 A.M., Mr. Rose made a motion to close the IDA meeting. The motion was seconded by Mr. Callahan and all voted in favor.

The next IDA meeting is scheduled for Wednesday, September 23, 2026.

**FORM APPLICATION FOR FINANCIAL ASSISTANCE
TOWN OF BROOKHAVEN INDUSTRIAL DEVELOPMENT AGENCY
1 Independence Hill, 2nd Floor, Farmingville, New York 11738
631 406-4244**

DATE: Updated 9/4/2026

APPLICATION OF: Alegria South, LLC
Name of Owner and/or User of Proposed Project

ADDRESS: 100 Schoolhouse Road
Levittown, New York 11756

Type of Application: ☐ Tax-Exempt Bond ☐ Taxable Bond
 ☒ Straight Lease ☐ Refunding Bond

Please respond to all items either by filling in blanks, by attachment (by marking space “see attachment number 1”, etc.) or by N.A., where not applicable. Application must be filed in two copies. A non-refundable application fee is required at the time of submission of this application to the Agency. The non-refundable application fee is \$3,000 for applications under \$5 million and \$4,000 for applications of \$5 million or more, and should be made payable to the Town of Brookhaven Industrial Development Agency.

Transaction Counsel to the Agency may require a retainer which will be applied to fees incurred and actual out-of-pocket disbursements made during the inducement and negotiation processes and will be reflected on their final statement at closing.

Information provided herein will not be made public by the Agency prior to the passage of an official Inducement Resolution but may be subject to disclosure under the New York State Freedom of Information Law.

Prior to submitting a completed final application, please arrange to meet with the Agency’s staff to review your draft application. Incomplete applications will not be considered. The Board reserves the right to require that the applicant pay for the preparation of a Cost Benefit Analysis, and the right to approve the company completing the analysis.

PLEASE NOTE: It is the policy of the Brookhaven IDA to encourage the use of local general contractors and labor and the payment of the area standard wage during construction on the project.

IDA benefits may not be conferred upon the Company until the Lease and Project Agreement have been executed.

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Part I: Owner & User Data

1. Owner Data:

A. Owner (Applicant for assistance): Alegria South, LLC

Address: 100 Schoolhouse Road

Levittown, NY 11756

Federal Employer ID #: [REDACTED] Website: _____

NAICS Code: 531110

Owner Officer Certifying Application: Peter G. Florey

Title of Officer: Principal

Phone Number: _____ E-mail: _____

B. Business Type:

Sole Proprietorship ☐ Partnership ☐ Limited Liability Company ☒

Privately Held ☐ Public Corporation ☐ Listed on _____

State of Incorporation/Formation: New York

C. Nature of Business:

(e.g., “manufacturer of _____ for _____ industry”; “distributor of _____”; or “real estate holding company”)

Real Estate

D. Owner Counsel:

Firm Name: Forchelli Deegan Terrana

Address: 333 Earle Ovington Boulevard, Ste 1010

Uniondale, NY 11553

Individual Attorney: John Gordon

Phone Number: 516-248-1700 E-mail: JGordon@ForchelliLaw.com

E. Principal Stockholders, Members or Partners, if any, of the Owner:

Name	Percent Owned
See org chart attached as Schedule "1"	

Please attach to this Application as **Schedule F** an Organization Chart of Applicant.

F. Has the Owner, or any subsidiary or affiliate of the Owner, or any stockholder, partner, member, officer, director, or other entity with which any of these individuals is or has been associated with:

- i. ever filed for bankruptcy, been adjudicated bankrupt or placed in receivership or otherwise been or presently is the subject of any bankruptcy or similar proceeding? (If yes, please explain)

No

- ii. been convicted of a felony, or misdemeanor, or criminal offense (other than a motor vehicle violation)? (If yes, please explain)

No

G. If any of the above persons (see "E", above) or a group of them, owns more than 50% interest in the Owner, list all other organizations which are related to the Owner by virtue of such persons having more than a 50% interest in such organizations.

No

H. Is the Owner related to any other organization by reason of more than a 50% ownership? If so, indicate name of related organization and relationship:

No

I. List parent corporation, sister corporations and subsidiaries:

Please see the attached entity listing of other organizations

- J. Has the Owner (or any related corporation or person) been involved in or benefited by any prior industrial development financing in the municipality in which this project is located, whether by this agency or another issuer? (Municipality herein means city, town, or village, or if the project is not in an incorporated city, town or village, the unincorporated areas of the county in which it is located.) If so, explain in full:

Yes, the Gleneagle Green at Bellport property recieved financial assistance in form of a PILOT from the Town of Brookhaven on 3/25/2020 as well as Village Green 2015.

- K. List major bank references of the Owner:

Victor Sostar, Regions Affordable Housing, LLC 516-869-7420

K. James Dittbrenner of Webster Bank 212-575-2461

2. User Data

*** (for co-applicants for assistance or where a landlord/tenant relationship will exist between the owner and the user) ***

- A. User (together with the Owner, the "Applicant"): N/A

Address: _____

Federal Employer ID #: _____ Website: _____

NAICS Code: _____

User Officer Certifying Application: _____

Title of Officer: _____

Phone Number: _____ E-mail: _____

- B. Business Type:

Sole Proprietorship ☐ Partnership ☐ Privately Held ☐

Public Corporation ☐ Listed on _____

State of Incorporation/Formation: _____

- C. Nature of Business:

(e.g., "manufacturer of _____ for _____ industry"; "distributor of _____"; or "real estate holding company")

D. Are the User and the Owner Related Entities? Yes ☐ No ☐

i. If yes, the remainder of the questions in this Part I, Section 2 (with the exception of "F" below) need not be answered if answered for the Owner.

ii. If no, please complete all questions below.

E. User's Counsel:

Firm Name: _____

Address: _____

Individual Attorney: _____

Phone Number: _____

E-mail: _____

F. Principal Stockholders or Partners, if any:

Name

Percent Owned

G. Has the User, or any subsidiary or affiliate of the User, or any stockholder, partner, officer, director, or other entity with which any of these individuals is or has been associated with:

i. ever filed for bankruptcy, been adjudicated bankrupt or placed in receivership or otherwise been or presently is the subject of any bankruptcy or similar proceeding? (If yes, please explain)

ii. been convicted of a felony or criminal offense (other than a motor vehicle violation)? (If yes, please explain)

- H. If any of the above persons (see "F", above) or a group of them, owns more than 50% interest in the User, list all other organizations which are related to the User by virtue of such persons having more than a 50% interest in such organizations.

- I. Is the User related to any other organization by reason of more than a 50% ownership? If so, indicate name of related organization and relationship:

- J. List parent corporation, sister corporations and subsidiaries:

- K. Has the User (or any related corporation or person) been involved in or benefited by any prior industrial development financing in the municipality in which this project is located, whether by this agency or another issuer? (Municipality herein means city, town, or village, or if the project is not in an incorporated city, town or village, the unincorporated areas of the county in which it is located.) If so, explain in full:

- L. List major bank references of the User:

Part II – Operation at Current Location

***** (if the Owner and the User are unrelated entities, answer separately for each) *****

1. Current Location Address: N/A
2. Owned or Leased: _____
3. Describe your present location (acreage, square footage, number buildings, number of floors, etc.):

4. Type of operation (manufacturing, wholesale, distribution, retail, etc.) and products and/or services:

5. Are other facilities or related companies of the Applicant located within the State?
Yes ☐ No ☒
A. If yes, list the Address: _____
6. Will the completion of the project result in the removal of any facility or facilities of the Applicant from one area of the state to another OR in the abandonment of any facility or facilities of the Applicant located within the State? Yes ☐ No ☒
A. If no, explain how current facilities will be utilized: N/A

B. If yes, please indicate whether the project is reasonably necessary for the Applicant to maintain its competitive position in its industry or remain in the State and explain in full:

7. Has the Applicant actively considered sites in another state? Yes ☐ No ☒
A. If yes, please list states considered and explain: _____

8. Is the requested financial assistance reasonably necessary to prevent the Applicant from moving out of New York State? Yes ☐ No ☒
A. Please explain: N/A _ Applicant is an SPE formed for the project.

9. Number of full-time equivalent employees (FTE's) at current location and average salary (indicate hourly or yearly salary):

N/A

Part III – Project Data

1. Project Type:

A. What type of transaction are you seeking? (Check one)

Straight Lease ☒ Taxable Bonds ☐ Tax-Exempt Bonds ☐
Equipment Lease Only ☐

B. Type of benefit(s) the Applicant is seeking: (Check all that apply)

Sales Tax Exemption ☒ Mortgage Recording Tax Exemption ☒
PILOT Agreement: ☒

2. Location of project:

A. Street Address: 1627, 1631 (aka 1643), 1645, 1665 Montauk Hwy (Please see attached address list with section/block/lot info)

B. Tax Map: District _____ Section _____ Block _____ Lot(s) See attached

C. Municipal Jurisdiction:

i. Town: Brookhaven
ii. Village: N/A Hamlet of North Bellport
iii. School District: South County School District

D. Acreage: +/- 5.7 acres

3. Project Components (check all appropriate categories):

A. Construction of a new building ☒ Yes ☐ No

i. Square footage: 104,150 SF Residential 1,364 commercial space

B. Renovations of an existing building ☐ Yes ☒ No

i. Square footage: _____

C. Demolition of an existing building ☐ Yes ☒ No

i. Square footage: _____

D. Land to be cleared or disturbed ☒ Yes ☐ No

i. Square footage/acreage: +/- 251,119 SF total

E. Construction of addition to an existing building ☐ Yes ☒ No

i. Square footage of addition: _____

ii. Total square footage upon completion: _____

F. Acquisition of an existing building ☐ Yes ☒ No

i. Square footage of existing building: _____

G. Installation of machinery and/or equipment ☒ Yes ☐ No

i. List principal items or categories of equipment to be acquired: _____

heaters, electrical panels, washer/dryers, stoves/refrigerators & other construction materials that would be used in constructing a residential apartment building/ commercial kitchen equipment will be installed in the commercial space

4. Current Use at Proposed Location:

A. Does the Applicant currently hold fee title to the proposed location? No

i. If no, please list the present owner of the site: D & F Consultants, LLC & The D & F Development Group, LLC (related members)

B. Present use of the proposed location: Vacant

C. Is the proposed location currently subject to an IDA transaction (whether through this Agency or another?) ☐ Yes ☒ No

i. If yes, explain: _____

D. Is there a purchase contract for the site? (If yes, explain): ☐ Yes ☒ No

E. Is there an existing or proposed lease for the site? (If yes, explain): ☐ Yes ☒ No

5. Proposed Use:

A. Describe the specific operations of the Applicant or other users to be conducted at the project site: The site will consist of the components: 1) 96 unit affordable rental development 2) a commercial building which will feature a community center and healthy food take-out catering

preparation facility and 3) an off-site sewage treatment plant (STP) to service the project. Excess capacity will be available to service another affordable development of homes close to the property.

B. Proposed product lines and market demands: High demand for affordable housing on Long Island.

- C. If any space is to be leased to third parties, indicate the tenant(s), total square footage of the project to be leased to each tenant, and the proposed use by each tenant:

The commercial space will be a community center, expected to be leased to a joint venture between Shiloh Community Church and Chara's Kitchen & Catering. Both organizations have been long standing active members of the Bellport community.

- D. Need/purpose for project (e.g., why is it necessary, effect on Applicant's business):

There is a high demand and unmet need for affordable housing in the Town of Brookhaven. The community at large as well as the property is also in need of a community center to provide the workshops, programs, events, cultural gatherings. The catering/food prep facility would provide affordable food options to the community that has long been identified as a food desert.

- E. Will any portion of the project be used for the making of retail sales to customers who personally visit the project location? Yes ☒ No ☐

- i. If yes, what percentage of the project location will be utilized in connection with the sale of retail goods and/or services to customers who personally visit the project location? 1%
-

- F. To what extent will the project utilize resource conservation, energy efficiency, green technologies, and alternative / renewable energy measures?

The project will be fully electric, utilizing the 2025 HCR Design Criteria which will include green building design & energy star appliances. Initiatives include: Enterprise Green Communities 2020 Plus, Energy Star Multifamily New Construction EPI Pathway, DOE, Zero Energy Ready Homes, EPA Indoor airPLUS, the building will be delivered as Solar Ready, in the even the upgrade to solar is needed.

- G. Will the Project provide onsite child care services or otherwise facilitate new child care services? ☐ Yes ☒ No

- i. If yes, please describe the nature and extent of such childcare services: _____
-

- H. Does the Project propose the creation or provision of housing? ☒ Yes ☐ No

- i. If yes, please, please fill out Part X - Representations related to Projects Providing Housing.

6. Project Work:

A. Has construction work on this project begun? If yes, complete the following:

i.	Site Clearance:	Yes	☐	No	☒	% COMPLETE	_____
ii.	Foundation:	Yes	☐	No	☒	% COMPLETE	_____
iii.	Footings:	Yes	☐	No	☒	% COMPLETE	_____
iv.	Steel:	Yes	☐	No	☒	% COMPLETE	_____
v.	Masonry:	Yes	☐	No	☒	% COMPLETE	_____
vi.	Other:	_____					

B. What is the current zoning? J6 Overlay District - J Business 6 District

C. Will the project meet zoning requirements at the proposed location?

Yes ☒ No ☐

D. If a change of zoning is required, please provide the details/status of the change of zone request: N/A

E. Have site plans been submitted to the appropriate planning department? Yes ☒ No ☐

F. Is a change of use application required? Yes ☐ No ☒

7. Project Completion Schedule:

A. What is the proposed commencement date for the acquisition and the construction/renovation/equipping of the project?

i. Acquisition: November 2026

ii. Construction/Renovation/Equipping: December 2026

B. Provide an accurate estimate of the time schedule to complete the project and when the first use of the project is expected to occur: December 2028

Part IV – Project Costs and Financing

1. Project Costs:

- A. Give an accurate estimate of costs necessary for the acquisition, construction, renovation, improvement and/or equipping of the project location:

<u>Description</u>	<u>Amount</u>
Land and/or building acquisition	\$ 2,480,000
Building(s) demolition/construction	\$ 46,227,239
Building renovation	\$
Site Work	\$ 3,873,950
Machinery and Equipment	\$
Legal Fees	\$ 675,000
Architectural/Engineering Fees	\$ 1,050,000
Financial Charges	\$ 6,412,981
Other (Specify)	\$ 9,241,368
Total	\$ 69,960,538

Please provide the percentage of materials and labor that will be sourced locally (Suffolk/Nassau Counties) 100

Please note, IDA fees are based on the total project costs listed above. At the completion of your project, you are required to provide both a certificate of completion along with a cost affidavit certifying the final project costs. The IDA fees may be adjusted as a result of the certified cost affidavit. Money will not be refunded if the final project cost is less than the amount listed above. **Please initial below to confirm and acknowledge your understanding and acceptance of the foregoing.**

Initial



2. Method of Financing:

	Amount	Term
A. Tax-exempt bond financing:	\$ <u>N/A</u>	<u> </u> years
B. Taxable bond financing:	\$ <u>N/A</u>	<u> </u> years
C. Conventional Mortgage:	\$ <u>45,498,146</u>	<u>30</u> years
D. SBA (504) or other governmental financing:	\$ <u>N/A</u>	<u> </u> years
E. Public Sources (include sum of all State and federal grants and tax credits):	\$ <u>20,371,621</u>	
F. Other loans:	\$ <u>715,771</u>	<u> </u> years
G. Owner/User equity contribution:	\$ <u>3,375,000</u>	<u> </u> years
Total Project Costs	\$ <u>69,960,538</u>	

- i. What percentage of the project costs will be financed from public sector sources?

82%

3. Project Financing (please only respond if you selected “Taxable Bonds” or “Tax-Exempt Bonds” in “Part III - 1. Project Type” above:

- A. Have any of the above costs been paid or incurred (including contracts of sale or purchase orders) as of the date of this application? Yes ☐ No ☐

- i. If yes, provide detail on a separate sheet.

- B. Are costs of working capital, moving expenses, work in progress, or stock in trade included in the proposed uses of bond proceeds? Give details:

- C. Will any of the funds borrowed through the Agency be used to repay or refinance an existing mortgage or outstanding loan? Give details:

- D. Has the Applicant made any arrangements for the marketing or the purchase of the bond or bonds? If so, indicate with whom:

Part V – Project Benefits

1. Mortgage Recording Tax Benefit:

- A. Mortgage Amount for exemption (include sum total of construction/permanent/bridge financing):

\$ 45,498,146 _____

- B. Estimated Mortgage Recording Tax Exemption (product of Mortgage Amount and .75%):

\$ 341,236.10 _____

2. Sales and Use Tax Benefit:

- A. Gross amount of costs for goods and services that are subject to State and local Sales and Use Tax (such amount to benefit from the Agency's exemption):

\$ 31,969,330 _____

- B. Estimated State and local Sales and Use Tax exemption (product of 8.75% and figure above):

\$ 2,797,316 _____

- C. If your project has a landlord/tenant (owner/user) arrangement, please provide a breakdown of the number in "B" above:

i. Owner: \$ _____

ii. User: \$ _____

3. Real Property Tax Benefit:

- A. Identify and describe if the project will utilize a real property tax exemption benefit other than the Agency's PILOT benefit: N/A

- B. Agency PILOT Benefit:

i. Term of PILOT requested: 30 years

ii. Upon acceptance of this application, the Agency staff will create a PILOT schedule and attach such information to Exhibit A hereto. Applicant hereby requests such PILOT benefit as described on Exhibit A.

***** This application will not be deemed complete and final until Exhibit A hereto has been completed. *****

2. Salary and Fringe Benefits:

Category of Jobs to be Created	Average Salary	Average Fringe Benefits
Salary Wage Earners	\$40,500	\$4,500
Commission Wage Earners	\$0	\$0
Hourly Wage Earners	19.47	
1099 and Contract Workers	\$0	\$0

What is the annualized salary range of jobs to created? 39,000 to 42,000

Note: The Agency reserves the right to visit the facility to confirm that job creation numbers are being met.

Part VII – Representations, Certifications and Indemnification

1. Is the Applicant in any litigation which would have a material adverse effect on the Applicant's financial condition? (If yes, furnish details on a separate sheet)

Yes ☐ No ☒

2. Has the Applicant or any of the management of the Applicant, the anticipated users or any of their affiliates, or any other concern with which such management has been connected, been cited for a violation of federal, state, or local laws or regulations with respect to labor practices, hazardous wastes, environmental pollution, or other operating practices? (If yes, furnish details on a separate sheet)

Yes ☐ No ☒

3. Is there a likelihood that the Applicant would proceed with this project without the Agency's assistance? (If no, please explain why; if yes, please explain why the Agency should grant the benefits requested)

Yes ☐ No ☒

4. If the Applicant is unable to obtain financial assistance from the Agency for the project, what would be the impact on the Applicant and on the municipality?

The project would not be financially viable without the Agency's assistance.

Original signature and initials are required. Electronic signatures and initials are not permitted.

5. The Applicant understands and agrees that in accordance with Section 858-b(2) of the General Municipal Law, except as otherwise provided by collective bargaining agreements, new employment opportunities created as a result of the project will be listed with the New York State Department of Labor, Community Services Division and with the administrative entity of the service delivery area created pursuant to the Job Training Partnership Act (PL 97-300) in which the project is located (collectively, the "Referral Agencies"). The Applicant also agrees that it will, except as otherwise provided by collective bargaining contracts or agreements to which they are parties, where practicable, first consider for such new employment opportunities persons eligible to participate in federal job training partnership programs who shall be referred by the Referral Agencies.

Initial 

6. The Applicant confirms and acknowledges that the submission of any knowingly false or knowingly misleading information may lead to the immediate termination of any financial assistance and the reimbursement of an amount equal to all or part of any tax exemption claimed by reason of the Agency's involvement in the Project as well as may lead to other possible enforcement actions.

Initial 

7. The Applicant represents and warrants that to the Applicant's knowledge neither it nor any of its affiliates, nor any of their respective partners, members, shareholders or other equity owners, and none of their respective employees, officers, directors, representatives or agents is, nor will they become a person or entity with who United States persons or entities are restricted from doing business under regulations of the Office of Foreign Asset Control (OFAC) of the Department of the Treasury (including those named on OFAC's Specially Designated and Blocked Persons List or under any statute, executive order, including the September 23, 2001, Executive Order Block Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism, as amended), or other governmental action and is not and will not assign or otherwise transfer this Agreement to, contract with or otherwise engage in any dealings or transactions or be otherwise associated with such persons or entities.

Initial 

8. The Applicant confirms and hereby acknowledges it has received the Agency's fee schedule attached hereto as Schedule A and agrees to pay such fees, together with any expenses incurred by the Agency, including those of Transaction Counsel, with respect to the Facility. The Applicant 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 project. The IDA fees are based on the total project costs listed in this application. At the completion of the project, you are required to provide both a certificate of completion along with a cost affidavit certifying the final project costs. The IDA fees may be increased as a result of the certified cost affidavit. Monies will not be refunded if the final costs are below the amount listed in the application.

Furthermore, Applicant shall in no event hold the Agency liable, and covenants to not sue for, monetary damages or claim any sort of monetary damages (i) for failure to perform a mandatory or discretionary obligation in connection with this Application, or any other cause of action arising from this Application or (ii) arising out of or connected with any dispute, controversy, or issue regarding the Application or interpretation or effect of the provisions of this Application.

Initial 

9. The Applicant hereby agrees to comply with Section 875 of the General Municipal Law. The Company further agrees that the financial assistance granted to the project by the Agency is subject to recapture pursuant to Section 875 of the Act and the Agency's Recapture and Termination Policy, attached hereto as Schedule C.

Initial 

10. The Applicant confirms and hereby acknowledges it has received the Agency's PILOT Policy attached hereto as Schedule D and agrees to comply with the same.

Initial 

11. The Company hereby authorizes the Agency, without further notice or consent, to use the Company's name, logo and photographs related to the Facility in its advertising, marketing, and communications materials. Such materials may include web pages, print ads, direct mail and various types of brochures or marketing sheets, and various media formats other than those listed (including without limitation video or audio presentations through any media form). In these materials, the Agency also has the right to publicize its involvement in the Project.

Initial 

12. The Applicant confirms and hereby acknowledges it has received the Agency's Application and Resolution Expiration Policy available at brookhavenida.org/application and agrees to comply with same.

Initial 

13. The Applicant agrees that it will abide by all federal, state, county and local laws, rules, regulations, licensing and administrative orders applicable to the within Project. The Applicant confirms and hereby acknowledges it has received the Agency's Construction Wage Policy attached hereto as

Schedule B and agrees to comply with the same. The Applicant acknowledges that if the provisions of the Agency's Construction Wage Policy are applicable to the Project, the terms of such Construction Wage Policy shall be binding on any contractor or subcontractor of any tier with respect to all Project work including, without limitation, the construction and/or renovation phase of such Project. The Applicant acknowledges that there has not been any debarment or suspension by any federal, state or local government agency or authority in the past (3) three years applicable to the Project.

Initial 

14. The Applicant confirms and hereby acknowledges that it has received the Agency's Background Credit and Litigation Review Authorization Form attached hereto as **Schedule E** and agrees to execute and deliver the same.

Initial 

15. The Applicant confirms and hereby acknowledges that the Agency informed the Applicant that, effective January 1, 2024, certain Construction work done under contract in connection with financial assistance from the Agency may be subject to the requirements of Section 224-a of the Labor Law of the State, including but not limited to the requirement that such Construction shall be subject to prevailing wage requirements of Section 220 and 220-b of the Labor Law of the State. In addition, such Construction work may be required by Section 224-a of the Labor Law (Section 224-a) to comply with the objectives and goals of minority and women-owned business enterprises pursuant to Article Fifteen-A of the Executive Law and service-disabled veteran-owned business pursuant to Article Seventeen-B of the Executive Law. Accordingly, the Applicant confirms that it will comply with any related provisions and requirements to be set forth in the transaction documents with the Agency concerning the Project.

Initial 

16. The Applicant acknowledges that the Agency is subject to New York State's Freedom of Information Law (FOIL). Applicant understands that all Project information and records related to this Application are potentially subject to disclosure under FOIL subject to limited statutory exclusions.

Initial 

17. Applicant acknowledges that the Agency is entitled to request any and all additional information from Applicant it requires in its sole discretion in connection with reviewing this Application, and unless and until such information is provided to the Agency's satisfaction, this Application will remain incomplete.

Initial 

18. The Applicant acknowledges that the Agency is not bound by any precedent or prior course of conduct in connection with this Application (unless specifically required by applicable law) .

Initial 

Part VIII – Submission of Materials

1. Financial statements for the last two fiscal years (unless included in the Applicant's annual report). Note, if the project company is a newly formed entity, then the applicant is required to submit financial statements for the parent company or sponsor entity.
2. Applicant's annual reports (or 10-K's if publicly held) for the two most recent fiscal years.
3. Quarterly reports (form 10-Q's) and current reports (form 8-K's) since the most recent annual report, if any.
4. In addition, please attach the financial information described in items A, B, and C of any expected guarantor of the proposed bond issue.
5. Completed Environmental Assessment Form.
6. Most recent quarterly filing of NYS Department of Labor Form 45, as well as the most recent fourth quarter filing. Please remove the employee Social Security numbers and note the full-time equivalency for part-time employees.

(Remainder of Page Intentionally Left Blank)

Part IX – Special Representations

1. The Applicant understands and agrees that the provisions of Section 862(1) of the New York General Municipal Law, as provided below, will not be violated if financial assistance is provided for the proposed project. The Applicant hereby indicates its compliance with Section 862(1) by signing the applicable statement below. **(Please sign only one of the following statements a. or b. below).**

- a. The completion of the entire project will not result in the removal of an industrial or manufacturing plant of the project occupant 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 project occupant located within the state.

Representative of the Applicant:  _____

- b. The completion of this entire project will result in the removal of an industrial or manufacturing plant of the project occupant 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 project occupant located within the state because the project is reasonably necessary to discourage the project occupant from removing such other plant or facility to a location outside the state or is reasonably necessary to preserve the competitive position of the project occupant in its respective industry.

Representative of the Applicant: _____

2. The Applicant confirms and hereby acknowledges that as of the date of this Application, the Applicant is in substantial compliance with all provisions of Article 18-A of the New York General Municipal Law, including, but not limited to, the provision of Section 859-a and Section 862(1) of the New York General Municipal Law.

Representative of the Applicant:  _____

3. In accordance with Section 862(1) of the New York General Municipal Law the Applicant understands and agrees that projects which result in the removal of an industrial or manufacturing plant of the project occupant 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 project occupant within the State is ineligible for financial assistance from the Agency, unless otherwise approved by the Agency as reasonably necessary to preserve the competitive position of the project in its respective industry or to discourage the project occupant from removing such other plant or facility to a location outside the State.

Representative of the Applicant:  _____

4. The Applicant confirms and acknowledges that the owner, occupant, or operator receiving financial assistance for the proposed project is in substantial compliance with applicable local, state, and federal tax, worker protection and environmental laws, rules, and regulations.

Representative of the Applicant:  _____

Part X – Representations related to Projects Providing Housing

Applicant hereby represents that:

1. The total number of new dwelling units the Project proposes to create is: 96
2. The number of existing dwelling units the Project proposes to rehabilitate/renovate is: N/A
3. The number of new dwelling units the Project proposes to provide for occupants (but not on a transient basis) by individuals who are age 55 or over is: N/A
4. The following table fairly represents the expected actual unit composition and affordability of the dwelling units at the Project:

	Total Number of Units	Number of Market Rate Units and associated range of expected monthly rental rates	Total Number of AMGI Restricted Units (please also complete the table below)
Studio		at \$	
One-bedroom	18	at \$	18
Two-bedroom	46	at \$	46
Three-bedroom	31	at \$	31
Four-bedroom		at \$	
TOTALS (#)	95		95

	Total number of AMGI Restricted Units at 30% and associated range of expected monthly rental rates	Total number of AMGI Restricted Units at 50% and associated range of expected monthly rental rates	Total number of AMGI Restricted Units at 60% and associated range of expected monthly rental rates	Total number of AMGI Restricted Units at 70% and associated range of expected monthly rental rates	Total number of AMGI Restricted Units at % and associated range of expected monthly rental rates	Total number of AMGI Restricted Units at % and associated range of expected monthly rental rates
Studio	at \$	at \$	at \$	at \$	at \$	at \$
One-bedroom	³ at \$ 928	¹⁵ at \$ 1,546	at \$	at \$	at \$	at \$
Two-bedroom	⁷ at \$ 1,113	⁶ at \$ 1,856	³² at \$ 2,227	¹ at \$ 2,598	at \$	at \$
Three-bedroom	at \$	at \$	³⁰ at \$ 2,572	¹ at \$ 3,001	at \$	at \$
Four-bedroom	at \$	at \$	at \$	at \$	at \$	at \$
TOTALS (#)	10	21	62	2		

5. Not less than 10% of the dwelling units the Project proposes to provide shall be reserved for occupancy (but not on a transient basis) as Affordable housing for residents whose income per unit based upon family size (provided that for purposes of determining the income of a unit, a unit which does not have a separate bedroom shall be deemed to have one occupant, and a unit which has one or more separate bedrooms shall be deemed to have one and one-half occupants for each separate bedroom) does not exceed 80% of AMGI for the current year (or if the AMGI shall cease to be issued, then such other index as the Agency may select) and the gross rent for such dwelling unit (as determined under 26 USCS §42 (together with the regulations promulgated thereunder, the "Tax Credit Law")) shall not exceed 30% of the annual Nassau/Suffolk AMGI for the applicable income group for such units. Not less than 10% of the dwelling units the Project proposes to provide shall be reserved for occupancy (but not on a transient basis) as Workforce housing for residents whose income per unit based upon family size (determined as above provided) does not exceed 120 % of the AMGI for the current year (or if the AMGI shall cease to be issued, then such other index as the Agency may select) and the gross rent for such dwelling unit (as determined under the Tax Credit Law) shall not exceed 30% of the annual Nassau/Suffolk AMGI for the applicable income group for such units (collectively, the "Affordability Requirements").

Initial 

6. Applicant hereby acknowledges Section 7(D)(j) of the Agency's Uniform Tax Exemption Policy, adopted on June 17, 2020 (the "UTEP"), and understands that should Applicant be approved for a Market Rate Housing Project, Applicant will be required to enter into a contract and/or technical assistance agreement with a local not-for-profit housing advocacy group reasonably acceptable to the Agency, to administer the Affordability Requirements (as such term is defined in section 5 above).

Initial 

7. The Project is subject to the following other affordability requirements, if any: (Please list any such requirements:

- a. 10 units in perpetuity, Suffolk County Economic Development & Planning funding ;
- b. all units 50 years, NYS HCR funding ;

Applicant hereby confirms and agrees that all representations made in this Part X are true and correct

Representative of the Applicant: 

Part XI – Certification

Peter Florey (Name of representative of entities submitting application) deposes and says that he or she is the Principal (title) of Alegria South LLC, the entities named in the attached application; that he or she has read the foregoing application and knows the contents thereof; and that the same is true to his or her knowledge.

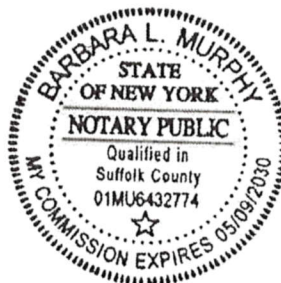
Deponent further says that s/he is duly authorized to make this certification on behalf of the entities named in the attached Application (the "Applicant") and to bind the Applicant. The grounds of deponent's belief relative to all matters in said Application which are not stated upon his/her personal knowledge are investigations which deponent has caused to be made concerning the subject matter this Application, as well as in formation acquired by deponent in the course of his/her duties in connection with said Applicant and from the books and papers of the Applicant.

As representative of the Applicant, deponent acknowledges and agrees that Applicant shall be and is responsible for all costs incurred by the Town of Brookhaven Industrial Development Agency (hereinafter referred to as the "Agency") in connection with this Application, the attendant negotiations and all matters relating to the provision of financial assistance to which this Application relates, whether or not ever carried to successful conclusion. If, for any reason whatsoever, the Applicant fails to conclude or consummate necessary negotiations or fails to act within a reasonable or specified period of time to take reasonable, proper, or requested action or withdraws, abandons, cancels or neglects the application or if the Applicant is unable to find buyers willing to purchase the total bond issue required, then upon presentation of invoice, Applicant shall pay to the Agency, its agents or assigns, all actual costs incurred with respect to the application, up to that date and time, including fees to bond or transaction counsel for the Agency and fees of general counsel for the Agency. Upon successful conclusion of the transaction contemplated herein, the Applicant shall pay to the Agency an administrative fee set by the Agency in accordance with its fee schedule in effect on the date of the foregoing application, and all other appropriate fees, which amounts are payable at closing.

The Applicant hereby subscribes and affirms under the penalties of perjury that the information provided in this Application is true, accurate and complete to the best of his or her knowledge.


Representative of Applicant

Sworn to me before this 1st
Day of September, 20 26
Barbara L. Murphy
(seal)



**** Note: If the entities named in this Application are unrelated and one individual cannot bind both entities, Parts VII, IX, X and XI of this Application must be completed by an individual representative for each entity ****

EXHIBIT A

Proposed PILOT Schedule

Upon acceptance of the Application and completion of the Cost Benefit Analysis, the Agency will attach the proposed PILOT Schedule to this Exhibit.



Lisa M. G. Mulligan, Chief Executive Officer

Town of Brookhaven Industrial Development Agency

Schedule of Fees

Application -	\$3,000 for projects with total costs under \$5 million \$4,000 for projects with total costs \$5 million and over (non-refundable)
Closing/Expansion Sale/ Transfer/Increase of Mortgage Amount/ Issuance of Refunding Bonds -	¾ of one percent up to \$25 million total project cost and an additional 1/4 of one percent on any project costs in excess of \$25 million. Projects will incur minimum charge of \$10,000 plus all fees incurred by the Agency including, but not limited to publication, legal, and risk monitoring.
Annual Administrative -	\$2,000 administrative fee plus \$500 per unrelated subtenant located in the project facility. This fee is due annually.
Termination –	Between \$1,000 and \$2,500
Refinance (excluding refunding bonds) –	1/4 of one percent of mortgage amount or \$5,000, whichever is greater.
Late PILOT Payment –	5% penalty, 1% interest compounded monthly, plus \$1,500 administrative fee per month.
PILOT extension -	a minimum of \$15,000
Processing Fee -	\$275 per hour with a minimum fee of \$275
Lease of Existing Buildings (partial or complete) -	Fee is based on contractual lease amount.

The Agency reserves the right to adjust these fees.

Updated: March 25, 2026

SCHEDULE B

CONSTRUCTION WAGE POLICY

EFFECTIVE January 1, 2005

The purpose of the Brookhaven IDA is to provide benefits that reduce costs and financial barriers to the creation and to the expansion of business and enhance the number of jobs in the Town.

The Agency has consistently sought to ensure that skilled and fair paying construction jobs be encouraged in projects funded by the issuance of IDA tax exempt bonds in large projects.

The following shall be the policy of the Town of Brookhaven IDA for application for financial assistance in the form of tax-exempt financing for projects with anticipated construction costs in excess of \$5,000,000.00 per site received after January 1, 2005. Non-profit corporations and affordable housing projects are exempt from the construction wage policy.

Any applicant required to adhere to this policy shall agree to:

- (1) Employ 90% of the workers for the project from within Nassau or Suffolk Counties. In the event that this condition cannot be met, the applicant shall submit to the Agency an explanation as to the reasons for its failure to comply and;
- (2) Be governed by the requirements of Section 220d of Article 8 of the Labor Law of the State of New York; and when requested by the Agency, provide to the Agency a plan for an apprenticeship program;

OR

- (3) Provide to the Agency a project labor agreement or alternative proposal to pay fair wages to workers at the construction site.

Furthermore, this policy may be waived, in the sole and final discretion of the Agency, in the event that the applicant demonstrates to the Agency special circumstances or economic hardship to justify a waiver to be in the best interests of the Town of Brookhaven.

Adopted: May 23, 2005

SCHEDULE C

RECAPTURE AND TERMINATION POLICY

EFFECTIVE JUNE 8, 2016

Pursuant to Sections 874(10) and (11) of Title 1 of Article 18-A of the New York State General Municipal Law (the “**Act**”), the Town of Brookhaven Industrial Development Agency (the “**Agency**”) is required to adopt policies (i) for the discontinuance or suspension of any financial assistance provided by the Agency to a project or the modification of any payment in lieu of tax agreement and (ii) for the return of all or part of the financial assistance provided by the Agency to a project. This Recapture and Termination Policy was adopted pursuant to a resolution enacted by the members of the Agency on June 8, 2016.

I. Termination or Suspension of Financial Assistance

The Agency, in its sole discretion and on a case-by-case basis, may determine (but shall not be required to do so) to terminate or suspend the Financial Assistance (defined below) provided to a project upon the occurrence of an Event of Default, as such term is defined and described in the Lease Agreement entered into by the Agency and a project applicant (the “**Applicant**”) or any other document entered into by such parties in connection with a project (the “**Project Documents**”). Such Events of Default may include, but shall not be limited to, the following:

- 1) Sale or closure of the Facility (as such term is defined in the Project Documents);
- 2) Failure by the Applicant to pay or cause to be paid amounts specified to be paid pursuant to the Project Documents on the dates specified therein;
- 3) Failure by the Applicant to create and/or maintain the FTEs as provided in the Project Documents;
- 4) A material violation of the terms and conditions of the Project Agreements; and
- 5) A material misrepresentation contained in the application for Financial Assistance, any Project Agreements or any other materials delivered pursuant to the Project Agreements.

The decision of whether to terminate or suspend Financial Assistance and the timing of such termination or suspension of Financial Assistance shall be determined by the Agency, in its sole discretion, on a case-by-case basis, and shall be subject to the notice and cure periods provided for in the Project Documents.

For the purposes of this policy, the term “**Financial Assistance**” shall mean all direct monetary benefits, tax exemptions and abatements and other financial assistance, if any, derived solely from the Agency’s participation in the transaction contemplated by the Project Agreements including, but not limited to:

- (i) any exemption from any applicable mortgage recording tax with respect to the Facility on mortgages granted by the Agency on the Facility at the request of the Applicant;

- (ii) sales tax exemption savings realized by or for the benefit of the Applicant, including and savings realized by any agent of the Applicant pursuant to the Project Agreements in connection with the Facility; and
- (iii) real property tax abatements granted under the Project Agreements.

II. Recapture of Financial Assistance

The Agency, in its sole discretion and on a case-by-case basis, may determine (but shall not be required to do so) to recapture all or part of the Financial Assistance provided to a project upon the occurrence of a Recapture Event, as such term is defined and described in the Project Documents. Such Recapture Events may include, but shall not be limited to the following:

- 1) Sale or closure of the Facility (as such term is defined in the Project Documents);
- 2) Failure by the Applicant to pay or cause to be paid amounts specified to be paid pursuant to the Project Documents on the dates specified therein;
- 3) Failure by the Applicant to create and/or maintain the FTEs as provided in the Project Documents;
- 4) A material violation of the terms and conditions of the Project Agreements; and
- 5) A material misrepresentation contained in the application for Financial Assistance, any Project Agreements or any other materials delivered pursuant to the Project Agreements.

The timing of the recapture of the Financial Assistance shall be determined by the Agency, in its sole discretion, on a case-by-case basis, and is subject to the notice and cure periods provided for in the Project Documents. The percentage of such Financial Assistance to be recaptured shall be determined by the provisions of the Project Documents.

All recaptured amounts of Financial Assistance shall be redistributed to the appropriate affected taxing jurisdiction, unless agreed to otherwise by any local taxing jurisdiction.

For the avoidance of doubt, the Agency may determine to terminate, suspend and/or recapture Financial Assistance in its sole discretion. Such actions may be exercised simultaneously or separately and are not mutually exclusive of one another.

III. Modification of Payment In Lieu of Tax Agreement

In the case of any Event of Default or Recapture Event, in lieu of terminating, suspending, or recapturing the Financial Assistance, the Agency may, in its sole discretion, adjust the payments in lieu of taxes due under the Project Agreements, so that the payments in lieu of taxes payable under the Project Agreements are adjusted upward retroactively and/or prospectively for each tax year until such time as the Applicant has complied with the provisions of the Project Agreements. The amount of such adjustments shall be determined by the provisions of the Project Documents.

SCHEDULE D

Agency Payment in Lieu of Taxes (PILOT) Policy

An annual fee of \$2,000 (plus \$500 per subtenant) will be due to the Agency in addition to the PILOT payment to cover ongoing costs incurred by the Agency on behalf of the project.

1. The Town of Brookhaven Industrial Development Agency (IDA) may grant or be utilized to obtain a partial or full real property tax abatement for a determined period. To be eligible for this abatement there would be a requirement of new construction, or renovation, and a transfer of title of the real property to the Town of Brookhaven IDA.
2. The Chief Executive Officer (CEO) or their designee shall consult with the Town Assessor to ascertain the amounts due pursuant to each PILOT Agreement. Thereafter, the PILOT payment for each project shall be billed to the current lessees. The lessees can pay the PILOT payment in full by January 31st of each year, or in two equal payments due January 31st and May 31st of each year of the PILOT Agreement. The CEO or their designee shall send all PILOT invoices to the lessees on a timely basis.
3. The Town of Brookhaven IDA shall establish a separate, interest-bearing bank account for receipt and deposit of all PILOT payments. The CEO or their designee shall be responsible for depositing and maintaining said funds with input from the Chief Financial Officer (CFO).
4. The CEO or their designee shall remit PILOT payments and penalties if any, to the respective taxing authorities in the proportionate amounts due to said authorities. These remittances shall be made within thirty (30) days of receipt of the payments to the Agency.
5. Payments in lieu of taxes which are delinquent under the agreement shall be subject to a late payment penalty of five percent (5%) of the amount due. For each month, or part thereof, that the payment in lieu of taxes is delinquent beyond the first month, interest shall on the total amount due plus a late payment penalty in the amount of one percent (1%) per month until the payment is made.
6. If a PILOT payment is not received by **January 31st** of any year or **May 31st** of the second half of the year the lessee shall be in default pursuant to the PILOT Agreement. The Agency may give the lessee notice of said default. If the payment is not received within thirty (30) days of when due, the CEO shall notify the Board, and thereafter take action as directed by the Board.
7. The CEO shall maintain records of the PILOT accounts at the Agency office.
8. Nothing herein shall be interpreted to require the Agency to collect or disburse PILOT payments for any projects which are not Agency projects.

9. Should the Applicant fail to reach employment levels as outlined in their application to the Agency, the Board reserves the right to reduce or suspend the PILOT Agreement, declare a default under the Lease or the Installment Sale Agreement, and/or convey the title back to the Applicant.
10. This policy has been adopted by the IDA Board upon recommendation of the Governance Committee and may only be amended in the same manner.

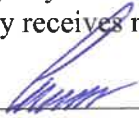
SCHEDULE E

Background, Credit and Litigation Review Authorization Form

I, Peter Florey, give consent and authorize to the Town of Brookhaven Industrial Development Agency, including its officers, directors, affiliates, agents and representatives (the "Agency") the right to contact and obtain information from all references, credit reporting companies, financial institutions, governmental agencies or departments, and other agencies regarding my creditworthiness and background and to otherwise verify the accuracy of the information that I have provided in my application or other information which I have provided to the Agency for the purpose of applying for financial assistance. In connection with my application for financial assistance with the Agency, I understand that investigative background inquiries may be requested and obtained, including credit and criminal background history information. I hereby release from liability the Agency and its agents, employees and representatives for seeking, gathering, and using such information and all other persons, corporations, or organizations for furnishing such information.

I shall cooperate with the reasonable requests made by the Agency in connection with obtaining and completing the background, credit and litigation review process referenced herein. I agree to be responsible for the cost of such background, credit and litigation review and agree to reimburse the Agency for such expenses.

This authorization shall be perpetual and shall remain in full force and effect unless revoked by me in writing to the Agency. My revocation shall not affect in any way or manner any activities of the Agency in accordance with this authorization that occur or in process on or before the date that the Agency receives my written notice of revocation of this authorization.


Signature

9/1/2026

Date

Peter Florey
Print Name

SCHEDULE F

Organization Chart of Applicant

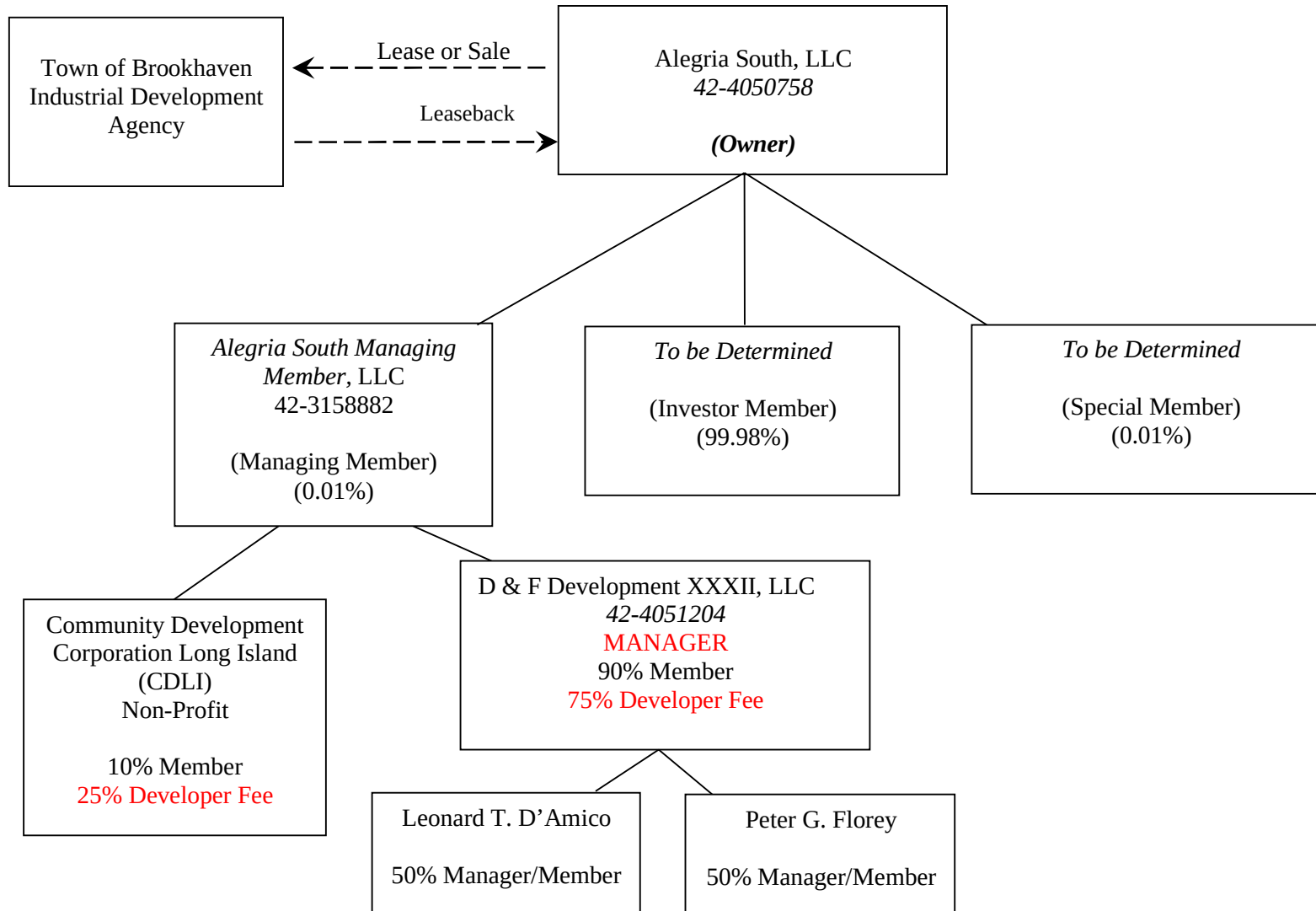
Please Insert

Alegria South

Residential: District 0200 Section 975.9 Block 2 Lots 30, 31, 35, 36, 37.001, 38.001, 39.001, 41.001

STP: District 200, Section 973.8, Block: 5 Lots 10, 11, 12, 13, 14.001, 15, 59

Construction Loan Closing to Perm Loan Closing

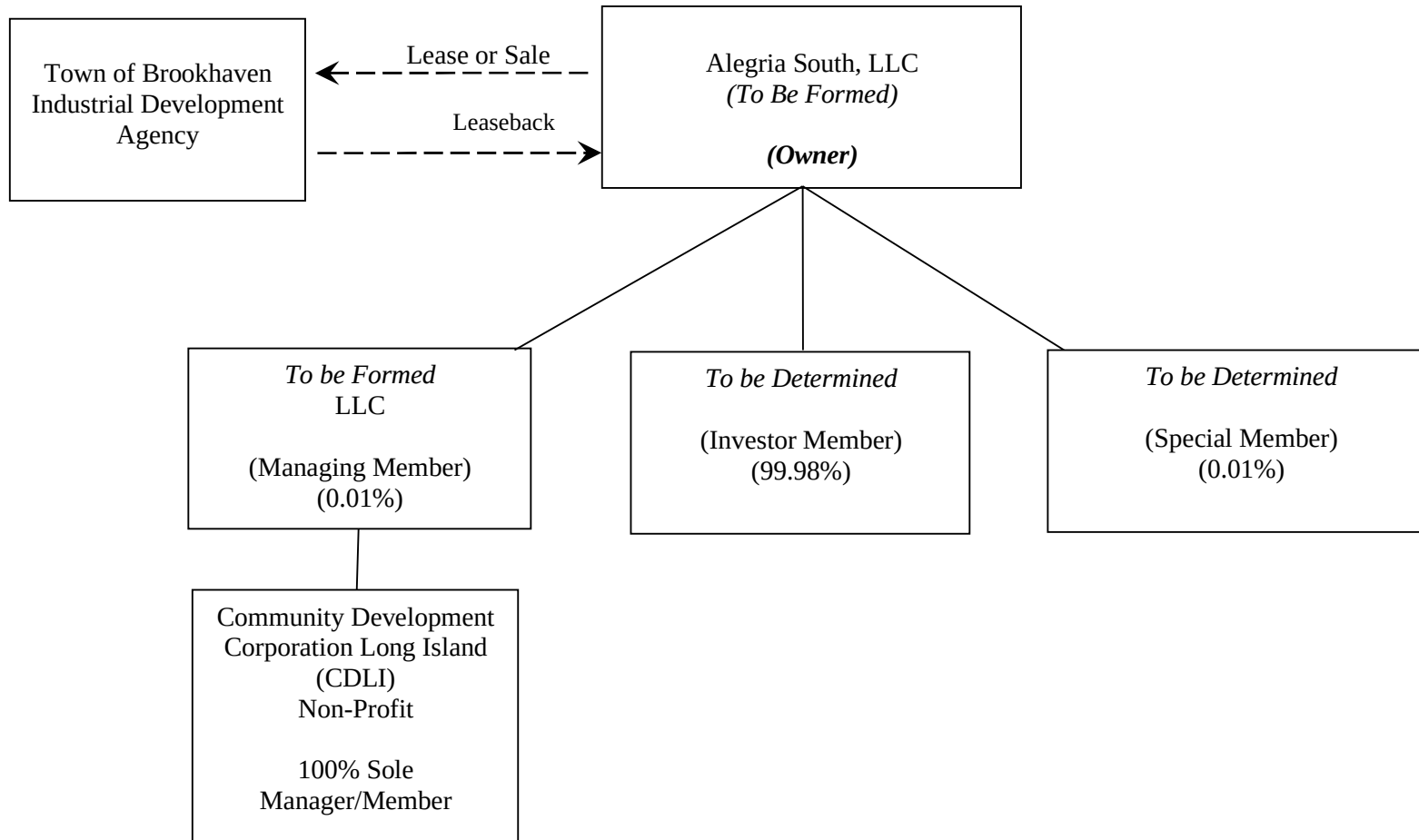


Alegria South

Residential: District 0200 Section 975.9 Block 2 Lots 30, 31, 35, 36, 37.001, 38.001, 39.001, 41.001

STP: District 200, Section 973.8, Block: 5 Lots 10, 11, 12, 13, 14.001, 15, 59

Post Perm Loan Closing



ENTITY	MEMBER ENTITIES & %'s	BUSINESS LOCATION	MAILING ADDRESS	DATE OF INC.	EIN
Carlisle Patchogue Operator, Inc. (S Corporation) <i>(Need to keep entity active for tail insurance until 3/2028)</i>	LTD & PGF	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	7/19/2013	46-3245617
Carlisle Village Green Prop Co., LLC <i>(Need to keep entity active for tail insurance until 3/2029)</i>	LTD & PGF	100 Schoolhouse Road Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	2/9/2018	82-4418868
D & F Bay Shore CIF Conduit, LLC	LTD 50% & PGF 50% Manager/Members	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	7/11/2022	88-3171823
D & F Construction Group, Inc. (S Corporation)	LTD & PGF Shareholders	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	1/24/2005	20-2266609
D & F Consultants, LLC	LTD 50% & PGF 50% Manager/Members	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	11/2/2001	80-0007067
D & F Dekalb, LLC (100% Land Owner)	LTD 50% & PGF 50% Manager/Members	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	9/23/2004	20-1667440
D & F Development I, LLC - (Macedonia Mananging General Partner 0.005%)	LTD 50% & PGF 50% Manager/Members	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	5/25/2004	20-2112246
D & F Development II, LLC - (Dekalb General Partner 0.005%)	LTD 50% & PGF 50% Manager/Members	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	5/25/2004	20-1715872
D & F Development VI, LLC (Parkside Managing member 0.05%)	LTD 50% & PGF 50% Manager/Members	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	2/21/2006	20-4407711
D & F Development VII, LLC (Linden 29.995% Member of General Partner)	LTD 50% & PGF 50% Manager/Members	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	8/24/2006	20-5449741
D & F Development VIII, LLC (D&F-SP) - Need to keep entity, per BP	LTD & PGF	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	9/11/2006	20-5597971
D & F Development XII, LLC (Terrace 0.01% General Partner)	LTD 50% & PGF 50% Manager/Members	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	10/20/2006	20-5765203
D & F Development XIV, LLC (LMSR 50% Manager/Member of Managing General Partner))	LTD 50% & PGF 50% Manager/Members	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	4/17/2007	20-8882772
D & F Development XIX, LLC (Brooke Pointe) - Formerly D&F Development XVIX, LLC	LTD 8% & PGF 50% Class A & B Members	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	10/11/2013	46-3929087
D & F Development XV, LLC (Gateway 0.01% Member)	LTD 50% & PGF 50% Manager/Members	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	6/10/2011	45-2524741
D & F Development XVI, LLC (Linden Knolls 0.01% Class B Special Member)	LTD 50% & PGF 50% Manager/Members	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	6/15/2012	45-5517522
D & F Development XVII, LLC (LMF 50% Manager/Member of General Partner)	LTD 50% & PGF 50% Manager/Members	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	6/7/2013	46-2947820
D & F Development XVIII, LLC (Calvary 50% Manager/Member of Managing Member)	LTD 50% & PGF 50% Manager/Members	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	7/17/2013	46-3210874
D & F Development XX, LLC (Highland Green Managing Member 0.005%)	LTD 50% & PGF 50% Manager/Members	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	9/26/2014	47-1971320
D & F Development XXI, LLC (LMF II 0.01% General Partner)	LTD 8% & PGF 50% Class A & B Members	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	7/11/2014	47-1333495
D & F Development XXII, LLC (Pavilion at LM)	LTD 50% & PGF 50% Manager/Members	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	2/11/2015	47-3117958

D & F Development XXIII, LLC (Eclipse at LM) 50% Managing Member of Managing Member	LTD 50% & PGF 50% Manager/Members	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	2/17/2017	82-0646881
D & F Development XXIV, LLC (Merdian at LM) 50% Managing Member of Managing Member	LTD 50% & PGF 50% Manager/Members	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	8/3/2018	83-1592558
D & F Development XXIX, LLC (Farmingdale 0.01% Manging Member)	LTD 8% & PGF 45% Class A & B Members	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	2/10/2022	88-0672834
D & F Development XXV, LLC (Bay Shore, Manaing Member 0.01%)	LTD 50% & PGF 50% Manaing Members	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	8/2/2018	83-1531057
D & F Development XXVI, LLC (Gleneagle, Manging Member 0.01%)	LTD 7.5% & PGF 45.5% Class A & B Members	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	6/20/2019	84-2235323
D & F Development XXX, LLC (Alegria North, Managing Member 0.01%)	LTD 7.5% & PGF 42.5% Class A & B Members	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	7/26/2023	93-2569755
D & F Development XXXI, LLC (Rockville Manor)	LTD 50% & PGF 50% Manager/Members	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	11/22/2024	33-2088050
D & F Development XXXII, LLC (Alegria South)	LTD 50% & PGF 50% Manager/Members	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	5/4/2026	42-4051204
D & F Development XXXIII, LLC (Bishop Cater Manor)	LTD 50% & PGF 50% Manager/Members	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	5/4/2026	42-3114423
D & F Levittown A.L., LLC (Levittown) <i>(Need to keep entity active for tail insurance until 3/2029)</i>	LTD & PGF	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	6/15/2016	81-3006899
D & F Parkside, LLC (Levittown) <i>(Need to keep entity active for tail insurance until 3/2029)</i>	LTD & PGF	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	12/11/2012	36-4749143
D & F Terrace, LLC (99.99% Investor Limited Partner)	LTD 7.5% & PGF 44.5% Class A & B Members	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	7/13/2021	87-1673445
D & F Woodside, LLC 100% Owner	LTD 0.01% Member, PGF 8.333% Member	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	3/14/2025	33-3990262
D&F Development XXVIII LLC (Matinecock Court)	LTD 50% & PGF 50% Manager/Members	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	1/25/2022	87-4744164
D&F Patchogue A.L., LLC (Patchogue) <i>(Need to keep entity active for tail insurance until 3/2028)</i>	LTD & PGF	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	2/25/2013	46-2173905
Forest Lake Equities, LLC	PGF 100%	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	6/9/2005	20-3055299
Happy Nature, LLC	LTD 52%	101 Schoolhouse Road, Levittown, NY 11756	101 Schoolhouse Road, Levittown, NY 11756	5/14/2025	39-2191573
Jericho Services Inc.	LTD ONLY	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	12/24/1998	11-3470614
Locust Manor Family Residence Housing Development Fund Company, Inc.	LTD President & PGF Vice President/Treasurer	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	6/18/2013	46-2998749
Locust Manor Family Residence II HDFC (100% Fee Owner)	LTD President & PGF Vice President/Secretary/Treasurer	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	9/1/2014	47-1882213
Matinecock Court Owners Corp. (Cooperative Corporation	LTD & PGF	100 Schoolhouse Road, Levittown, NY 11756	101 Schoolhouse Road, Levittown, NY 11756	9/29/2022	92-0521366

MISC. ENTITIES:

Patchogue Legal 1031 Holdings, LLC	LTD & PGF	445 Broad Hollow Road, Suite 25, Melville, NY	445 Broad Hollow Road, Suite 25, Melville, NY	7/25/2014	30-0871838
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PELEON Holiding, LLC (S Corporation)	LTD 50% & PGF 50% Manager/Members	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	1/19/2016 81-1200126
Rockville Manor Developer, LLC	LTD & PGF	100 Schoolhouse Road Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	3/23/2022 88-1594795
Strathmore Commons I, LLC	LTD 50% & PGF 50% Manager/Members	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	2/14/2017 82-3118906
Strathmore Commons II, LLC	LTD 50% & PGF 50% Manager/Members	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	2/15/2017 82-3119061
Strathmore Communities, LLC	LTD 50% & PGF 50% Manager/Members	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	3/26/2014 46-5223627
Strathmore Living, LLC	LTD 50% & PGF 50% Manager/Members	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	3/26/2014 46-5223683
The D & F Development Group, LLC (S Corporation)	LTD 50% & PGF 50% Manager/Members	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	11/22/2004 20-1926884
Triton Residential, LLC (S Coporation)	LTD 50% & PGF 50% Manager/Members	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	2/4/2015 47-3040508
Wizard Group, Inc.	LTD & PGF	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	5/16/1995 11-3266773

**Alegria South
Property List**

<u>Address</u>	<u>Current Owners</u>	<u>Proposed Use</u>
1627 Montauk Highway, Bellport	D & F Consultants, LLC	Residential
1631 (aka 1643) Montauk Highway, Bellport	D & F Consultants, LLC	Residential
1645 & 1665 Montauk Hwy Bellport	D & F Consultants, LLC	Residential
No Address	The D & F Development Group, LLC	STP Lots

Section Block and Lot

Section 975.9 Block 2 Lot 31

Section 975.9 Block 2 Lot 30

Section 975.9 Block 2 Lots 35, 36,
37.001, 38.001, 39.001, 41.001

Section 973.8, Block: 5, Lots:

10,11,12,13,59,14.001,15

PROJECT NARRATIVE

I. Project Information:

- The Alegria South project will consist of three components:
 - o 96-unit affordable rental development.
 - o Commercial portion to be used as community center/community service facility.
 - o A sewage treatment plant.
- There will be 96-unit multifamily units consisting of eighteen (18) 1-Bedrooms (19% of the unit mix), forty-six (46) 2-Bedrooms (48% of the unit mix), thirty-one (31) 3-Bedrooms (32% of the unit mix), plus one (1) 3-Bedroom unit for the property superintendent.
- Units will be affordable to households at or below 30% (11% of the units), 50% (22% of the units), 60% (65% of the units) and 70% (2% of the units) of the Area Median Income (AMI).
- The site is a transit-oriented development located in extremely close proximity to transportation options. The site is located in a designated Qualified Census Tract (1591.03) as defined by HUD, Opportunity Zone, the Town of Brookhaven's Greater Bellport Land Use Plan and Greater Bellport Overlay district.
- The property will consist of four (4) residential newly constructed 3 story townhome style buildings designs. Located on the ground floor of one of the residential buildings, the site will include a community center, supportive service office and lounge area for the residents of the property.
- The project will provide supportive housing opportunities for 15 units (15 1-Bedrooms) that will be set-aside for individuals with intellectual and developmental disabilities. Services and referrals will be provided by Independent Support Services, Inc (ISS) who is applying for Integrated Supportive Housing (ISH) funds through NYS OPWDD.
- 5 units will be set-aside for veterans as required by Suffolk County.
- The creation of this development will build toward a future in which residents can enjoy wellness, longevity, and a quality of life in strong, healthy communities. This development will help provide and address some associated linkages for positive health results by offering access to newly constructed units, free broadband access, outdoor spaces, the creation of a sewage treatment plant (STP) that will service the development among many other positive benefits that would provide healthy environments and outcomes for the residents of the development.
 - o Preventing chronic disease – this development will provide housing to households at 30%, 50%, 60% and 70% of the AMI, which will provide extremely-low, low to moderate income households the opportunity to live in decent, safe, affordable housing which would provide housing security for many residents which is known to produce healthier households.
 - o Promoting a healthy and safe environment – by offering access to newly created housing units which for many will be improved housing conditions which can save lives, reduce disease/stress/mental instability, increase quality of life, reduce poverty, prevent homelessness and provide families with housing security.
 - o Promote healthy women, infants and children – women and children represent a large number of residents in affordable housing units. These multifamily units will provide affordable units in a high-cost housing market which is known to impact women and children's stability, decreased economic stress, improved mental health and more favorable living environments.
 - o Prevent communicable diseases – increased access to affordable housing promotes health and wellbeing.
 - o Help residents continue to live in their communities in a manner consistent with their abilities and values – access to newly created long-term affordable units allow residents to have the

ability to remain in the community without fear or impacts of rent hikes above allowable amounts.

- o Increase consumer access to health care and supportive services – the site will have 15 units that will provide supportive services to those with intellectual/developmental disabilities (I/DD). The site is also in extremely close proximity to public transportation which will allow those residents that do not drive with transportation access to health care and or other needed services.
- NYS Homes and Community Renewal will have a 50-year affordability period for units.
- Suffolk County will require 10 units to be affordable in perpetuity.

II. Project Design and Scope of work:

- The buildings are inspired by shingle style architecture reminiscent of historic Bellport. Structurally the buildings will be wood frame, with hardie plank siding and vinyl windows. Typically, there are pitched roofs with architectural shingles. The property will be serviced by an off-site 30,000 gallon sewage treatment plant (STP). The STP will have excess capacity which will be used by a new development of affordable homes by the Long Island Housing Partnership.
- The site will have an outdoor seating area, playground and tree plantings throughout the site.
- The project will utilize the 2023 HCR Design Criteria and will include green building design and energy star appliances. Sustainability initiatives will include: Enterprise Green Communities 2020 Plus, Energy Star Multifamily New Construction EPI Pathway, DOE Zero Energy Ready Homes, EPA Indoor airPLUS.
- 10 units will be accessible to persons with physical impairments and 4 units will be accessible to persons with hearing/visual impairments. Referrals and services will be provided by Long Island Center for Independent Living.
- The site will have a total of 184 paved outdoor parking spaces, of which 12 will be accessible parking spaces available for the property. The site will also include an additional 8 land banked parking spaces as required by zoning.
- Project amenities will include: community room, supportive service offices, common laundry room, located in the community building, in-unit broadband, common area broadband access, in-unit bulk storage, EV charging stations, energy star efficient appliances including in-unit range, refrigerator, microwave and dishwashers.
- The tenants will be responsible to pay for their own electric, electric cooking, electric heating, electric water heating and air conditioning. The owner will provide residents with water.
- We are working with Optimum Communities on a bulk agreement to provide broadband internet services to the residents of the building. The plan would be charged to the owner at a discounted rate per unit for their 100 fast internet plan (modem is included). Residents will have the opportunity to add TV services, upgrade Internet service, and order Optimum Voice, add converters/remotes and a modems etc., and will be billed separately for these services, under the tenants' responsibility.
- The commercial portion will be a community center, with catering/take-out/food prep facility expected to be run by Shiloh Community Church and Chara's Kitchen & Catering. Both organizations have been long standing active members of the Bellport Community. These minority owned organizations are deeply engaged in the local community and have operated in the area for many years.

III. Site Information:

- The land for the residential development is owned by the applicant's affiliate D&F Consultants LLC, and will be transferred to applicant as of closing. The sewer treatment plant site is also owned by an affiliate of applicant.
- The sites are currently vacant underutilized land that is a present blight to the neighborhood with overgrown trees and grass.
- The sites do not have any existing environmental issues.
- The site is also a designated Opportunity Zone.
- The Town of Brookhaven has been actively working in investing and revitalizing this area, including implementing the Greater Bellport Land Use Plan in 2014 and further filing a Local Law, in 2022, creating the Greater Bellport Overlay District (GBOD). The GBOD allows the property to have the zoning density needed to be able to develop greatly needed uses in the community. The Town's goals for this area include creating affordable housing, sewer infrastructure, landscaping, placemaking, the creation of a commercial uses and more. It is the Town of Brookhaven's desire to create and strengthen this area into Downtown North Bellport. This area has close access to the North Bellport Long Island Rail Road station and several bus lines, all just a short 5-minute walk and would be a prime location for a solid downtown.
- In 2021, this area was considered a low-income tract with 32.52% of the population living below the poverty line. Beginning in 2022, this area has increased to a moderate-income tract, currently (2024) with 23.98% of its residents living below the poverty line. Just the few improvements to the area have already impacted this area for the better and the community at large.

IV. Project Location and Market Information:

- The residential buildings will be located from Montauk Highway to Atlantic Avenue, just West of Michigan Avenue to Hoffman Avenue, in Bellport, New York. The sewage treatment plant (STP) for the property will be located on Atlantic Avenue between Weaver Avenue and Davidson Avenue. The proposed commercial space is located at 1789 Atlantic Avenue with entrances on Post Avenue and Montauk Highway.
- The residential site is located just a 5-minute walk (.25 mile) away from the Bellport Long Island Rail Road Station and 3 Suffolk County Bus Lines (S66, 7B and S68).
- As in most areas on Long Island are in desperate need of available decent, safe, sanitary, affordable housing options.
- Favorable characteristics include:
 - o Capture Rate – the study indicates the project would have a total weighted average capture demand rate of 3.19%.
 - o Good quality finishes and features - consistent with recent mixed-income projects that will include private entrances, common area amenities and contemporary layouts that offer greater utility than local unrestricted complexes.
 - o Rent advantage for tax credit units – ranges from 30%-41% for 50%/60% AMI units with the 70% units 19% below market. Rent thresholds in the greater area have increased in recent years with new development and the ongoing renovation of older properties.
 - o 53% of age 19-61 renters in the PMA earn less than \$75,000 per year.

- o Location – is supported with the train station in walking distance, the medical care, commercial conveniences and transportation linkages in the greater area considering options in nearby Medford and Patchogue.
- o Integration of supportive housing with rental subsidy - for the I/DD populations as no similar options are available in the greater Bellport market.
- o Population density - associated with 96 units offering larger two- and three-bedroom plans will increase economic activity in the area.
- o Workforce family housing - with these unit types reported strong absorption rates exceeding 6 units per month increasing waitlists as new units were delivered to the market.
- o Conservative PMA – used for analysis evaluates support from the local area with a strong capture rate so unsatisfied households outside the area will provide additional support. Median incomes in the PMA range from approximately \$60,000 to \$144,000 so the rent tiers are appropriate for these unsatisfied households.

V. Project Financing Information:

- The Construction loan and permanent loan will be provided by Webster Bank.
- The project will utilize Federal and NYS Low Income Housing tax credits, HCR Low Income Housing Trust Funds, HCR OPWDD ISH Funds, County Funds, Long Island Investment Funds, Long Island Housing Partnership funds, NY Forward funds, Developer's Note and Developer Equity.
- This project is supported by various non-HCR sources, reflecting financial leveraging as encouraged by HCR.
- The Developer minimizes development costs through our experience in the affordable housing industry. We have developed many projects and we understand how to structure the project utilizing experienced consultants and professionals within the industry.

VI. Development Team and Ownership Information:

- The D & F Development Group, LLC, will serve as Developer on the project. Leonard T. D'Amico and Peter G. Florey, the Principals of D&F have been in developing, constructing, managing affordable housing properties across Long Island and NYC since 2002 and will have effective project control.. D&F's key team members also include Bruce Peterson, Nicole DeFreitas, James Grady and Katrina Brown. The D&F team has extensive experience in developing, construction and managing over twenty-five (25) affordable housing projects, with over 2,500 units.
- Beatty Harvey Coco (BHC) will serve as Architect for the project. BHC has designed many affordable workforce housing projects in Suffolk County, some include Matinecock Court, Highland Green Residences, Bellport Residences, Bay Shore Senior Residence, Wyandanch Rising and many others.
- D & F Construction Group, Inc. will serve as the General Contractor for the project with a fixed price construction contract.
- The Management of the project will be handled through D&F's management entity, Wizard Group, Inc., d/b/a LTD Management

VII. Development Timeline:

- We are working towards an end of November 2026 closing.
- We have received site plan approval from the Town in July 2026. We are currently in with the building department waiting for permits to be issued.
- We anticipate completing construction by the end of 2028 and occupying in early 2029.

**FORM APPLICATION FOR FINANCIAL ASSISTANCE
TOWN OF BROOKHAVEN INDUSTRIAL DEVELOPMENT AGENCY
1 Independence Hill, 2nd Floor, Farmingville, New York 11738
631 406-4244**

DATE: Updated 9/4/2026

APPLICATION OF: Alegria South, LLC
Name of Owner and/or User of Proposed Project

ADDRESS: 100 Schoolhouse Road
Levittown, New York 11756

Type of Application: ☐ Tax-Exempt Bond ☐ Taxable Bond
 ☒ Straight Lease ☐ Refunding Bond

Please respond to all items either by filling in blanks, by attachment (by marking space “see attachment number 1”, etc.) or by N.A., where not applicable. Application must be filed in two copies. A non-refundable application fee is required at the time of submission of this application to the Agency. The non-refundable application fee is \$3,000 for applications under \$5 million and \$4,000 for applications of \$5 million or more, and should be made payable to the Town of Brookhaven Industrial Development Agency.

Transaction Counsel to the Agency may require a retainer which will be applied to fees incurred and actual out-of-pocket disbursements made during the inducement and negotiation processes and will be reflected on their final statement at closing.

Information provided herein will not be made public by the Agency prior to the passage of an official Inducement Resolution but may be subject to disclosure under the New York State Freedom of Information Law.

Prior to submitting a completed final application, please arrange to meet with the Agency’s staff to review your draft application. Incomplete applications will not be considered. The Board reserves the right to require that the applicant pay for the preparation of a Cost Benefit Analysis, and the right to approve the company completing the analysis.

PLEASE NOTE: It is the policy of the Brookhaven IDA to encourage the use of local general contractors and labor and the payment of the area standard wage during construction on the project.

IDA benefits may not be conferred upon the Company until the Lease and Project Agreement have been executed.

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SCHEDULE F	Organization Chart of Applicant

Part I: Owner & User Data

1. Owner Data:

A. Owner (Applicant for assistance): Alegria South, LLC

Address: 100 Schoolhouse Road

Levittown, NY 11756

Federal Employer ID #: XXXXXXXXXX Website: _____

NAICS Code: 531110

Owner Officer Certifying Application: Peter G. Florey

Title of Officer: Principal

Phone Number: _____ E-mail: _____

B. Business Type:

Sole Proprietorship ☐ Partnership ☐ Limited Liability Company ☒

Privately Held ☐ Public Corporation ☐ Listed on _____

State of Incorporation/Formation: New York

C. Nature of Business:

(e.g., “manufacturer of _____ for _____ industry”; “distributor of _____”; or “real estate holding company”)

Real Estate

D. Owner Counsel:

Firm Name: Forchelli Deegan Terrana

Address: 333 Earle Ovington Boulevard, Ste 1010

Uniondale, NY 11553

Individual Attorney: John Gordon

Phone Number: 516-248-1700 E-mail: JGordon@ForchelliLaw.com

E. Principal Stockholders, Members or Partners, if any, of the Owner:

Name	Percent Owned
See org chart attached as Schedule "1"	

Please attach to this Application as **Schedule F** an Organization Chart of Applicant.

F. Has the Owner, or any subsidiary or affiliate of the Owner, or any stockholder, partner, member, officer, director, or other entity with which any of these individuals is or has been associated with:

- i. ever filed for bankruptcy, been adjudicated bankrupt or placed in receivership or otherwise been or presently is the subject of any bankruptcy or similar proceeding? (If yes, please explain)

No

- ii. been convicted of a felony, or misdemeanor, or criminal offense (other than a motor vehicle violation)? (If yes, please explain)

No

G. If any of the above persons (see "E", above) or a group of them, owns more than 50% interest in the Owner, list all other organizations which are related to the Owner by virtue of such persons having more than a 50% interest in such organizations.

No

H. Is the Owner related to any other organization by reason of more than a 50% ownership? If so, indicate name of related organization and relationship:

No

I. List parent corporation, sister corporations and subsidiaries:

Please see the attached entity listing of other organizations

- J. Has the Owner (or any related corporation or person) been involved in or benefited by any prior industrial development financing in the municipality in which this project is located, whether by this agency or another issuer? (Municipality herein means city, town, or village, or if the project is not in an incorporated city, town or village, the unincorporated areas of the county in which it is located.) If so, explain in full:

Yes, the Gleneagle Green at Bellport property recieved financial assistance in form of a PILOT from the Town of Brookhaven on 3/25/2020 as well as Village Green 2015.

- K. List major bank references of the Owner:

Victor Sostar, Regions Affordable Housing, LLC 516-869-7420

K. James Dittbrenner of Webster Bank 212-575-2461

2. User Data

*** (for co-applicants for assistance or where a landlord/tenant relationship will exist between the owner and the user) ***

- A. User (together with the Owner, the "Applicant"): N/A

Address: _____

Federal Employer ID #: _____ Website: _____

NAICS Code: _____

User Officer Certifying Application: _____

Title of Officer: _____

Phone Number: _____ E-mail: _____

- B. Business Type:

Sole Proprietorship ☐ Partnership ☐ Privately Held ☐

Public Corporation ☐ Listed on _____

State of Incorporation/Formation: _____

- C. Nature of Business:

(e.g., "manufacturer of _____ for _____ industry"; "distributor of _____"; or "real estate holding company")

D. Are the User and the Owner Related Entities? Yes ☐ No ☐

i. If yes, the remainder of the questions in this Part I, Section 2 (with the exception of "F" below) need not be answered if answered for the Owner.

ii. If no, please complete all questions below.

E. User's Counsel:

Firm Name: _____

Address: _____

Individual Attorney: _____

Phone Number: _____

E-mail: _____

F. Principal Stockholders or Partners, if any:

Name

Percent Owned

G. Has the User, or any subsidiary or affiliate of the User, or any stockholder, partner, officer, director, or other entity with which any of these individuals is or has been associated with:

i. ever filed for bankruptcy, been adjudicated bankrupt or placed in receivership or otherwise been or presently is the subject of any bankruptcy or similar proceeding? (If yes, please explain)

ii. been convicted of a felony or criminal offense (other than a motor vehicle violation)? (If yes, please explain)

- H. If any of the above persons (see "F", above) or a group of them, owns more than 50% interest in the User, list all other organizations which are related to the User by virtue of such persons having more than a 50% interest in such organizations.

- I. Is the User related to any other organization by reason of more than a 50% ownership? If so, indicate name of related organization and relationship:

- J. List parent corporation, sister corporations and subsidiaries:

- K. Has the User (or any related corporation or person) been involved in or benefited by any prior industrial development financing in the municipality in which this project is located, whether by this agency or another issuer? (Municipality herein means city, town, or village, or if the project is not in an incorporated city, town or village, the unincorporated areas of the county in which it is located.) If so, explain in full:

- L. List major bank references of the User:

Part II – Operation at Current Location

***** (if the Owner and the User are unrelated entities, answer separately for each) *****

1. Current Location Address: N/A
2. Owned or Leased: _____
3. Describe your present location (acreage, square footage, number buildings, number of floors, etc.):

4. Type of operation (manufacturing, wholesale, distribution, retail, etc.) and products and/or services:

5. Are other facilities or related companies of the Applicant located within the State?
Yes ☐ No ☒
A. If yes, list the Address: _____
6. Will the completion of the project result in the removal of any facility or facilities of the Applicant from one area of the state to another OR in the abandonment of any facility or facilities of the Applicant located within the State? Yes ☐ No ☒
A. If no, explain how current facilities will be utilized: N/A

B. If yes, please indicate whether the project is reasonably necessary for the Applicant to maintain its competitive position in its industry or remain in the State and explain in full:

7. Has the Applicant actively considered sites in another state? Yes ☐ No ☒
A. If yes, please list states considered and explain: _____

8. Is the requested financial assistance reasonably necessary to prevent the Applicant from moving out of New York State? Yes ☐ No ☒
A. Please explain: _____

9. Number of full-time equivalent employees (FTE's) at current location and average salary (indicate hourly or yearly salary):

N/A

Part III – Project Data

1. Project Type:

A. What type of transaction are you seeking? (Check one)

Straight Lease ☒ Taxable Bonds ☐ Tax-Exempt Bonds ☐
Equipment Lease Only ☐

B. Type of benefit(s) the Applicant is seeking: (Check all that apply)

Sales Tax Exemption ☒ Mortgage Recording Tax Exemption ☒
PILOT Agreement: ☒

2. Location of project:

A. Street Address: 1627, 1631 (aka 1643), 1645, 1665 Montauk Hwy (Please see attached address list with section/block/lot info)

B. Tax Map: District _____ Section _____ Block _____ Lot(s) See attached

C. Municipal Jurisdiction:

i. Town: Brookhaven
ii. Village: N/A Hamlet of North Bellport
iii. School District: South County School District

D. Acreage: +/- 5.7 acres

3. Project Components (check all appropriate categories):

A. Construction of a new building ☒ Yes ☐ No

i. Square footage: 104,150 SF Residential 1,364 commercial space

B. Renovations of an existing building ☐ Yes ☒ No

i. Square footage: _____

C. Demolition of an existing building ☐ Yes ☒ No

i. Square footage: _____

D. Land to be cleared or disturbed ☒ Yes ☐ No

i. Square footage/acreage: +/- 251,119 SF total

E. Construction of addition to an existing building ☐ Yes ☒ No

i. Square footage of addition: _____

ii. Total square footage upon completion: _____

F. Acquisition of an existing building ☐ Yes ☒ No

i. Square footage of existing building: _____

G. Installation of machinery and/or equipment ☒ Yes ☐ No

i. List principal items or categories of equipment to be acquired: _____

heaters, electrical panels, washer/dryers, stoves/refrigerators & other construction materials that would be used in constructing a residential apartment building/ commercial kitchen equipment will be installed in the commercial space

4. Current Use at Proposed Location:

A. Does the Applicant currently hold fee title to the proposed location? No

i. If no, please list the present owner of the site: D & F Consultants, LLC & The D & F Development Group, LLC (related members)

B. Present use of the proposed location: Vacant

C. Is the proposed location currently subject to an IDA transaction (whether through this Agency or another?) ☐ Yes ☒ No

i. If yes, explain: _____

D. Is there a purchase contract for the site? (If yes, explain): ☐ Yes ☒ No

E. Is there an existing or proposed lease for the site? (If yes, explain): ☐ Yes ☒ No

5. Proposed Use:

A. Describe the specific operations of the Applicant or other users to be conducted at the project site: The site will consist of the components: 1) 96 unit affordable rental development 2) a commercial building which will feature a community center and healthy food take-out catering

preparation facility and 3) an off-site sewage treatment plant (STP) to service the project. Excess capacity will be available to service another affordable development of homes close to the property.

B. Proposed product lines and market demands: High demand for affordable housing on Long Island.

- C. If any space is to be leased to third parties, indicate the tenant(s), total square footage of the project to be leased to each tenant, and the proposed use by each tenant:

The commercial space will be a community center, expected to be leased to a joint venture between Shiloh Community Church and Chara's Kitchen & Catering. Both organizations have been long standing active members of the Bellport community.

- D. Need/purpose for project (e.g., why is it necessary, effect on Applicant's business):

There is a high demand and unmet need for affordable housing in the Town of Brookhaven. The community at large as well as the property is also in need of a community center to provide the workshops, programs, events, cultural gatherings. The catering/food prep facility would provide affordable food options to the community that has long been identified as a food desert.

- E. Will any portion of the project be used for the making of retail sales to customers who personally visit the project location? Yes ☒ No ☐

- i. If yes, what percentage of the project location will be utilized in connection with the sale of retail goods and/or services to customers who personally visit the project location? 1%
-

- F. To what extent will the project utilize resource conservation, energy efficiency, green technologies, and alternative / renewable energy measures?

The project will be fully electric, utilizing the 2025 HCR Design Criteria which will include green building design & energy star appliances. Initiatives include: Enterprise Green Communities 2020 Plus, Energy Star Multifamily New Construction EPI Pathway, DOE, Zero Energy Ready Homes, EPA Indoor airPLUS, the building will be delivered as Solar Ready, in the even the upgrade to solar is needed.

- G. Will the Project provide onsite child care services or otherwise facilitate new child care services? ☐ Yes ☒ No

- i. If yes, please describe the nature and extent of such childcare services: _____
-

- H. Does the Project propose the creation or provision of housing? ☒ Yes ☐ No

- i. If yes, please, please fill out Part X - Representations related to Projects Providing Housing.

6. Project Work:

A. Has construction work on this project begun? If yes, complete the following:

i.	Site Clearance:	Yes	☐	No	☒	% COMPLETE	_____
ii.	Foundation:	Yes	☐	No	☒	% COMPLETE	_____
iii.	Footings:	Yes	☐	No	☒	% COMPLETE	_____
iv.	Steel:	Yes	☐	No	☒	% COMPLETE	_____
v.	Masonry:	Yes	☐	No	☒	% COMPLETE	_____
vi.	Other:	_____					

B. What is the current zoning? J6 Overlay District - J Business 6 District

C. Will the project meet zoning requirements at the proposed location?

Yes ☒ No ☐

D. If a change of zoning is required, please provide the details/status of the change of zone request: N/A

E. Have site plans been submitted to the appropriate planning department? Yes ☒ No ☐

F. Is a change of use application required? Yes ☐ No ☒

7. Project Completion Schedule:

A. What is the proposed commencement date for the acquisition and the construction/renovation/equipping of the project?

i. Acquisition: November 2026

ii. Construction/Renovation/Equipping: December 2026

B. Provide an accurate estimate of the time schedule to complete the project and when the first use of the project is expected to occur: December 2028

Part IV – Project Costs and Financing

1. Project Costs:

- A. Give an accurate estimate of costs necessary for the acquisition, construction, renovation, improvement and/or equipping of the project location:

<u>Description</u>	<u>Amount</u>
Land and/or building acquisition	\$ 2,480,000
Building(s) demolition/construction	\$ 46,227,239
Building renovation	\$
Site Work	\$ 3,873,950
Machinery and Equipment	\$
Legal Fees	\$ 675,000
Architectural/Engineering Fees	\$ 1,050,000
Financial Charges	\$ 6,412,981
Other (Specify)	\$ 9,241,368
Total	\$ 69,960,538

Please provide the percentage of materials and labor that will be sourced locally (Suffolk/Nassau Counties) 100

Please note, IDA fees are based on the total project costs listed above. At the completion of your project, you are required to provide both a certificate of completion along with a cost affidavit certifying the final project costs. The IDA fees may be adjusted as a result of the certified cost affidavit. Money will not be refunded if the final project cost is less than the amount listed above. **Please initial below to confirm and acknowledge your understanding and acceptance of the foregoing.**

Initial



2. Method of Financing:

	Amount	Term
A. Tax-exempt bond financing:	\$ <u>N/A</u>	<u> </u> years
B. Taxable bond financing:	\$ <u>N/A</u>	<u> </u> years
C. Conventional Mortgage:	\$ <u>45,498,146</u>	<u>30</u> years
D. SBA (504) or other governmental financing:	\$ <u>N/A</u>	<u> </u> years
E. Public Sources (include sum of all State and federal grants and tax credits):	\$ <u>20,371,621</u>	
F. Other loans:	\$ <u>715,771</u>	<u> </u> years
G. Owner/User equity contribution:	\$ <u>3,375,000</u>	<u> </u> years
Total Project Costs	\$ <u>69,960,538</u>	

- i. What percentage of the project costs will be financed from public sector sources?

82%

3. Project Financing (please only respond if you selected “Taxable Bonds” or “Tax-Exempt Bonds” in “Part III - 1. Project Type” above:

- A. Have any of the above costs been paid or incurred (including contracts of sale or purchase orders) as of the date of this application? Yes ☐ No ☐

- i. If yes, provide detail on a separate sheet.

- B. Are costs of working capital, moving expenses, work in progress, or stock in trade included in the proposed uses of bond proceeds? Give details:

- C. Will any of the funds borrowed through the Agency be used to repay or refinance an existing mortgage or outstanding loan? Give details:

- D. Has the Applicant made any arrangements for the marketing or the purchase of the bond or bonds? If so, indicate with whom:

Part V – Project Benefits

1. Mortgage Recording Tax Benefit:

- A. Mortgage Amount for exemption (include sum total of construction/permanent/bridge financing):

\$ 45,498,146 _____

- B. Estimated Mortgage Recording Tax Exemption (product of Mortgage Amount and .75%):

\$ 341,236.10 _____

2. Sales and Use Tax Benefit:

- A. Gross amount of costs for goods and services that are subject to State and local Sales and Use Tax (such amount to benefit from the Agency's exemption):

\$ 31,969,330 _____

- B. Estimated State and local Sales and Use Tax exemption (product of 8.75% and figure above):

\$ 2,797,316 _____

- C. If your project has a landlord/tenant (owner/user) arrangement, please provide a breakdown of the number in "B" above:

i. Owner: \$ _____

ii. User: \$ _____

3. Real Property Tax Benefit:

- A. Identify and describe if the project will utilize a real property tax exemption benefit other than the Agency's PILOT benefit: N/A

- B. Agency PILOT Benefit:

i. Term of PILOT requested: 30 years

ii. Upon acceptance of this application, the Agency staff will create a PILOT schedule and attach such information to Exhibit A hereto. Applicant hereby requests such PILOT benefit as described on Exhibit A.

***** This application will not be deemed complete and final until Exhibit A hereto has been completed. *****

2. Salary and Fringe Benefits:

Category of Jobs to be Created	Average Salary	Average Fringe Benefits
Salary Wage Earners	\$40,500	\$4,500
Commission Wage Earners	\$0	\$0
Hourly Wage Earners	19.47	
1099 and Contract Workers	\$0	\$0

What is the annualized salary range of jobs to created? 39,000 to 42,000

Note: The Agency reserves the right to visit the facility to confirm that job creation numbers are being met.

Part VII – Representations, Certifications and Indemnification

1. Is the Applicant in any litigation which would have a material adverse effect on the Applicant's financial condition? (If yes, furnish details on a separate sheet)

Yes ☐ No ☒

2. Has the Applicant or any of the management of the Applicant, the anticipated users or any of their affiliates, or any other concern with which such management has been connected, been cited for a violation of federal, state, or local laws or regulations with respect to labor practices, hazardous wastes, environmental pollution, or other operating practices? (If yes, furnish details on a separate sheet)

Yes ☐ No ☒

3. Is there a likelihood that the Applicant would proceed with this project without the Agency's assistance? (If no, please explain why; if yes, please explain why the Agency should grant the benefits requested)

Yes ☐ No ☒

4. If the Applicant is unable to obtain financial assistance from the Agency for the project, what would be the impact on the Applicant and on the municipality?

The project would not be financially viable without the Agency's assistance.

Original signature and initials are required. Electronic signatures and initials are not permitted.

5. The Applicant understands and agrees that in accordance with Section 858-b(2) of the General Municipal Law, except as otherwise provided by collective bargaining agreements, new employment opportunities created as a result of the project will be listed with the New York State Department of Labor, Community Services Division and with the administrative entity of the service delivery area created pursuant to the Job Training Partnership Act (PL 97-300) in which the project is located (collectively, the "Referral Agencies"). The Applicant also agrees that it will, except as otherwise provided by collective bargaining contracts or agreements to which they are parties, where practicable, first consider for such new employment opportunities persons eligible to participate in federal job training partnership programs who shall be referred by the Referral Agencies.

Initial 

6. The Applicant confirms and acknowledges that the submission of any knowingly false or knowingly misleading information may lead to the immediate termination of any financial assistance and the reimbursement of an amount equal to all or part of any tax exemption claimed by reason of the Agency's involvement in the Project as well as may lead to other possible enforcement actions.

Initial 

7. The Applicant represents and warrants that to the Applicant's knowledge neither it nor any of its affiliates, nor any of their respective partners, members, shareholders or other equity owners, and none of their respective employees, officers, directors, representatives or agents is, nor will they become a person or entity with who United States persons or entities are restricted from doing business under regulations of the Office of Foreign Asset Control (OFAC) of the Department of the Treasury (including those named on OFAC's Specially Designated and Blocked Persons List or under any statute, executive order, including the September 23, 2001, Executive Order Block Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism, as amended), or other governmental action and is not and will not assign or otherwise transfer this Agreement to, contract with or otherwise engage in any dealings or transactions or be otherwise associated with such persons or entities.

Initial 

8. The Applicant confirms and hereby acknowledges it has received the Agency's fee schedule attached hereto as Schedule A and agrees to pay such fees, together with any expenses incurred by the Agency, including those of Transaction Counsel, with respect to the Facility. The Applicant 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 project. The IDA fees are based on the total project costs listed in this application. At the completion of the project, you are required to provide both a certificate of completion along with a cost affidavit certifying the final project costs. The IDA fees may be increased as a result of the certified cost affidavit. Monies will not be refunded if the final costs are below the amount listed in the application.

Furthermore, Applicant shall in no event hold the Agency liable, and covenants to not sue for, monetary damages or claim any sort of monetary damages (i) for failure to perform a mandatory or discretionary obligation in connection with this Application, or any other cause of action arising from this Application or (ii) arising out of or connected with any dispute, controversy, or issue regarding the Application or interpretation or effect of the provisions of this Application.

Initial 

9. The Applicant hereby agrees to comply with Section 875 of the General Municipal Law. The Company further agrees that the financial assistance granted to the project by the Agency is subject to recapture pursuant to Section 875 of the Act and the Agency's Recapture and Termination Policy, attached hereto as Schedule C.

Initial 

10. The Applicant confirms and hereby acknowledges it has received the Agency's PILOT Policy attached hereto as Schedule D and agrees to comply with the same.

Initial 

11. The Company hereby authorizes the Agency, without further notice or consent, to use the Company's name, logo and photographs related to the Facility in its advertising, marketing, and communications materials. Such materials may include web pages, print ads, direct mail and various types of brochures or marketing sheets, and various media formats other than those listed (including without limitation video or audio presentations through any media form). In these materials, the Agency also has the right to publicize its involvement in the Project.

Initial 

12. The Applicant confirms and hereby acknowledges it has received the Agency's Application and Resolution Expiration Policy available at brookhavenida.org/application and agrees to comply with same.

Initial 

13. The Applicant agrees that it will abide by all federal, state, county and local laws, rules, regulations, licensing and administrative orders applicable to the within Project. The Applicant confirms and hereby acknowledges it has received the Agency's Construction Wage Policy attached hereto as

Schedule B and agrees to comply with the same. The Applicant acknowledges that if the provisions of the Agency's Construction Wage Policy are applicable to the Project, the terms of such Construction Wage Policy shall be binding on any contractor or subcontractor of any tier with respect to all Project work including, without limitation, the construction and/or renovation phase of such Project. The Applicant acknowledges that there has not been any debarment or suspension by any federal, state or local government agency or authority in the past (3) three years applicable to the Project.

Initial 

14. The Applicant confirms and hereby acknowledges that it has received the Agency's Background Credit and Litigation Review Authorization Form attached hereto as **Schedule E** and agrees to execute and deliver the same.

Initial 

15. The Applicant confirms and hereby acknowledges that the Agency informed the Applicant that, effective January 1, 2024, certain Construction work done under contract in connection with financial assistance from the Agency may be subject to the requirements of Section 224-a of the Labor Law of the State, including but not limited to the requirement that such Construction shall be subject to prevailing wage requirements of Section 220 and 220-b of the Labor Law of the State. In addition, such Construction work may be required by Section 224-a of the Labor Law (Section 224-a) to comply with the objectives and goals of minority and women-owned business enterprises pursuant to Article Fifteen-A of the Executive Law and service-disabled veteran-owned business pursuant to Article Seventeen-B of the Executive Law. Accordingly, the Applicant confirms that it will comply with any related provisions and requirements to be set forth in the transaction documents with the Agency concerning the Project.

Initial 

16. The Applicant acknowledges that the Agency is subject to New York State's Freedom of Information Law (FOIL). Applicant understands that all Project information and records related to this Application are potentially subject to disclosure under FOIL subject to limited statutory exclusions.

Initial 

17. Applicant acknowledges that the Agency is entitled to request any and all additional information from Applicant it requires in its sole discretion in connection with reviewing this Application, and unless and until such information is provided to the Agency's satisfaction, this Application will remain incomplete.

Initial 

18. The Applicant acknowledges that the Agency is not bound by any precedent or prior course of conduct in connection with this Application (unless specifically required by applicable law) .

Initial 

Part VIII – Submission of Materials

1. Financial statements for the last two fiscal years (unless included in the Applicant's annual report). Note, if the project company is a newly formed entity, then the applicant is required to submit financial statements for the parent company or sponsor entity.
2. Applicant's annual reports (or 10-K's if publicly held) for the two most recent fiscal years.
3. Quarterly reports (form 10-Q's) and current reports (form 8-K's) since the most recent annual report, if any.
4. In addition, please attach the financial information described in items A, B, and C of any expected guarantor of the proposed bond issue.
5. Completed Environmental Assessment Form.
6. Most recent quarterly filing of NYS Department of Labor Form 45, as well as the most recent fourth quarter filing. Please remove the employee Social Security numbers and note the full-time equivalency for part-time employees.

(Remainder of Page Intentionally Left Blank)

Part IX – Special Representations

1. The Applicant understands and agrees that the provisions of Section 862(1) of the New York General Municipal Law, as provided below, will not be violated if financial assistance is provided for the proposed project. The Applicant hereby indicates its compliance with Section 862(1) by signing the applicable statement below. **(Please sign only one of the following statements a. or b. below).**

- a. The completion of the entire project will not result in the removal of an industrial or manufacturing plant of the project occupant 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 project occupant located within the state.

Representative of the Applicant:  _____

- b. The completion of this entire project will result in the removal of an industrial or manufacturing plant of the project occupant 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 project occupant located within the state because the project is reasonably necessary to discourage the project occupant from removing such other plant or facility to a location outside the state or is reasonably necessary to preserve the competitive position of the project occupant in its respective industry.

Representative of the Applicant: _____

2. The Applicant confirms and hereby acknowledges that as of the date of this Application, the Applicant is in substantial compliance with all provisions of Article 18-A of the New York General Municipal Law, including, but not limited to, the provision of Section 859-a and Section 862(1) of the New York General Municipal Law.

Representative of the Applicant:  _____

3. In accordance with Section 862(1) of the New York General Municipal Law the Applicant understands and agrees that projects which result in the removal of an industrial or manufacturing plant of the project occupant 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 project occupant within the State is ineligible for financial assistance from the Agency, unless otherwise approved by the Agency as reasonably necessary to preserve the competitive position of the project in its respective industry or to discourage the project occupant from removing such other plant or facility to a location outside the State.

Representative of the Applicant:  _____

4. The Applicant confirms and acknowledges that the owner, occupant, or operator receiving financial assistance for the proposed project is in substantial compliance with applicable local, state, and federal tax, worker protection and environmental laws, rules, and regulations.

Representative of the Applicant:  _____

Part X – Representations related to Projects Providing Housing

Applicant hereby represents that:

1. The total number of new dwelling units the Project proposes to create is: 96
2. The number of existing dwelling units the Project proposes to rehabilitate/renovate is: N/A
3. The number of new dwelling units the Project proposes to provide for occupants (but not on a transient basis) by individuals who are age 55 or over is: N/A
4. The following table fairly represents the expected actual unit composition and affordability of the dwelling units at the Project:

	Total Number of Units	Number of Market Rate Units and associated range of expected monthly rental rates	Total Number of AMGI Restricted Units (please also complete the table below)
Studio		at \$	
One-bedroom	18	at \$	18
Two-bedroom	46	at \$	46
Three-bedroom	31	at \$	31
Four-bedroom		at \$	
TOTALS (#)	95		95

	Total number of AMGI Restricted Units at <u>30</u> % and associated range of expected monthly rental rates	Total number of AMGI Restricted Units at <u>50</u> % and associated range of expected monthly rental rates	Total number of AMGI Restricted Units at <u>60</u> % and associated range of expected monthly rental rates	Total number of AMGI Restricted Units at <u>70</u> % and associated range of expected monthly rental rates	Total number of AMGI Restricted Units at _____ % and associated range of expected monthly rental rates	Total number of AMGI Restricted Units at _____ % and associated range of expected monthly rental rates
Studio	at \$	at \$	at \$	at \$	at \$	at \$
One-bedroom	³ at \$ 928	¹⁵ at \$ 1,546	at \$	at \$	at \$	at \$
Two-bedroom	⁷ at \$ 1,113	⁷ at \$ 1,856	³² at \$ 2,227	¹ at \$ 2,598	at \$	at \$
Three-bedroom	at \$	at \$	³⁰ at \$ 2,572	¹ at \$ 3,001	at \$	at \$
Four-bedroom	at \$	at \$	at \$	at \$	at \$	at \$
TOTALS (#)	10	21	62	2		

5. Not less than 10% of the dwelling units the Project proposes to provide shall be reserved for occupancy (but not on a transient basis) as Affordable housing for residents whose income per unit based upon family size (provided that for purposes of determining the income of a unit, a unit which does not have a separate bedroom shall be deemed to have one occupant, and a unit which has one or more separate bedrooms shall be deemed to have one and one-half occupants for each separate bedroom) does not exceed 80% of AMGI for the current year (or if the AMGI shall cease to be issued, then such other index as the Agency may select) and the gross rent for such dwelling unit (as determined under 26 USCS §42 (together with the regulations promulgated thereunder, the "Tax Credit Law")) shall not exceed 30% of the annual Nassau/Suffolk AMGI for the applicable income group for such units. Not less than 10% of the dwelling units the Project proposes to provide shall be reserved for occupancy (but not on a transient basis) as Workforce housing for residents whose income per unit based upon family size (determined as above provided) does not exceed 120 % of the AMGI for the current year (or if the AMGI shall cease to be issued, then such other index as the Agency may select) and the gross rent for such dwelling unit (as determined under the Tax Credit Law) shall not exceed 30% of the annual Nassau/Suffolk AMGI for the applicable income group for such units (collectively, the "Affordability Requirements").

Initial 

6. Applicant hereby acknowledges Section 7(D)(j) of the Agency's Uniform Tax Exemption Policy, adopted on June 17, 2020 (the "UTEP"), and understands that should Applicant be approved for a Market Rate Housing Project, Applicant will be required to enter into a contract and/or technical assistance agreement with a local not-for-profit housing advocacy group reasonably acceptable to the Agency, to administer the Affordability Requirements (as such term is defined in section 5 above).

Initial 

7. The Project is subject to the following other affordability requirements, if any: (Please list any such requirements:

- a. 10 units in perpetuity, Suffolk County Economic Development & Planning funding ;
- b. all units 50 years, NYS HCR funding ;

Applicant hereby confirms and agrees that all representations made in this Part X are true and correct

Representative of the Applicant: 

Part XI – Certification

Peter Florey (Name of representative of entities submitting application) deposes and says that he or she is the Principal (title) of Alegria South LLC, the entities named in the attached application; that he or she has read the foregoing application and knows the contents thereof; and that the same is true to his or her knowledge.

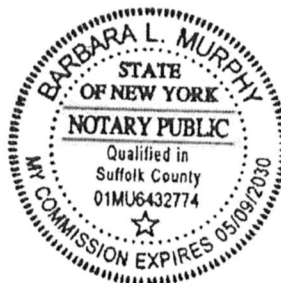
Deponent further says that s/he is duly authorized to make this certification on behalf of the entities named in the attached Application (the "Applicant") and to bind the Applicant. The grounds of deponent's belief relative to all matters in said Application which are not stated upon his/her personal knowledge are investigations which deponent has caused to be made concerning the subject matter this Application, as well as in formation acquired by deponent in the course of his/her duties in connection with said Applicant and from the books and papers of the Applicant.

As representative of the Applicant, deponent acknowledges and agrees that Applicant shall be and is responsible for all costs incurred by the Town of Brookhaven Industrial Development Agency (hereinafter referred to as the "Agency") in connection with this Application, the attendant negotiations and all matters relating to the provision of financial assistance to which this Application relates, whether or not ever carried to successful conclusion. If, for any reason whatsoever, the Applicant fails to conclude or consummate necessary negotiations or fails to act within a reasonable or specified period of time to take reasonable, proper, or requested action or withdraws, abandons, cancels or neglects the application or if the Applicant is unable to find buyers willing to purchase the total bond issue required, then upon presentation of invoice, Applicant shall pay to the Agency, its agents or assigns, all actual costs incurred with respect to the application, up to that date and time, including fees to bond or transaction counsel for the Agency and fees of general counsel for the Agency. Upon successful conclusion of the transaction contemplated herein, the Applicant shall pay to the Agency an administrative fee set by the Agency in accordance with its fee schedule in effect on the date of the foregoing application, and all other appropriate fees, which amounts are payable at closing.

The Applicant hereby subscribes and affirms under the penalties of perjury that the information provided in this Application is true, accurate and complete to the best of his or her knowledge.


Representative of Applicant

Sworn to me before this 1st
Day of September, 20 26
Barbara L. Murphy
(seal)



**** Note: If the entities named in this Application are unrelated and one individual cannot bind both entities, Parts VII, IX, X and XI of this Application must be completed by an individual representative for each entity ****

EXHIBIT A

Proposed PILOT Schedule

Upon acceptance of the Application and completion of the Cost Benefit Analysis, the Agency will attach the proposed PILOT Schedule to this Exhibit.



Lisa M. G. Mulligan, Chief Executive Officer

Town of Brookhaven Industrial Development Agency

Schedule of Fees

Application -	\$3,000 for projects with total costs under \$5 million \$4,000 for projects with total costs \$5 million and over (non-refundable)
Closing/Expansion Sale/ Transfer/Increase of Mortgage Amount/ Issuance of Refunding Bonds -	¾ of one percent up to \$25 million total project cost and an additional 1/4 of one percent on any project costs in excess of \$25 million. Projects will incur minimum charge of \$10,000 plus all fees incurred by the Agency including, but not limited to publication, legal, and risk monitoring.
Annual Administrative -	\$2,000 administrative fee plus \$500 per unrelated subtenant located in the project facility. This fee is due annually.
Termination –	Between \$1,000 and \$2,500
Refinance (excluding refunding bonds) –	1/4 of one percent of mortgage amount or \$5,000, whichever is greater.
Late PILOT Payment –	5% penalty, 1% interest compounded monthly, plus \$1,500 administrative fee per month.
PILOT extension -	a minimum of \$15,000
Processing Fee -	\$275 per hour with a minimum fee of \$275
Lease of Existing Buildings (partial or complete) -	Fee is based on contractual lease amount.

The Agency reserves the right to adjust these fees.

Updated: March 25, 2026

SCHEDULE B

CONSTRUCTION WAGE POLICY

EFFECTIVE January 1, 2005

The purpose of the Brookhaven IDA is to provide benefits that reduce costs and financial barriers to the creation and to the expansion of business and enhance the number of jobs in the Town.

The Agency has consistently sought to ensure that skilled and fair paying construction jobs be encouraged in projects funded by the issuance of IDA tax exempt bonds in large projects.

The following shall be the policy of the Town of Brookhaven IDA for application for financial assistance in the form of tax-exempt financing for projects with anticipated construction costs in excess of \$5,000,000.00 per site received after January 1, 2005. Non-profit corporations and affordable housing projects are exempt from the construction wage policy.

Any applicant required to adhere to this policy shall agree to:

- (1) Employ 90% of the workers for the project from within Nassau or Suffolk Counties. In the event that this condition cannot be met, the applicant shall submit to the Agency an explanation as to the reasons for its failure to comply and;
- (2) Be governed by the requirements of Section 220d of Article 8 of the Labor Law of the State of New York; and when requested by the Agency, provide to the Agency a plan for an apprenticeship program;

OR

- (3) Provide to the Agency a project labor agreement or alternative proposal to pay fair wages to workers at the construction site.

Furthermore, this policy may be waived, in the sole and final discretion of the Agency, in the event that the applicant demonstrates to the Agency special circumstances or economic hardship to justify a waiver to be in the best interests of the Town of Brookhaven.

Adopted: May 23, 2005

SCHEDULE C

RECAPTURE AND TERMINATION POLICY

EFFECTIVE JUNE 8, 2016

Pursuant to Sections 874(10) and (11) of Title 1 of Article 18-A of the New York State General Municipal Law (the “**Act**”), the Town of Brookhaven Industrial Development Agency (the “**Agency**”) is required to adopt policies (i) for the discontinuance or suspension of any financial assistance provided by the Agency to a project or the modification of any payment in lieu of tax agreement and (ii) for the return of all or part of the financial assistance provided by the Agency to a project. This Recapture and Termination Policy was adopted pursuant to a resolution enacted by the members of the Agency on June 8, 2016.

I. Termination or Suspension of Financial Assistance

The Agency, in its sole discretion and on a case-by-case basis, may determine (but shall not be required to do so) to terminate or suspend the Financial Assistance (defined below) provided to a project upon the occurrence of an Event of Default, as such term is defined and described in the Lease Agreement entered into by the Agency and a project applicant (the “**Applicant**”) or any other document entered into by such parties in connection with a project (the “**Project Documents**”). Such Events of Default may include, but shall not be limited to, the following:

- 1) Sale or closure of the Facility (as such term is defined in the Project Documents);
- 2) Failure by the Applicant to pay or cause to be paid amounts specified to be paid pursuant to the Project Documents on the dates specified therein;
- 3) Failure by the Applicant to create and/or maintain the FTEs as provided in the Project Documents;
- 4) A material violation of the terms and conditions of the Project Agreements; and
- 5) A material misrepresentation contained in the application for Financial Assistance, any Project Agreements or any other materials delivered pursuant to the Project Agreements.

The decision of whether to terminate or suspend Financial Assistance and the timing of such termination or suspension of Financial Assistance shall be determined by the Agency, in its sole discretion, on a case-by-case basis, and shall be subject to the notice and cure periods provided for in the Project Documents.

For the purposes of this policy, the term “**Financial Assistance**” shall mean all direct monetary benefits, tax exemptions and abatements and other financial assistance, if any, derived solely from the Agency’s participation in the transaction contemplated by the Project Agreements including, but not limited to:

- (i) any exemption from any applicable mortgage recording tax with respect to the Facility on mortgages granted by the Agency on the Facility at the request of the Applicant;

- (ii) sales tax exemption savings realized by or for the benefit of the Applicant, including and savings realized by any agent of the Applicant pursuant to the Project Agreements in connection with the Facility; and
- (iii) real property tax abatements granted under the Project Agreements.

II. Recapture of Financial Assistance

The Agency, in its sole discretion and on a case-by-case basis, may determine (but shall not be required to do so) to recapture all or part of the Financial Assistance provided to a project upon the occurrence of a Recapture Event, as such term is defined and described in the Project Documents. Such Recapture Events may include, but shall not be limited to the following:

- 1) Sale or closure of the Facility (as such term is defined in the Project Documents);
- 2) Failure by the Applicant to pay or cause to be paid amounts specified to be paid pursuant to the Project Documents on the dates specified therein;
- 3) Failure by the Applicant to create and/or maintain the FTEs as provided in the Project Documents;
- 4) A material violation of the terms and conditions of the Project Agreements; and
- 5) A material misrepresentation contained in the application for Financial Assistance, any Project Agreements or any other materials delivered pursuant to the Project Agreements.

The timing of the recapture of the Financial Assistance shall be determined by the Agency, in its sole discretion, on a case-by-case basis, and is subject to the notice and cure periods provided for in the Project Documents. The percentage of such Financial Assistance to be recaptured shall be determined by the provisions of the Project Documents.

All recaptured amounts of Financial Assistance shall be redistributed to the appropriate affected taxing jurisdiction, unless agreed to otherwise by any local taxing jurisdiction.

For the avoidance of doubt, the Agency may determine to terminate, suspend and/or recapture Financial Assistance in its sole discretion. Such actions may be exercised simultaneously or separately and are not mutually exclusive of one another.

III. Modification of Payment In Lieu of Tax Agreement

In the case of any Event of Default or Recapture Event, in lieu of terminating, suspending, or recapturing the Financial Assistance, the Agency may, in its sole discretion, adjust the payments in lieu of taxes due under the Project Agreements, so that the payments in lieu of taxes payable under the Project Agreements are adjusted upward retroactively and/or prospectively for each tax year until such time as the Applicant has complied with the provisions of the Project Agreements. The amount of such adjustments shall be determined by the provisions of the Project Documents.

SCHEDULE D

Agency Payment in Lieu of Taxes (PILOT) Policy

An annual fee of \$2,000 (plus \$500 per subtenant) will be due to the Agency in addition to the PILOT payment to cover ongoing costs incurred by the Agency on behalf of the project.

1. The Town of Brookhaven Industrial Development Agency (IDA) may grant or be utilized to obtain a partial or full real property tax abatement for a determined period. To be eligible for this abatement there would be a requirement of new construction, or renovation, and a transfer of title of the real property to the Town of Brookhaven IDA.
2. The Chief Executive Officer (CEO) or their designee shall consult with the Town Assessor to ascertain the amounts due pursuant to each PILOT Agreement. Thereafter, the PILOT payment for each project shall be billed to the current lessees. The lessees can pay the PILOT payment in full by January 31st of each year, or in two equal payments due January 31st and May 31st of each year of the PILOT Agreement. The CEO or their designee shall send all PILOT invoices to the lessees on a timely basis.
3. The Town of Brookhaven IDA shall establish a separate, interest-bearing bank account for receipt and deposit of all PILOT payments. The CEO or their designee shall be responsible for depositing and maintaining said funds with input from the Chief Financial Officer (CFO).
4. The CEO or their designee shall remit PILOT payments and penalties if any, to the respective taxing authorities in the proportionate amounts due to said authorities. These remittances shall be made within thirty (30) days of receipt of the payments to the Agency.
5. Payments in lieu of taxes which are delinquent under the agreement shall be subject to a late payment penalty of five percent (5%) of the amount due. For each month, or part thereof, that the payment in lieu of taxes is delinquent beyond the first month, interest shall on the total amount due plus a late payment penalty in the amount of one percent (1%) per month until the payment is made.
6. If a PILOT payment is not received by **January 31st** of any year or **May 31st** of the second half of the year the lessee shall be in default pursuant to the PILOT Agreement. The Agency may give the lessee notice of said default. If the payment is not received within thirty (30) days of when due, the CEO shall notify the Board, and thereafter take action as directed by the Board.
7. The CEO shall maintain records of the PILOT accounts at the Agency office.
8. Nothing herein shall be interpreted to require the Agency to collect or disburse PILOT payments for any projects which are not Agency projects.

9. Should the Applicant fail to reach employment levels as outlined in their application to the Agency, the Board reserves the right to reduce or suspend the PILOT Agreement, declare a default under the Lease or the Installment Sale Agreement, and/or convey the title back to the Applicant.
10. This policy has been adopted by the IDA Board upon recommendation of the Governance Committee and may only be amended in the same manner.

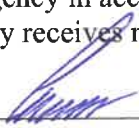
SCHEDULE E

Background, Credit and Litigation Review Authorization Form

I, Peter Florey, give consent and authorize to the Town of Brookhaven Industrial Development Agency, including its officers, directors, affiliates, agents and representatives (the "Agency") the right to contact and obtain information from all references, credit reporting companies, financial institutions, governmental agencies or departments, and other agencies regarding my creditworthiness and background and to otherwise verify the accuracy of the information that I have provided in my application or other information which I have provided to the Agency for the purpose of applying for financial assistance. In connection with my application for financial assistance with the Agency, I understand that investigative background inquiries may be requested and obtained, including credit and criminal background history information. I hereby release from liability the Agency and its agents, employees and representatives for seeking, gathering, and using such information and all other persons, corporations, or organizations for furnishing such information.

I shall cooperate with the reasonable requests made by the Agency in connection with obtaining and completing the background, credit and litigation review process referenced herein. I agree to be responsible for the cost of such background, credit and litigation review and agree to reimburse the Agency for such expenses.

This authorization shall be perpetual and shall remain in full force and effect unless revoked by me in writing to the Agency. My revocation shall not affect in any way or manner any activities of the Agency in accordance with this authorization that occur or in process on or before the date that the Agency receives my written notice of revocation of this authorization.


Signature

Date

Peter Florey
Print Name

SCHEDULE F

Organization Chart of Applicant

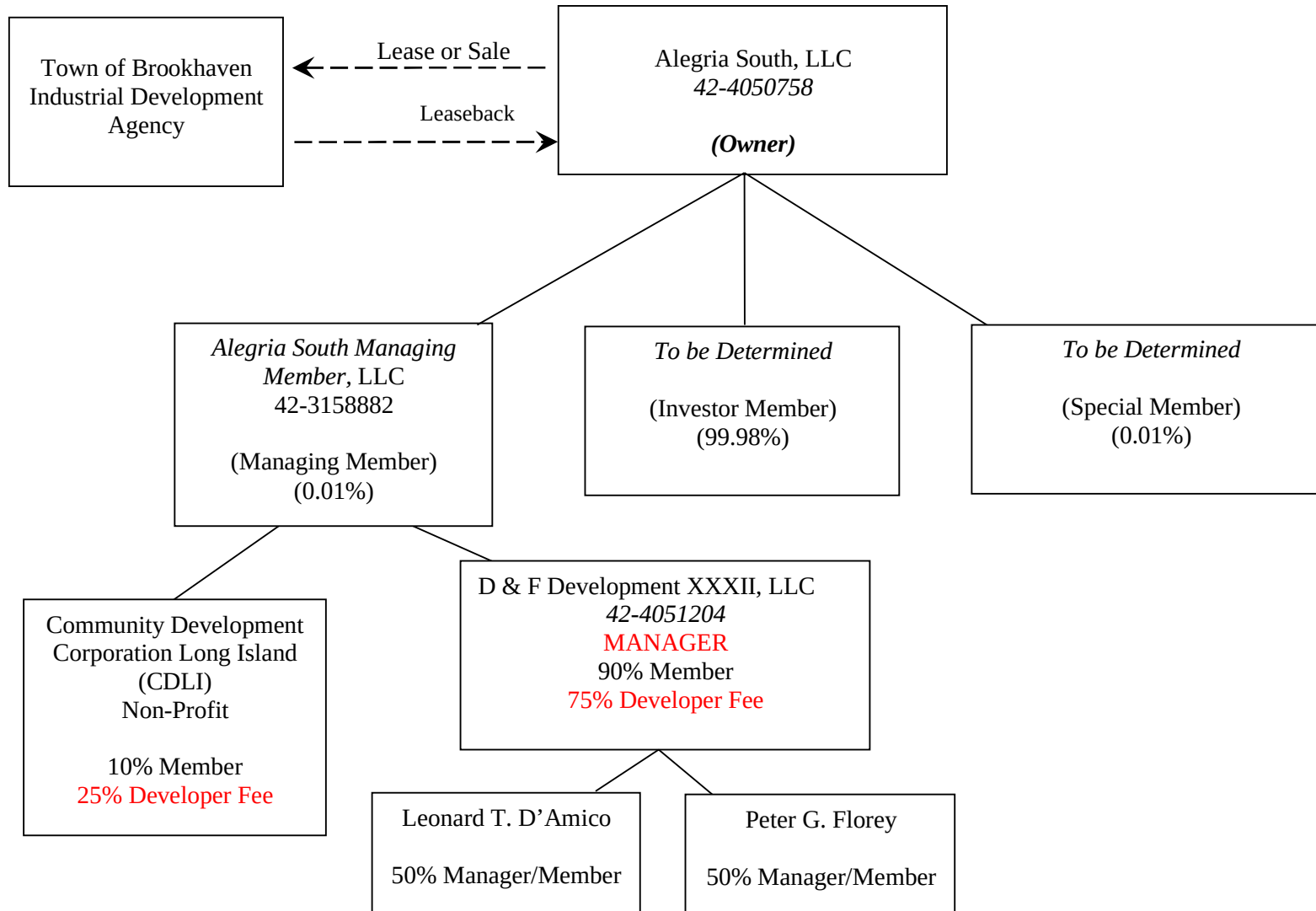
Please Insert

Alegria South

Residential: District 0200 Section 975.9 Block 2 Lots 30, 31, 35, 36, 37.001, 38.001, 39.001, 41.001

STP: District 200, Section 973.8, Block: 5 Lots 10, 11, 12, 13, 14.001, 15, 59

Construction Loan Closing to Perm Loan Closing

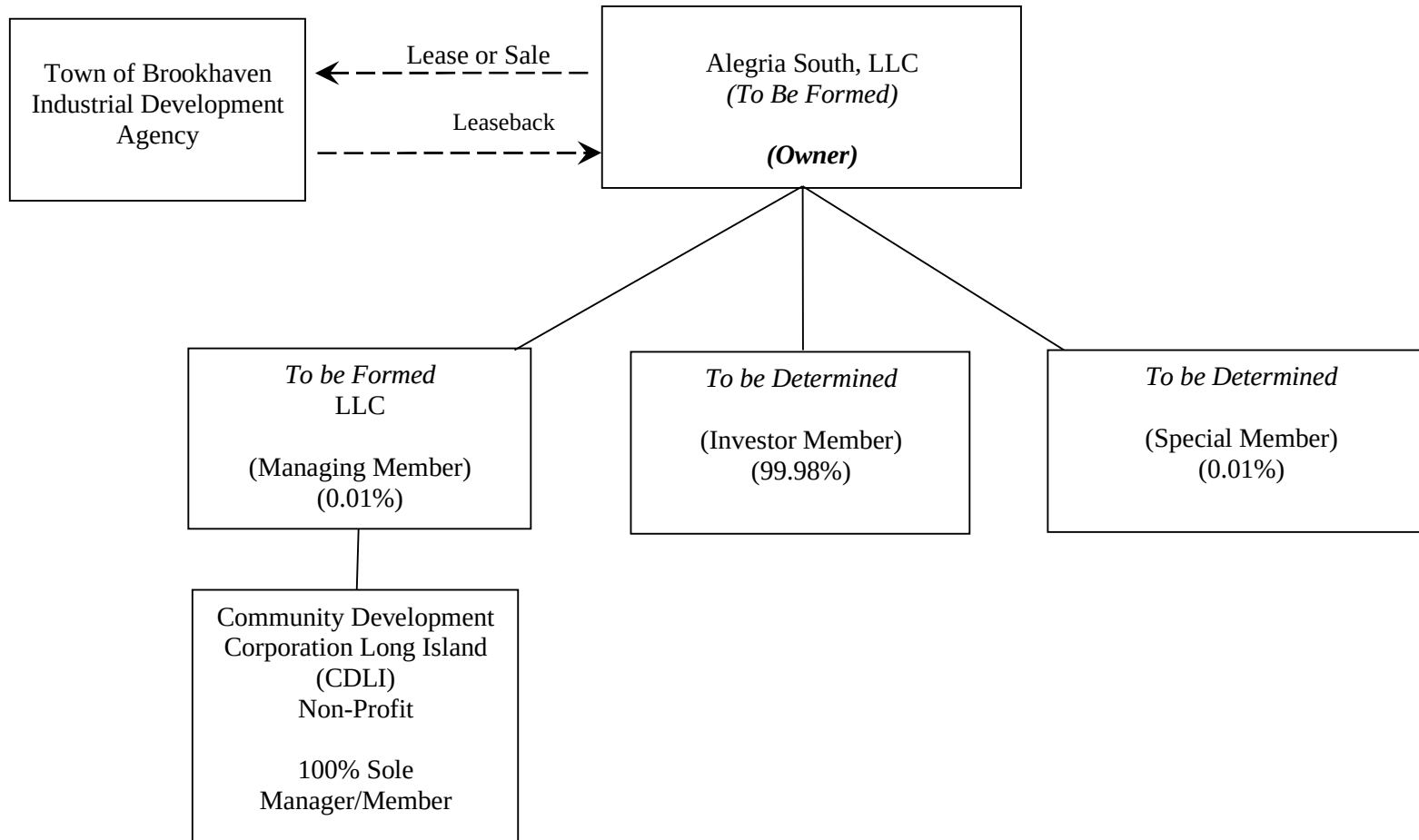


Alegria South

Residential: District 0200 Section 975.9 Block 2 Lots 30, 31, 35, 36, 37.001, 38.001, 39.001, 41.001

STP: District 200, Section 973.8, Block: 5 Lots 10, 11, 12, 13, 14.001, 15, 59

Post Perm Loan Closing



ENTITY	MEMBER ENTITIES & %'s	BUSINESS LOCATION	MAILING ADDRESS	DATE OF INC.	EIN
Carlisle Patchogue Operator, Inc. (S Corporation) <i>(Need to keep entity active for tail insurance until 3/2028)</i>	LTD & PGF	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	7/19/2013	46-3245617
Carlisle Village Green Prop Co., LLC <i>(Need to keep entity active for tail insurance until 3/2029)</i>	LTD & PGF	100 Schoolhouse Road Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	2/9/2018	82-4418868
D & F Bay Shore CIF Conduit, LLC	LTD 50% & PGF 50% Manager/Members	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	7/11/2022	88-3171823
D & F Construction Group, Inc. (S Corporation)	LTD & PGF Shareholders	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	1/24/2005	20-2266609
D & F Consultants, LLC	LTD 50% & PGF 50% Manager/Members	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	11/2/2001	80-0007067
D & F Dekalb, LLC (100% Land Owner)	LTD 50% & PGF 50% Manager/Members	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	9/23/2004	20-1667440
D & F Development I, LLC - (Macedonia Mananging General Partner 0.005%)	LTD 50% & PGF 50% Manager/Members	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	5/25/2004	20-2112246
D & F Development II, LLC - (Dekalb General Partner 0.005%)	LTD 50% & PGF 50% Manager/Members	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	5/25/2004	20-1715872
D & F Development VI, LLC (Parkside Managing member 0.05%)	LTD 50% & PGF 50% Manager/Members	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	2/21/2006	20-4407711
D & F Development VII, LLC (Linden 29.995% Member of General Partner)	LTD 50% & PGF 50% Manager/Members	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	8/24/2006	20-5449741
D & F Development VIII, LLC (D&F-SP) - Need to keep entity, per BP	LTD & PGF	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	9/11/2006	20-5597971
D & F Development XII, LLC (Terrace 0.01% General Partner)	LTD 50% & PGF 50% Manager/Members	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	10/20/2006	20-5765203
D & F Development XIV, LLC (LMSR 50% Manager/Member of Managing General Partner))	LTD 50% & PGF 50% Manager/Members	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	4/17/2007	20-8882772
D & F Development XIX, LLC (Brooke Pointe) - Formerly D&F Development XVIX, LLC	LTD 8% & PGF 50% Class A & B Members	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	10/11/2013	46-3929087
D & F Development XV, LLC (Gateway 0.01% Member)	LTD 50% & PGF 50% Manager/Members	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	6/10/2011	45-2524741
D & F Development XVI, LLC (Linden Knolls 0.01% Class B Special Member)	LTD 50% & PGF 50% Manager/Members	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	6/15/2012	45-5517522
D & F Development XVII, LLC (LMF 50% Manager/Member of General Partner)	LTD 50% & PGF 50% Manager/Members	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	6/7/2013	46-2947820
D & F Development XVIII, LLC (Calvary 50% Manager/Member of Managing Member)	LTD 50% & PGF 50% Manager/Members	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	7/17/2013	46-3210874
D & F Development XX, LLC (Highland Green Managing Member 0.005%)	LTD 50% & PGF 50% Manager/Members	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	9/26/2014	47-1971320
D & F Development XXI, LLC (LMF II 0.01% General Partner)	LTD 8% & PGF 50% Class A & B Members	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	7/11/2014	47-1333495
D & F Development XXII, LLC (Pavilion at LM)	LTD 50% & PGF 50% Manager/Members	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	2/11/2015	47-3117958

D & F Development XXIII, LLC (Eclipse at LM) 50% Managing Member of Managing Member	LTD 50% & PGF 50% Manager/Members	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	2/17/2017	82-0646881
D & F Development XXIV, LLC (Meridian at LM) 50% Managing Member of Managing Member	LTD 50% & PGF 50% Manager/Members	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	8/3/2018	83-1592558
D & F Development XXIX, LLC (Farmingdale 0.01% Manging Member)	LTD 8% & PGF 45% Class A & B Members	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	2/10/2022	88-0672834
D & F Development XXV, LLC (Bay Shore, Manaing Member 0.01%)	LTD 50% & PGF 50% Manaing Members	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	8/2/2018	83-1531057
D & F Development XXVI, LLC (Gleneagle, Manging Member 0.01%)	LTD 7.5% & PGF 45.5% Class A & B Members	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	6/20/2019	84-2235323
D & F Development XXX, LLC (Alegria North, Managing Member 0.01%)	LTD 7.5% & PGF 42.5% Class A & B Members	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	7/26/2023	93-2569755
D & F Development XXXI, LLC (Rockville Manor)	LTD 50% & PGF 50% Manager/Members	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	11/22/2024	33-2088050
D & F Development XXXII, LLC (Alegria South)	LTD 50% & PGF 50% Manager/Members	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	5/4/2026	42-4051204
D & F Development XXXIII, LLC (Bishop Cater Manor)	LTD 50% & PGF 50% Manager/Members	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	5/4/2026	42-3114423
D & F Levittown A.L., LLC (Levittown) <i>(Need to keep entity active for tail insurance until 3/2029)</i>	LTD & PGF	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	6/15/2016	81-3006899
D & F Parkside, LLC (Levittown) <i>(Need to keep entity active for tail insurance until 3/2029)</i>	LTD & PGF	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	12/11/2012	36-4749143
D & F Terrace, LLC (99.99% Investor Limited Partner)	LTD 7.5% & PGF 44.5% Class A & B Members	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	7/13/2021	87-1673445
D & F Woodside, LLC 100% Owner	LTD 0.01% Member, PGF 8.333% Member	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	3/14/2025	33-3990262
D&F Development XXVIII LLC (Matinecock Court)	LTD 50% & PGF 50% Manager/Members	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	1/25/2022	87-4744164
D&F Patchogue A.L., LLC (Patchogue) <i>(Need to keep entity active for tail insurance until 3/2028)</i>	LTD & PGF	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	2/25/2013	46-2173905
Forest Lake Equities, LLC	PGF 100%	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	6/9/2005	20-3055299
Happy Nature, LLC	LTD 52%	101 Schoolhouse Road, Levittown, NY 11756	101 Schoolhouse Road, Levittown, NY 11756	5/14/2025	39-2191573
Jericho Services Inc.	LTD ONLY	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	12/24/1998	11-3470614
Locust Manor Family Residence Housing Development Fund Company, Inc.	LTD President & PGF Vice President/Treasurer	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	6/18/2013	46-2998749
Locust Manor Family Residence II HDFC (100% Fee Owner)	LTD President & PGF Vice President/Secretary/Treasurer	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	9/1/2014	47-1882213
Matinecock Court Owners Corp. (Cooperative Corporation	LTD & PGF	100 Schoolhouse Road, Levittown, NY 11756	101 Schoolhouse Road, Levittown, NY 11756	9/29/2022	92-0521366

MISC. ENTITIES:

Patchogue Legal 1031 Holdings, LLC	LTD & PGF	445 Broad Hollow Road, Suite 25, Melville, NY	445 Broad Hollow Road, Suite 25, Melville, NY	7/25/2014	30-0871838
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PELEON Holiding, LLC (S Corporation)	LTD 50% & PGF 50% Manager/Members	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	1/19/2016 81-1200126
Rockville Manor Developer, LLC	LTD & PGF	100 Schoolhouse Road Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	3/23/2022 88-1594795
Strathmore Commons I, LLC	LTD 50% & PGF 50% Manager/Members	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	2/14/2017 82-3118906
Strathmore Commons II, LLC	LTD 50% & PGF 50% Manager/Members	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	2/15/2017 82-3119061
Strathmore Communities, LLC	LTD 50% & PGF 50% Manager/Members	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	3/26/2014 46-5223627
Strathmore Living, LLC	LTD 50% & PGF 50% Manager/Members	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	3/26/2014 46-5223683
The D & F Development Group, LLC (S Corporation)	LTD 50% & PGF 50% Manager/Members	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	11/22/2004 20-1926884
Triton Residential, LLC (S Coporation)	LTD 50% & PGF 50% Manager/Members	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	2/4/2015 47-3040508
Wizard Group, Inc.	LTD & PGF	100 Schoolhouse Road, Levittown, NY 11756	100 Schoolhouse Road, Levittown, NY 11756	5/16/1995 11-3266773

**Alegria South
Property List**

<u>Address</u>	<u>Current Owners</u>	<u>Proposed Use</u>
1627 Montauk Highway, Bellport	D & F Consultants, LLC	Residential
1631 (aka 1643) Montauk Highway, Bellport	D & F Consultants, LLC	Residential
1645 & 1665 Montauk Hwy Bellport	D & F Consultants, LLC	Residential
No Address	The D & F Development Group, LLC	STP Lots

Section Block and Lot

Section 975.9 Block 2 Lot 31

Section 975.9 Block 2 Lot 30

Section 975.9 Block 2 Lots 35, 36,
37.001, 38.001, 39.001, 41.001

Section 973.8, Block: 5, Lots:

10,11,12,13,59,14.001,15

Town of Brookhaven Industrial Development Agency

MRB Cost Benefit Calculator

Date 9.14.26
Project Title Home Depot USA, Inc.
Project Location South of the LIE and East of Sills Road



Economic Impacts

Summary of Economic Impacts over the Life of the PILOT

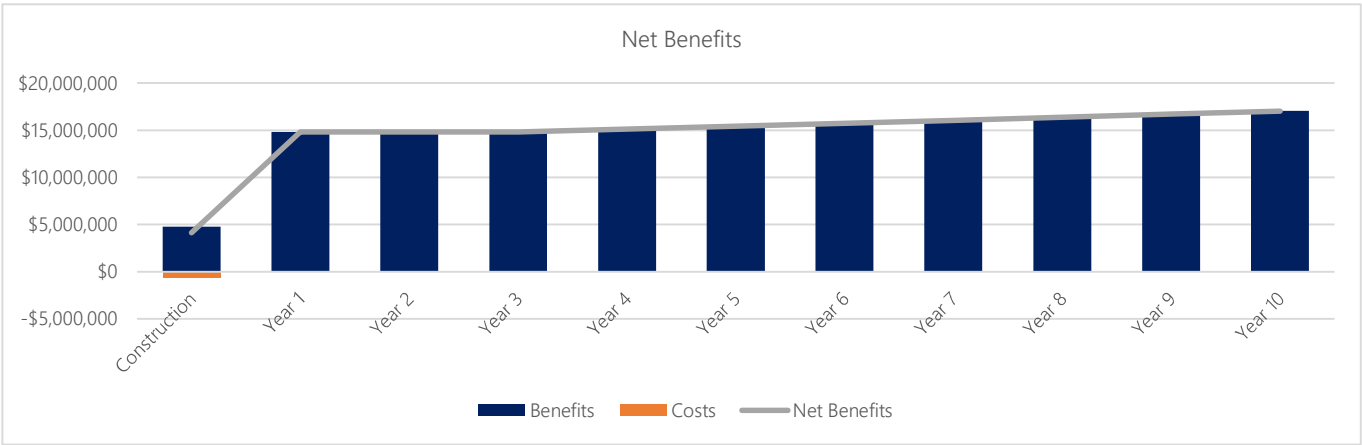
Construction Project Costs

\$7,500,000

Temporary (Construction)			
	Direct	Indirect	Total
Jobs	35	21	56
Earnings	\$2,870,093	\$1,633,691	\$4,503,784
Local Spend	\$7,500,000	\$5,449,716	\$12,949,716

Ongoing (Operations)			
Aggregate over life of the PILOT			
	Direct	Indirect	Total
Jobs	200	87	287
Earnings	\$105,829,691	\$42,114,097	\$147,943,787

Figure 1



Net Benefits chart will always display construction through year 10, irrespective of the length of the PILOT.

Figure 2

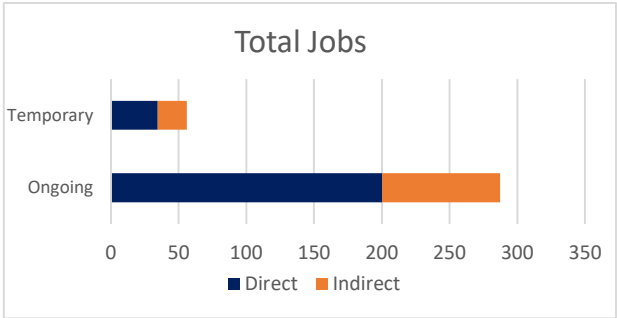
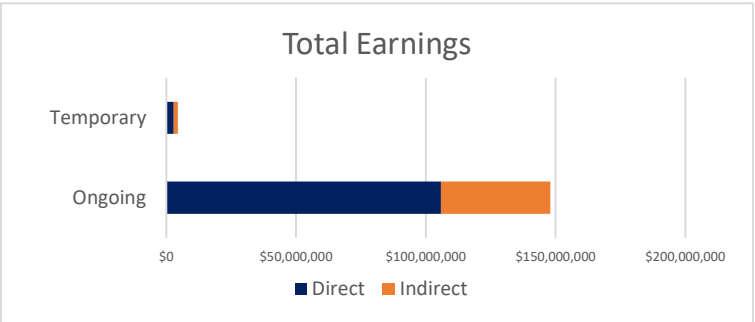


Figure 3



Fiscal Impacts

Estimated Costs of Exemptions

	Nominal Value	Discounted Value*
Property Tax Exemption	\$0	\$0
Sales Tax Exemption	\$656,250	\$656,250
Local Sales Tax Exemption	\$356,250	\$356,250
State Sales Tax Exemption	\$300,000	\$300,000
Mortgage Recording Tax Exemption	\$0	\$0
Local Mortgage Recording Tax Exemption	\$0	\$0
State Mortgage Recording Tax Exemption	\$0	\$0
Total Costs	\$656,250	\$656,250

State and Local Benefits

	Nominal Value	Discounted Value*
Local Benefits	\$153,714,791	\$138,169,720
To Private Individuals	\$152,447,571	\$137,030,653
Temporary Payroll	\$4,503,784	\$4,503,784
Ongoing Payroll	\$147,943,787	\$132,526,869
Other Payments to Private Individuals	\$0	\$0
To the Public	\$1,267,220	\$1,139,067
Increase in Property Tax Revenue	\$0	\$0
Temporary Jobs - Sales Tax Revenue	\$37,438	\$37,438
Ongoing Jobs - Sales Tax Revenue	\$1,229,783	\$1,101,630
Other Local Municipal Revenue	\$0	\$0
State Benefits	\$7,927,274	\$7,125,594
To the Public	\$7,927,274	\$7,125,594
Temporary Income Tax Revenue	\$202,670	\$202,670
Ongoing Income Tax Revenue	\$6,657,470	\$5,963,709
Temporary Jobs - Sales Tax Revenue	\$31,526	\$31,526
Ongoing Jobs - Sales Tax Revenue	\$1,035,607	\$927,688
Total Benefits to State & Region	\$161,642,065	\$145,295,314

Benefit to Cost Ratio

	Benefit*	Cost*	Ratio
Local	\$138,169,720	\$356,250	388:1
State	\$7,125,594	\$300,000	24:1
Grand Total	\$145,295,314	\$656,250	221:1

*Discounted at the public sector discount rate of: 2%

Additional Comments from IDA

Home Depot U.S.A., Inc. previously applied the IDA as a subtenant at the Brookhaven Logistics Center II, LLC project. Home Depot U.S.A., Inc. has requested a sales and use tax exemption. As per the Brookhaven IDA Uniform Project Evaluation Criteria Policy, the criteria met for this project include, but are not limited to, jobs created and investment by the applicant.

Does the IDA believe that the project can be accomplished in a timely fashion? Yes
Does this project provide onsite childcare facilities? No



September 8, 2026

Home Depot U.S.A., Inc.
2455 Paces Ferry Rd NW
Atlanta, GA 30339
Re: NP/Winters Long Island Industrial, LLC 2021 Facility

Town of Brookhaven Industrial Development Agency
c/o Town of Brookhaven Division of Economic Development
One Independence Hill
Farmingville, New York 11738
Attention: Lisa Mulligan, CEO

Dear Ms. Mulligan,

On behalf of Home Depot U.S.A., Inc. ("Home Depot"), I am writing to update our formal request of March 9, 2026 for sales tax exemptions related to the construction and equipping of a new proposed distribution center in partnership with NorthPoint Development as outlined in the Application for Consent to Sublease for the Town of Brookhaven Industrial Development Agency's (IDA's) consideration.

Since the time of the initial application, Home Depot's estimated budget for its investment in the proposed distribution center at the NP/Winters Long Island Industrial, LLC 2021 Facility has increased due to rising costs.

As such, Home Depot requests the IDA to consider a sales tax exemption to offset approximately \$15,000,000 in investment to prepare and equip the facility. As a reminder, this is in addition to NorthPoint's investment in constructing the building. As the tenant, Home Depot will construct and install all operational, structural, mechanical, electrical, and logistics systems, as well as the associated office and workforce support spaces. Of the total \$15,000,000, Home Depot estimates that \$7,500,000 will be subject to the 8.75% sales tax. As such, the estimated value of the exemption to Home Depot would be approximately \$656,250, depending on actual expenditures subject to sales tax.

Home Depot appreciates the Agency's consideration of this submission and remains committed to working with stakeholders to advance this project.

Sincerely,

DocuSigned by:

Kevin Reddick

B66AA1F6CF1541D...

Kevin Reddick

Senior Director – Tax Counsel

Home Depot U.S.A., Inc.

i.on renewables, LLC
c/o Daniel Prokopy
707 Westchester Avenue, Suite 116
White Plains, NY 10604
daniel@ionrenewables.com

August 30, 2026

Ms. Lisa Mulligan, CEO
Brookhaven Industrial Development Agency
One Independence Hill
Farmingville, NY 11738

RE: Applicant: Lawrence Aviation Solar Farm, LLC
 Application: Town of Brookhaven Industrial Development Agency
 Premises: 100 Sheep Pasture Road, Port Jefferson Station, NY 11733

Dear Ms. Mulligan:

I am writing on behalf of Lawrence Aviation Solar Farm, LLC (the “Applicant”) in connection with the ground-mounted solar photovoltaic project to be located at the former Lawrence Aviation Industries property in Port Jefferson Station, New York (the “Project”).

As you know, by letter dated August 4, 2026, the Applicant requested several amendments and approvals in connection with the Project, including the transfer of the membership interests in Lawrence Aviation Solar Farm, LLC to Standard Solar, Inc. or an affiliated entity, and the approval of Lawrence Aviation Estate, LLC as the owner and lessor of the Project site. We greatly appreciate the Agency Board’s approval of those requests at its August 19, 2026 meeting.

In connection with finalizing the transaction and preparing for closing, the Applicant has identified one additional amendment that is necessary with respect to the sales and use tax exemption previously authorized for the Project.

Revised Project Ownership and Lease Structure

Under the transaction structure now contemplated and approved by the Agency:

- Standard Solar, Inc., or an affiliated entity designated by Standard Solar, will acquire and own Lawrence Aviation Solar Farm, LLC, which will own, construct and operate the solar photovoltaic facility; and
- Lawrence Aviation Estate, LLC, an affiliate of i.on renewables, LLC, will separately acquire and retain ownership of the underlying real property and will lease the applicable

portion of the Project site to Lawrence Aviation Solar Farm, LLC pursuant to a long-term ground lease.

Accordingly, following closing of the ownership transfer, the owner of the solar facility and the owner of the underlying land will be separate entities.

This structure differs from the ownership structure contemplated when the original IDA application and requested financial assistance were submitted. As the parties have worked through the final transaction documents, including the ground lease, the Applicant and the incoming investor have identified a potential New York State sales and use tax exposure resulting from this structure.

Specifically, because the solar facility will be constructed by a tenant on property owned by a separate landlord, the installation of the Project may be treated for New York State sales and use tax purposes as a non-permanent leasehold improvement that is not eligible for the as-of-right capital improvement exemption. Based upon the revised Project structure, the terms of the ground lease between Lawrence Aviation Estate, LLC and Lawrence Aviation Solar Farm, LLC, and applicable New York State Department of Taxation and Finance guidance concerning improvements made by tenants to leased real property, there is a potential that certain portions of the construction work may be subject to sales and use tax.

This potential tax treatment was not anticipated under the original Project structure and creates a material additional potential Project cost. In addition, the amount of sales and use tax exemption currently authorized by the Agency may not be sufficient to cover the construction-related expenditures that could become taxable under this interpretation.

Requested Amendment to Sales and Use Tax Exemption

By resolution of the Town of Brookhaven Industrial Development Agency (the “Agency”) dated August 20, 2025 (the “Approving Resolution”), the Agency granted financial assistance to the Applicant for the Project including **“exemptions from sales and use tax in an amount not to exceed \$503,125”** based on the following Project expenditures:

<u>Description</u>	<u>Estimated Project Cost From IDA Application</u>	<u>Sales and Use Tax Rate</u>	<u>Maximum Sales and Use Tax Exemption</u>
Machinery and Equipment (solar equipment)	\$5,750,000	8.75%	\$503,125

To address the issue created by the structure change and allow the Project to proceed under the revised ownership structure approved by the Agency, the Applicant respectfully requests that the Agency amend the financial assistance authorized for the Project to provide for **“exemptions from sales and use tax in an amount not to exceed \$921,375”** based on the following Project expenditures:

<u>Description</u>	<u>Estimated Project Cost From IDA Application</u>	<u>Sales and Use Tax Rate</u>	<u>Maximum Sales and Use Tax Exemption</u>
Machinery and Equipment (solar equipment)	\$5,750,000	8.75%	\$503,125
Site Work (labors costs)	\$4,780,000	8.75%	\$418,250
Combined	\$10,530,000		\$921,375

The requested adjustment to a maximum sales and use tax exemption of \$921,375 is intended to provide sufficient coverage for sales and use taxes that may otherwise become payable in connection with the construction, installation and incorporation of the solar photovoltaic facility and related Project improvements into the leased premises.

Importantly, the requested amendment is not intended to materially increase the overall level of financial assistance originally contemplated for the Project. Rather, it is necessary to preserve the intended benefit of the Agency's existing financial assistance in light of the particular ownership and lease structure now being implemented and the potential sales and use tax treatment arising solely from that structure. Applicant will not receive any additional financial benefit or windfall relative to its expectations as a result of the adjusted financial assistance. Moreover, New York State and Suffolk County had no expectation of sales and use tax revenue from construction of the Project following adoption by the Agency of the Approving Resolution, and the adjusted financial assistance would merely maintain that expectation.

This request does not represent an expansion or change in the physical scope of the Project. The Project remains the same approximately 5 MWac solar photovoltaic facility previously reviewed and approved by the Agency. Rather, the requested amendment is intended solely to ensure that the financial assistance previously contemplated for the Project remains effective following the change in ownership and the separation of the ownership of the solar facility from the ownership of the underlying real property.

Given that the parties are currently working toward an imminent closing of the Project financing, land acquisition, ground lease, EPC agreement and related transaction documents, the Applicant respectfully requests that the Agency consider this amendment on an expedited basis and, to the extent legally permissible, incorporate the increased sales and use tax exemption into the documents currently being prepared for the Agency closing.

We appreciate the Agency's continued assistance and support of the Project. Please let us know if the Agency or its counsel requires any additional information, updated Project costs, construction budgets, lease information or other documentation in connection with this request.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "D. Prokopy", with a long horizontal flourish extending to the right.

Daniel Prokopy

i.on renewables, LLC

On behalf of Lawrence Aviation Solar Farm, LLC

Town of Brookhaven Industrial Development Agency

MRB Cost Benefit Calculator

Date August 8, 2025
Project Title Lawrence Aviation Solar Farm UPDATED 9.15.26
Project Location Lawrence Aviation Drive, Port Jefferson Station, NY



Economic Impacts

Summary of Economic Impacts over the Life of the PILOT

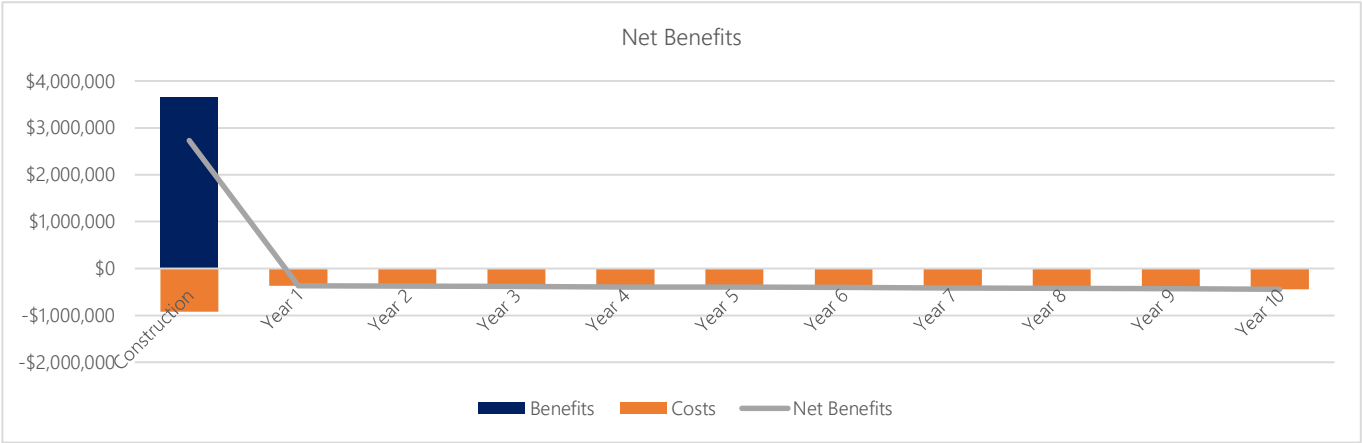
Construction Project Costs

\$16,360,000

Temporary (Construction)			
	Direct	Indirect	Total
Jobs	14	16	30
Earnings	\$2,197,850	\$1,244,571	\$3,442,422
Local Spend	\$5,726,000	\$4,150,551	\$9,876,551

Ongoing (Operations)			
Aggregate over life of the PILOT			
	Direct	Indirect	Total
Jobs	0	0	0
Earnings	\$0	\$0	\$0

Figure 1



Net Benefits chart will always display construction through year 10, irrespective of the length of the PILOT.

Figure 2

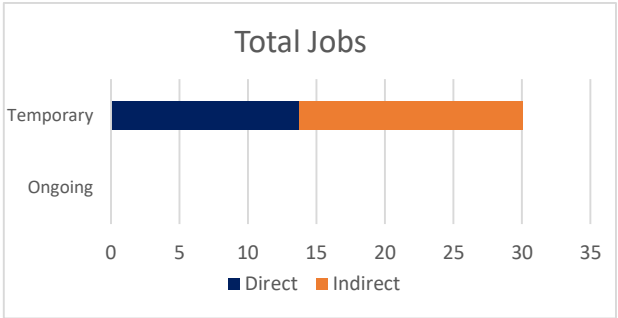
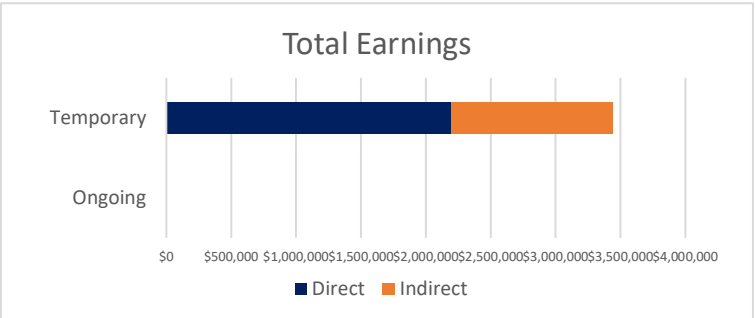


Figure 3



Fiscal Impacts

Estimated Costs of Exemptions

	Nominal Value	Discounted Value*
Property Tax Exemption	\$14,986,579	\$10,865,235
Sales Tax Exemption	\$921,375	\$921,375
Local Sales Tax Exemption	\$500,175	\$500,175
State Sales Tax Exemption	\$421,200	\$421,200
Mortgage Recording Tax Exemption	\$0	\$0
Local Mortgage Recording Tax Exemption	\$0	\$0
State Mortgage Recording Tax Exemption	\$0	\$0
Total Costs	\$15,907,954	\$11,786,610

State and Local Benefits

	Nominal Value	Discounted Value*
Local Benefits	\$3,471,037	\$3,471,037
To Private Individuals	\$3,442,422	\$3,442,422
Temporary Payroll	\$3,442,422	\$3,442,422
Ongoing Payroll	\$0	\$0
Other Payments to Private Individuals	\$0	\$0
To the Public	\$28,615	\$28,615
Increase in Property Tax Revenue	\$0	\$0
Temporary Jobs - Sales Tax Revenue	\$28,615	\$28,615
Ongoing Jobs - Sales Tax Revenue	\$0	\$0
Other Local Municipal Revenue	\$0	\$0
State Benefits	\$179,006	\$179,006
To the Public	\$179,006	\$179,006
Temporary Income Tax Revenue	\$154,909	\$154,909
Ongoing Income Tax Revenue	\$0	\$0
Temporary Jobs - Sales Tax Revenue	\$24,097	\$24,097
Ongoing Jobs - Sales Tax Revenue	\$0	\$0
Total Benefits to State & Region	\$3,650,043	\$3,650,043

Benefit to Cost Ratio

	Benefit*	Cost*	Ratio
Local	\$3,471,037	\$11,365,410	:1
State	\$179,006	\$421,200	:1
Grand Total	\$3,650,043	\$11,786,610	:1

*Discounted at the public sector discount rate of: 2%

Additional Comments from IDA

Lawrence Aviation Solar Farm, LLC is a proposed 7.75 MW DC solar installation consisting of approximately 13,360 solar modules to be located at a former Superfund Site, which is currently owned by the Suffolk County Landbank. It is estimated that this project will power over 1,000 homes and result in the 3,337 metric tons of CO2 to be offset annually. The power created by this project will be offered to eligible low- and moderate-income electric customers. As per the IDA's Uniform Project Evaluation Criteria Policy, the criteria met for this project include, but are not limited to, capital investment by the applicant and energy production need for the region. UPDATE - The project requested an increase in sales and use tax based on an addition \$4.78 million dollar of

Does the IDA believe that the project can be accomplished in a timely fashion? Yes
Does this project provide onsite childcare facilities? No

**FORM APPLICATION FOR FINANCIAL ASSISTANCE
TOWN OF BROOKHAVEN INDUSTRIAL DEVELOPMENT AGENCY
1 Independence Hill, 2nd Floor, Farmingville, New York 11738
631 406-4244**

DATE: 10/6/25

APPLICATION OF: RAIL REALTY LLC
Name of Owner and/or User of Proposed Project

ADDRESS: 414 MAIN STREET, SUITE 202
PORT JEFFERSON, NY 11777

Type of Application: ☐ Tax-Exempt Bond ☐ Taxable Bond
 ☒ Straight Lease ☐ Refunding Bond

Please respond to all items either by filling in blanks, by attachment (by marking space “see attachment number 1”, etc.) or by N.A., where not applicable. Application must be filed in two copies. A non-refundable application fee is required at the time of submission of this application to the Agency. The non-refundable application fee is \$3,000 for applications under \$5 million and \$4,000 for applications of \$5 million or more, and should be made payable to the Town of Brookhaven Industrial Development Agency.

Transaction Counsel to the Agency may require a retainer which will be applied to fees incurred and actual out-of-pocket disbursements made during the inducement and negotiation processes and will be reflected on their final statement at closing.

Information provided herein will not be made public by the Agency prior to the passage of an official Inducement Resolution but may be subject to disclosure under the New York State Freedom of Information Law.

Prior to submitting a completed final application, please arrange to meet with the Agency’s staff to review your draft application. Incomplete applications will not be considered. The Board reserves the right to require that the applicant pay for the preparation of a Cost Benefit Analysis, and the right to approve the company completing the analysis.

PLEASE NOTE: It is the policy of the Brookhaven IDA to encourage the use of local labor and the payment of the area standard wage during construction on the project.

IDA benefits may not be conferred upon the Company until the Lease and Project Agreement have been executed.

INDEX

PART I	OWNER AND USER DATA
PART II	OPERATION AT CURRENT LOCATION
PART III	PROJECT DATA
PART IV	PROJECT COSTS AND FINANCING
PART V	PROJECT BENEFITS
PART VI	EMPLOYMENT DATA
PART VII	REPRESENTATIONS, CERTIFICATIONS AND INDEMNIFICATION
PART VIII	SUBMISSION OF MATERIALS
EXHIBIT A	Proposed PILOT Schedule
SCHEDULE A	Agency's Fee Schedule
SCHEDULE B	Construction Wage Policy
SCHEDULE C	Recapture and Termination Policy

Part I: Owner & User Data

1. Owner Data:

A. Owner (Applicant for assistance): RAIL REALTY LLC
Address: 414 MAIN STREET, SUITE 202
PORT JEFFERSON, NY 11777
Federal Employer ID #: [REDACTED] Website: thegittogroup.com
NAICS Code: 237210

Owner Officer Certifying Application: ANTHONY J. GITTO
Title of Officer: MANAGING MEMBER
Phone Number: [REDACTED] E-mail: [REDACTED]

B. Business Type:

Sole Proprietorship ☐ Partnership ☐ Limited Liability Company ☒
Privately Held ☐ Public Corporation ☐ Listed on _____
State of Incorporation/Formation: NEW YORK

C. Nature of Business:

(e.g., “manufacturer of _____ for _____ industry”; “distributor of _____”; or “real estate holding company”)

REAL ESTATE HOLDING COMPANY

D. Owner Counsel:

Firm Name: FARRELL FRITZ, P.C.
Address: 400 RXR PLAZA
UNIONDALE, NY 11556
Individual Attorney: PETER L. CURRY, ESQ
Phone Number: 516-227-0772 E-mail: pcurry@farrellfritz.com

E. Principal Stockholders, Members or Partners, if any, of the Owner:

Name	Percent Owned
ANTHONY J. GITTO	25%
GREGORY STAR	25%
BEACON EQUITIES LP	50%

F. Has the Owner, or any subsidiary or affiliate of the Owner, or any stockholder, partner, member, officer, director, or other entity with which any of these individuals is or has been associated with:

- i. ever filed for bankruptcy, been adjudicated bankrupt or placed in receivership or otherwise been or presently is the subject of any bankruptcy or similar proceeding? (If yes, please explain)

NO

- ii. been convicted of a felony, or misdemeanor, or criminal offense (other than a motor vehicle violation)? (If yes, please explain)

NO

G. If any of the above persons (see "E", above) or a group of them, owns more than 50% interest in the Owner, list all other organizations which are related to the Owner by virtue of such persons having more than a 50% interest in such organizations.

SEE SCHEDULE I.1.G.

H. Is the Owner related to any other organization by reason of more than a 50% ownership? If so, indicate name of related organization and relationship:

SEE SCHEDULE I.1.G.

I. List parent corporation, sister corporations and subsidiaries:

SEE SCHEDULE I.1.G.

- J. Has the Owner (or any related corporation or person) been involved in or benefited by any prior industrial development financing in the municipality in which this project is located, whether by this agency or another issuer? (Municipality herein means city, town, or village, or if the project is not in an incorporated city, town or village, the unincorporated areas of the county in which it is located.) If so, explain in full:

THE SUBJECT PROPERTY IS THE BENEFICIARY OF AN EXISTING TRANSACTION,
DATED AS OF FEBRUARY 1, 2015, WITH THE AGENCY

- K. List major bank references of the Owner:

DIME COMMUNITY BANK; WILLIAM J. NEWHAM III, EXECUTIVE VICE PRESIDENT; (631) 537-1001, EXT. 8276; WILLIAM.NEWHAM@DIME.COM

CONNECTONE BANK; ROBERT GRADY, MANAGING DIRECTOR/C&I LENDING; (516) 284-1441; ROBERT.GRADY@CNOB.COM

2. User Data

*** (for co-applicants for assistance or where a landlord/tenant relationship will exist between the owner and the user) ***

- A. User (together with the Owner, the "Applicant"): N/A

Address: _____

Federal Employer ID #: _____ Website: _____

NAICS Code: _____

User Officer Certifying Application: _____

Title of Officer: _____

Phone Number: _____ E-mail: _____

- B. Business Type:

Sole Proprietorship ☐ Partnership ☐ Privately Held ☐

Public Corporation ☐ Listed on _____

State of Incorporation/Formation: _____

- C. Nature of Business:

(e.g., "manufacturer of _____ for _____ industry"; "distributor of _____"; or "real estate holding company")

D. Are the User and the Owner Related Entities? Yes ☐ No ☐

i. If yes, the remainder of the questions in this Part I, Section 2 (with the exception of "F" below) need not be answered if answered for the Owner.

ii. If no, please complete all questions below.

E. User's Counsel:

Firm Name: _____

Address: _____

Individual Attorney: _____

Phone Number: _____

E-mail: _____

F. Principal Stockholders or Partners, if any:

Name

Percent Owned

G. Has the User, or any subsidiary or affiliate of the User, or any stockholder, partner, officer, director, or other entity with which any of these individuals is or has been associated with:

i. ever filed for bankruptcy, been adjudicated bankrupt or placed in receivership or otherwise been or presently is the subject of any bankruptcy or similar proceeding? (If yes, please explain)

ii. been convicted of a felony or criminal offense (other than a motor vehicle violation)? (If yes, please explain)

- H. If any of the above persons (see "F", above) or a group of them, owns more than 50% interest in the User, list all other organizations which are related to the User by virtue of such persons having more than a 50% interest in such organizations.

- I. Is the User related to any other organization by reason of more than a 50% ownership? If so, indicate name of related organization and relationship:

- J. List parent corporation, sister corporations and subsidiaries:

- K. Has the User (or any related corporation or person) been involved in or benefited by any prior industrial development financing in the municipality in which this project is located, whether by this agency or another issuer? (Municipality herein means city, town, or village, or if the project is not in an incorporated city, town or village, the unincorporated areas of the county in which it is located.) If so, explain in full:

- L. List major bank references of the User:

Part II – Operation at Current Location

*** (if the Owner and the User are unrelated entities, answer separately for each) ***

1. Current Location Address: 23-25 TEXACO AVENUE, PORT JEFFERSON, NY 11777

2. Owned or Leased: OWNED

3. Describe your present location (acreage, square footage, number buildings, number of floors, etc.):

APPROXIMATELY 106,516 SQUARE FOOT 3 STORY BUILDING CONTAINING 74 APARTMENT

UNITS LOCATED ON 1.643 ACRES IN THE VILLAGE OF PORT JEFFERSON

4. Type of operation (manufacturing, wholesale, distribution, retail, etc.) and products and/or services:

MULTI-FAMILY RESIDENTIAL RENTAL HOUSING

5. Are other facilities or related companies of the Applicant located within the State?

Yes ☒ No ☐

A. If yes, list the Address: **PLEASE SEE SCHEDULE I.1.G.**

6. Will the completion of the project result in the removal of any facility or facilities of the Applicant from one area of the state to another OR in the abandonment of any facility or facilities of the Applicant located within the State? Yes ☐ No ☒

A. If no, explain how current facilities will be utilized: **THE FACILITY WILL BE USED FOR ITS CURRENT PURPOSE**

- B. If yes, please indicate whether the project is reasonably necessary for the Applicant to maintain its competitive position in its industry or remain in the State and explain in full:

N/A

7. Has the Applicant actively considered sites in another state? Yes ☐ No ☒

A. If yes, please list states considered and explain:

8. Is the requested financial assistance reasonably necessary to prevent the Applicant from moving out of New York State? Yes ☐ No ☒

A. Please explain: **THE REQUESTED FINANCIAL ASSISTANCE WILL PERMIT THE APPLICANT TO SET ASIDE 8 APARTMENTS**

AS WORKFORCE HOUSING AND 8 APARTMENTS AS AFFORDABLE HOUSING, AND UNDERTAKE PHYSICAL UPGRADES TO THE PREMISES

9. Number of full-time equivalent employees (FTE's) at current location and average salary (indicate hourly or yearly salary):

ONE FTE EMPLOYEE WITH A SALARY OF \$54,000 AND AN APARTMENT VALUED AT \$33,600

ONE FTE EMPLOYEE WITH A PRO-RATED SALARY AND BENEFITS OF \$85,000 AND \$14,500 ANNUALLY

Part III – Project Data

1. Project Type:

A. What type of transaction are you seeking? (Check one)

Straight Lease ☒ Taxable Bonds ☐ Tax-Exempt Bonds ☐
Equipment Lease Only ☐

B. Type of benefit(s) the Applicant is seeking: (Check all that apply)

Sales Tax Exemption ☐ Mortgage Recording Tax Exemption ☐
 PILOT Agreement: ☒

2. Location of project:

A. Street Address: 23-25 TEXACO AVENUE, PORT JEFFERSON, NY 11777

B. Tax Map: District 206 Section 021.00 Block 04.00 Lot(s) 22.006

C. Municipal Jurisdiction:

i. Town: BROOKHAVEN

ii. Village: PORT JEFFERSON

iii. School District: COMSEWOGUE

D. Acreage: 1.643

3. Project Components (check all appropriate categories):

A. Construction of a new building ☐ Yes ☒ No
i. Square footage: _____

B. Renovations of an existing building ☒ Yes ☐ No
i. Square footage: 106,516 SQ. FT.

C. Demolition of an existing building ☐ Yes ☒ No
i. Square footage: _____

D. Land to be cleared or disturbed ☐ Yes ☒ No
i. Square footage/acreage: _____

E. Construction of addition to an existing building ☐ Yes ☒ No

i. Square footage of addition: _____

ii. Total square footage upon completion: _____

F. Acquisition of an existing building ☐ Yes ☒ No
i. Square footage of existing building: _____

- G. Installation of machinery and/or equipment ☐ Yes ☒ No
i. List principal items or categories of equipment to be acquired: _____

4. Current Use at Proposed Location:

- A. Does the Applicant currently hold fee title to the proposed location?

i. If no, please list the present owner of the site: YES

- B. Present use of the proposed location: MARKET RATE MULTI-FAMILY RENTAL HOUSING

- C. Is the proposed location currently subject to an IDA transaction (whether through this Agency or another?) ☒ Yes ☐ No

i. If yes, explain: THE FACILITY IS THE BENEFICIARY OF A TRANSACTION, DATED AS OF FEBRUARY 1, 2015, WITH THE AGENCY

- D. Is there a purchase contract for the site? (If yes, explain): ☐ Yes ☒ No

- E. Is there an existing or proposed lease for the site? (If yes, explain): ☐ Yes ☒ No

5. Proposed Use:

- A. Describe the specific operations of the Applicant or other users to be conducted at the project site: _____

MULTI-FAMILY RENTAL HOUSING

- B. Proposed product lines and market demands: MARKET RATE,
WORKFORCE (AT 120% AMI) AND AFFORDABLE
(AT 100% AMI) RENTAL HOUSING

- C. If any space is to be leased to third parties, indicate the tenant(s), total square footage of the project to be leased to each tenant, and the proposed use by each tenant:

N/A

- D. Need/purpose for project (e.g., why is it necessary, effect on Applicant's business):

THE PROJECT IS TEN YEARS OLD. THE APPLICANT MAINTAINS THE PREMISES IN EXCELLENT CONDITION; HOWEVER, UNDERTAKING CERTAIN CAPITAL RENOVATIONS AND UPGRADES ARE NECESSARY TO KEEP THE FACILITY AS AN ATTRACTIVE ASSET TO THE PORT JEFFERSON COMMUNITY, WHILE ALSO KEEPING RENTS AT A SUSTAINABLE LEVEL FOR THE TENANTS.

- E. Will any portion of the project be used for the making of retail sales to customers who personally visit the project location? Yes ☐ No ☒

- i. If yes, what percentage of the project location will be utilized in connection with the sale of retail goods and/or services to customers who personally visit the project location? _____

- F. To what extent will the project utilize resource conservation, energy efficiency, green technologies, and alternative / renewable energy measures?

THE PROJECT IS ALREADY CONSTRUCTED AND OPERATIONAL

6. Project Work:

- A. Has construction work on this project begun? If yes, complete the following:

i.	Site Clearance:	Yes ☐	No ☐	% COMPLETE	_____
ii.	Foundation:	Yes ☐	No ☒	% COMPLETE	_____
iii.	Footings:	Yes ☐	No ☐	% COMPLETE	_____
iv.	Steel:	Yes ☐	No ☐	% COMPLETE	_____
v.	Masonry:	Yes ☐	No ☐	% COMPLETE	_____
vi.	Other:	_____			

- B. What is the current zoning? C-2

- C. Will the project meet zoning requirements at the proposed location?

Yes ☒

No ☐

D. If a change of zoning is required, please provide the details/status of the change of zone request: _____

E. Have site plans been submitted to the appropriate planning department? Yes ☐ No ☒

F. Is a change of use application required? Yes ☐ No ☒

7. Project Completion Schedule:

A. What is the proposed commencement date for the acquisition and the construction/renovation/equipping of the project?

i. Acquisition: N/A

ii. Construction/Renovation/Equipping: JANUARY, 2026

B. Provide an accurate estimate of the time schedule to complete the project and when the first use of the project is expected to occur: JANUARY, 2028

Part IV – Project Costs and Financing1. Project Costs:

- A. Give an accurate estimate of cost necessary for the acquisition, construction, renovation, improvement and/or equipping of the project location:

<u>Description</u>	<u>Amount</u>
Land and/or building acquisition	\$ _____
Building(s) demolition/construction	\$ _____
Building renovation	\$ 600,000.00
Site Work	\$ _____
Machinery and Equipment	\$ _____
Legal Fees	\$ _____
Architectural/Engineering Fees	\$ _____
Financial Charges	\$ _____
Other (Specify)	\$ _____
Total	\$ 600,000.00

Please provide the percentage of materials and labor that will be sourced locally (Suffolk/Nassau Counties) 100%

Please note, IDA fees are based on the total project costs listed above. At the completion of your project, you are required to provide both a certificate of completion along with a cost affidavit certifying the final project costs. The IDA fees may be adjusted as a result of the certified cost affidavit. Money will not be refunded if the final project cost is less than the amount listed above.

2. Method of Financing:

	Amount	Term
A. Tax-exempt bond financing:	\$ _____	_____ years
B. Taxable bond financing:	\$ _____	_____ years
C. Conventional Mortgage:	\$ _____	_____ years
D. SBA (504) or other governmental financing:	\$ _____	_____ years
E. Public Sources (include sum of all State and federal grants and tax credits):	\$ _____	
F. Other loans:	\$ _____	_____ years
G. Owner/User equity contribution:	\$ 600,000.00	_____ years
Total Project Costs	\$ 600,000.00	

i. What percentage of the project costs will be financed from public sector sources?

0% _____

3. Project Financing:

A. Have any of the above costs been paid or incurred (including contracts of sale or purchase orders) as of the date of this application? Yes ☐ No ☒

i. If yes, provide detail on a separate sheet.

B. Are costs of working capital, moving expenses, work in progress, or stock in trade included in the proposed uses of bond proceeds? Give details:

NO

C. Will any of the funds borrowed through the Agency be used to repay or refinance an existing mortgage or outstanding loan? Give details:

NO

D. Has the Applicant made any arrangements for the marketing or the purchase of the bond or bonds? If so, indicate with whom:

N/A

Part V – Project Benefits

1. Mortgage Recording Tax Benefit:

- A. Mortgage Amount for exemption (include sum total of construction/permanent/bridge financing):

\$ N/A

- B. Estimated Mortgage Recording Tax Exemption (product of Mortgage Amount and .75%):

\$ N/A

2. Sales and Use Tax Benefit:

- A. Gross amount of costs for goods and services that are subject to State and local Sales and Use Tax (such amount to benefit from the Agency's exemption):

\$ N/A

- B. Estimated State and local Sales and Use Tax exemption (product of 8.75% and figure above):

\$ N/A

- C. If your project has a landlord/tenant (owner/user) arrangement, please provide a breakdown of the number in "B" above:

i. Owner: \$ N/A

ii. User: \$ N/A

3. Real Property Tax Benefit:

- A. Identify and describe if the project will utilize a real property tax exemption benefit other than the Agency's PILOT benefit: NO

- B. Agency PILOT Benefit:

i. Term of PILOT requested: 10 YEARS

ii. Upon acceptance of this application, the Agency staff will create a PILOT schedule and attach such information to Exhibit A hereto. Applicant hereby requests such PILOT benefit as described on Exhibit A.

*** This application will not be deemed complete and final until Exhibit A hereto has been completed. ***

Part VII – Representations, Certifications and Indemnification

1. Is the Applicant in any litigation which would have a material adverse effect on the Applicant's financial condition? (If yes, furnish details on a separate sheet)

Yes ☐ No ☒

2. Has the Applicant or any of the management of the Applicant, the anticipated users or any of their affiliates, or any other concern with which such management has been connected, been cited for a violation of federal, state, or local laws or regulations with respect to labor practices, hazardous wastes, environmental pollution, or other operating practices? (If yes, furnish details on a separate sheet)

Yes ☐ No ☒

3. Is there a likelihood that the Applicant would proceed with this project without the Agency's assistance? (If no, please explain why; if yes, please explain why the Agency should grant the benefits requested)

Yes ☒ No ☐

YES, OVER A LONGER PERIOD OF TIME. HOWEVER, THE PROJECT
WOULD NOT INCLUDE WORKFORCE AND AFFORDABLE HOUSING

4. If the Applicant is unable to obtain financial assistance from the Agency for the project, what would be the impact on the Applicant and on the municipality?

SEE ANSWER PART VII, 3

Original signature and initials are required. Electronic signatures and initials are not permitted.

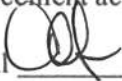
5. The Applicant understands and agrees that in accordance with Section 858-b(2) of the General Municipal Law, except as otherwise provided by collective bargaining agreements, new employment opportunities created as a result of the project will be listed with the New York State Department of Labor, Community Services Division and with the administrative entity of the service delivery area created pursuant to the Job Training Partnership Act (PL 97-300) in which the project is located (collectively, the "Referral Agencies"). The Applicant also agrees that it will, except as otherwise provided by collective bargaining contracts or agreements to which they are parties, where practicable, first consider for such new employment opportunities persons eligible to participate in federal job training partnership programs who shall be referred by the Referral Agencies.

Initial



6. The Applicant confirms and acknowledges that the submission of any knowingly false or knowingly misleading information may lead to the immediate termination of any financial assistance and the reimbursement of an amount equal to all or part of any tax exemption claimed by reason of the Agency's involvement in the Project as well as may lead to other possible enforcement actions.

Initial



7. The Applicant confirms and hereby acknowledges that as of the date of this Application, the Applicant is in substantial compliance with all provisions of Article 18-A of the New York General Municipal Law, including, but not limited to, the provision of Section 859-a and Section 862(1) of the New York General Municipal Law.

Initial



8. The Applicant represents and warrants that to the Applicant's knowledge neither it nor any of its affiliates, nor any of their respective partners, members, shareholders or other equity owners, and none of their respective employees, officers, directors, representatives or agents is, nor will they become a person or entity with who United States persons or entities are restricted from doing business under regulations of the Office of Foreign Asset Control (OFAC) of the Department of the Treasury (including those named on OFAC's Specially Designated and Blocked Persons List or under any statute, executive order including the September 24, 2001, Executive Order Block Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism, or other governmental action and is not and will not assign or otherwise transfer this Agreement to, contract with or otherwise engage in any dealings or transactions or be otherwise associated with such persons or entities.

Initial



9. The Applicant confirms and hereby acknowledges it has received the Agency's fee schedule attached hereto as Schedule A and agrees to pay such fees, together with any expenses incurred by the Agency, including those of Transaction Counsel, with respect to the Facility. The Applicant 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 project. The IDA fees are based on the total project costs listed in this application. At the completion of the project, you are required to provide both a certificate of completion along with a cost affidavit certifying the final project costs. The IDA fees may be increased as a result of the certified cost affidavit. Monies will not be refunded if the final costs are below the amount listed in the application.

Initial

10. The Applicant confirms and hereby acknowledges it has received the Agency's Construction Wage Policy attached hereto as Schedule B and agrees to comply with the same.

Initial

11. The Applicant hereby agrees to comply with Section 875 of the General Municipal Law. The Company further agrees that the financial assistance granted to the project by the Agency is subject to recapture pursuant to Section 875 of the Act and the Agency's Recapture and Termination Policy, attached hereto as Schedule C.

Initial

12. The Applicant confirms and hereby acknowledges it has received the Agency's PILOT Policy attached hereto as Schedule D and agrees to comply with the same.

Initial

13. The Company hereby authorizes the Agency, without further notice or consent, to use the Company's name, logo and photographs related to the Facility in its advertising, marketing, and communications materials. Such materials may include web pages, print ads, direct mail and various types of brochures or marketing sheets, and various media formats other than those listed (including without limitation video or audio presentations through any media form). In these materials, the Agency also has the right to publicize its involvement in the Project.

Initial

14. The applicant confirms and hereby acknowledges it has received the Agency's Application and Resolution Expiration Policy available at brookhavenida.org/application and agrees to comply with same.

Initial

Part VIII – Submission of Materials

1. Financial statements for the last two fiscal years (unless included in the Applicant's annual report). Note, if the project company is a newly formed entity, then the applicant is required to submit financial statements for the parent company or sponsor entity.
2. Applicant's annual reports (or 10-K's if publicly held) for the two most recent fiscal years.
3. Quarterly reports (form 10-Q's) and current reports (form 8-K's) since the most recent annual report, if any.
4. In addition, please attach the financial information described in items A, B, and C of any expected guarantor of the proposed bond issue.
5. Completed Environmental Assessment Form.
6. Most recent quarterly filing of NYS Department of Labor Form 45, as well as the most recent fourth quarter filing. Please remove the employee Social Security numbers and note the full-time equivalency for part-time employees.

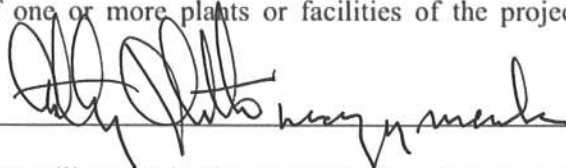
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Part IX – Special Representations

1. The Applicant understands and agrees that the provisions of Section 862(1) of the New York General Municipal Law, as provided below, will not be violated if financial assistance is provided for the proposed project. The Applicant hereby indicates its compliance with Section 862(1) by signing the applicable statement below. **(Please sign only one of the following statements a. or b. below).**

- a. The completion of the entire project will not result in the removal of an industrial or manufacturing plant of the project occupant 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 project occupant located within the state.

Representative of the Applicant: _____

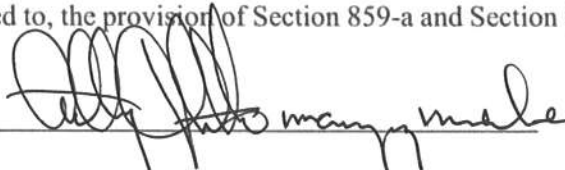


- b. The completion of this entire project will result in the removal of an industrial or manufacturing plant of the project occupant from one area of the state to another area of the state or in the abandonment of one or more plants or facilities of the project occupant located within the state because the project is reasonably necessary to discourage the project occupant from removing such other plant or facility to a location outside the state or is reasonably necessary to preserve the competitive position of the project occupant in its respective industry.

Representative of the Applicant: _____

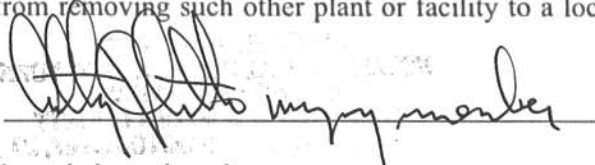
2. The Applicant confirms and hereby acknowledges that as of the date of this Application, the Applicant is in substantial compliance with all provisions of Article 18-A of the New York General Municipal Law, including, but not limited to, the provision of Section 859-a and Section 862(1) of the New York General Municipal Law.

Representative of the Applicant: _____



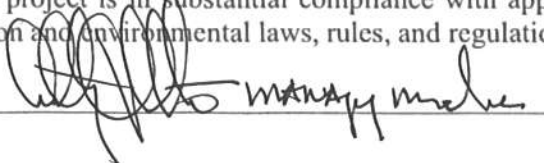
3. In accordance with Section 862(1) of the New York General Municipal Law the Applicant understands and agrees that projects which result in the removal of an industrial or manufacturing plant of the project occupant from one area of the State to another area of the State or in the abandonment of one or more plants or facilities of the project occupant within the State is ineligible for financial assistance from the Agency, unless otherwise approved by the Agency as reasonably necessary to preserve the competitive position of the project in its respective industry or to discourage the project occupant from removing such other plant or facility to a location outside the State.

Representative of the Applicant: _____



4. The Applicant confirms and acknowledges that the owner, occupant, or operator receiving financial assistance for the proposed project is in substantial compliance with applicable local, state, and federal tax, worker protection and environmental laws, rules, and regulations.

Representative of the Applicant: _____



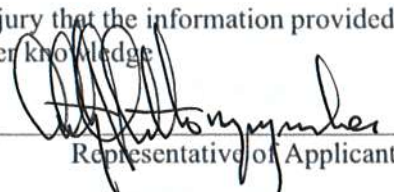
Part X – Certification

ANTHONY J. GITTO (Name of representative of entities submitting application) deposes and says that he or she is the MEMBER (title) of RAIL REALTY LLC, the entities named in the attached application; that he or she has read the foregoing application and knows the contents thereof; and that the same is true to his or her knowledge.

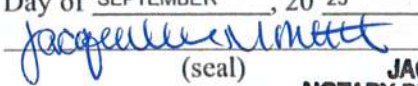
Deponent further says that s/he is duly authorized to make this certification on behalf of the entities named in the attached Application (the "Applicant") and to bind the Applicant. The grounds of deponent's belief relative to all matters in said Application which are not stated upon his/her personal knowledge are investigations which deponent has caused to be made concerning the subject matter this Application, as well as information acquired by deponent in the course of his/her duties in connection with said Applicant and from the books and papers of the Applicant.

As representative of the Applicant, deponent acknowledges and agrees that Applicant shall be and is responsible for all costs incurred by the Town of Brookhaven Industrial Development Agency (hereinafter referred to as the "Agency") in connection with this Application, the attendant negotiations and all matters relating to the provision of financial assistance to which this Application relates, whether or not ever carried to successful conclusion. If, for any reason whatsoever, the Applicant fails to conclude or consummate necessary negotiations or fails to act within a reasonable or specified period of time to take reasonable, proper, or requested action or withdraws, abandons, cancels or neglects the application or if the Applicant is unable to find buyers willing to purchase the total bond issue required, then upon presentation of invoice, Applicant shall pay to the Agency, its agents or assigns, all actual costs incurred with respect to the application, up to that date and time, including fees to bond or transaction counsel for the Agency and fees of general counsel for the Agency. Upon successful conclusion of the transaction contemplated herein, the Applicant shall pay to the Agency an administrative fee set by the Agency in accordance with its fee schedule in effect on the date of the foregoing application, and all other appropriate fees, which amounts are payable at closing.

The Applicant hereby subscribes and affirms under the penalties of perjury that the information provided in this Application is true, accurate and complete to the best of his or her knowledge.



Representative of Applicant

Sworn to me before this 30
Day of SEPTEMBER, 20 25

(seal)

JACQUELINE MONETTE
NOTARY PUBLIC, STATE OF NEW YORK
REG NO 01MO6061358
QUALIFIED IN SUFFOLK COUNTY
COMMISSION EXPIRES OCTOBER 07, 20 26

**** Note: If the entities named in this Application are unrelated and one individual cannot bind both entities, Parts VII, IX and X of this Application must be completed by an individual representative for each entity ****

EXHIBIT A

Proposed PILOT Schedule

Upon acceptance of the Application and completion of the Cost Benefit Analysis, the Agency will attach the proposed PILOT Schedule to this Exhibit.

Town of Brookhaven Industrial Development
Schedule of Fees

Application -	\$3,000 for projects with total costs under \$5 million \$4,000 for projects with total costs \$5 million and over (non-refundable)
Closing/Expansion Sale/Transfer/Increase of Mortgage Amount/ Issuance of Refunding Bonds -	$\frac{3}{4}$ of one percent up to \$25 million total project cost and an additional $\frac{1}{4}$ of one percent on any project costs in excess of \$25 million. Projects will incur a minimum charge of \$10,000 plus all fees incurred by the Agency including, but not limited to publication, legal, and risk monitoring.
Annual Administrative -	\$2,000 administrative fee plus \$500 per unrelated subtenant located in the project facility. This fee is due annually.
Termination –	Between \$1,000 and \$2,500
Refinance (excluding refunding bonds) –	$\frac{1}{4}$ of one percent of mortgage amount or \$5,000, whichever is greater.
Late PILOT Payment –	5% penalty, 1% interest compounded monthly, plus \$1,000 administrative fee.
PILOT extension -	a minimum of \$15,000
Processing Fee -	\$275 per hour with a minimum fee of \$275
Lease of Existing Buildings (partial or complete) -	Fee is based on contractual lease amount.

The Agency reserves the right to adjust these fees.

Updated: November 17, 2020

SCHEDULE B

CONSTRUCTION WAGE POLICY

EFFECTIVE January 1, 2005

The purpose of the Brookhaven IDA is to provide benefits that reduce costs and financial barriers to the creation and to the expansion of business and enhance the number of jobs in the Town.

The Agency has consistently sought to ensure that skilled and fair paying construction jobs be encouraged in projects funded by the issuance of IDA tax exempt bonds in large projects.

The following shall be the policy of the Town of Brookhaven IDA for application for financial assistance in the form of tax-exempt financing for projects with anticipated construction costs in excess of \$5,000,000.00 per site received after January 1, 2005. Non-profit corporations and affordable housing projects are exempt from the construction wage policy.

Any applicant required to adhere to this policy shall agree to:

- (1) Employ 90% of the workers for the project from within Nassau or Suffolk Counties. In the event that this condition cannot be met, the applicant shall submit to the Agency an explanation as to the reasons for its failure to comply and;
- (2) Be governed by the requirements of Section 220d of Article 8 of the Labor Law of the State of New York; and when requested by the Agency, provide to the Agency a plan for an apprenticeship program;

OR

- (3) Provide to the Agency a project labor agreement or alternative proposal to pay fair wages to workers at the construction site.

Furthermore, this policy may be waived, in the sole and final discretion of the Agency, in the event that the applicant demonstrates to the Agency special circumstances or economic hardship to justify a waiver to be in the best interests of the Town of Brookhaven.

Adopted: May 23, 2005

SCHEDULE C

RECAPTURE AND TERMINATION POLICY

EFFECTIVE JUNE 8, 2016

Pursuant to Sections 874(10) and (11) of Title 1 of Article 18-A of the New York State General Municipal Law (the “**Act**”), the Town of Brookhaven Industrial Development Agency (the “**Agency**”) is required to adopt policies (i) for the discontinuance or suspension of any financial assistance provided by the Agency to a project or the modification of any payment in lieu of tax agreement and (ii) for the return of all or part of the financial assistance provided by the Agency to a project. This Recapture and Termination Policy was adopted pursuant to a resolution enacted by the members of the Agency on June 8, 2016.

I. Termination or Suspension of Financial Assistance

The Agency, in its sole discretion and on a case-by-case basis, may determine (but shall not be required to do so) to terminate or suspend the Financial Assistance (defined below) provided to a project upon the occurrence of an Event of Default, as such term is defined and described in the Lease Agreement entered into by the Agency and a project applicant (the “**Applicant**”) or any other document entered into by such parties in connection with a project (the “**Project Documents**”). Such Events of Default may include, but shall not be limited to, the following:

- 1) Sale or closure of the Facility (as such term is defined in the Project Documents);
- 2) Failure by the Applicant to pay or cause to be paid amounts specified to be paid pursuant to the Project Documents on the dates specified therein;
- 3) Failure by the Applicant to create and/or maintain the FTEs as provided in the Project Documents;
- 4) A material violation of the terms and conditions of the Project Agreements; and
- 5) A material misrepresentation contained in the application for Financial Assistance, any Project Agreements or any other materials delivered pursuant to the Project Agreements.

The decision of whether to terminate or suspend Financial Assistance and the timing of such termination or suspension of Financial Assistance shall be determined by the Agency, in its sole discretion, on a case-by-case basis, and shall be subject to the notice and cure periods provided for in the Project Documents.

For the purposes of this policy, the term “**Financial Assistance**” shall mean all direct monetary benefits, tax exemptions and abatements and other financial assistance, if any, derived solely from the Agency’s participation in the transaction contemplated by the Project Agreements including, but not limited to:

- (i) any exemption from any applicable mortgage recording tax with respect to the Facility on mortgages granted by the Agency on the Facility at the request of the Applicant;

- (ii) sales tax exemption savings realized by or for the benefit of the Applicant, including and savings realized by any agent of the Applicant pursuant to the Project Agreements in connection with the Facility; and
- (iii) real property tax abatements granted under the Project Agreements.

II. Recapture of Financial Assistance

The Agency, in its sole discretion and on a case-by-case basis, may determine (but shall not be required to do so) to recapture all or part of the Financial Assistance provided to a project upon the occurrence of a Recapture Event, as such term is defined and described in the Project Documents. Such Recapture Events may include, but shall not be limited to the following:

- 1) Sale or closure of the Facility (as such term is defined in the Project Documents);
- 2) Failure by the Applicant to pay or cause to be paid amounts specified to be paid pursuant to the Project Documents on the dates specified therein;
- 3) Failure by the Applicant to create and/or maintain the FTEs as provided in the Project Documents;
- 4) A material violation of the terms and conditions of the Project Agreements; and
- 5) A material misrepresentation contained in the application for Financial Assistance, any Project Agreements or any other materials delivered pursuant to the Project Agreements.

The timing of the recapture of the Financial Assistance shall be determined by the Agency, in its sole discretion, on a case-by-case basis, and is subject to the notice and cure periods provided for in the Project Documents. The percentage of such Financial Assistance to be recaptured shall be determined by the provisions of the Project Documents.

All recaptured amounts of Financial Assistance shall be redistributed to the appropriate affected taxing jurisdiction, unless agreed to otherwise by any local taxing jurisdiction.

For the avoidance of doubt, the Agency may determine to terminate, suspend and/or recapture Financial Assistance in its sole discretion. Such actions may be exercised simultaneously or separately and are not mutually exclusive of one another.

III. Modification of Payment In Lieu of Tax Agreement

In the case of any Event of Default or Recapture Event, in lieu of terminating, suspending, or recapturing the Financial Assistance, the Agency may, in its sole discretion, adjust the payments in lieu of taxes due under the Project Agreements, so that the payments in lieu of taxes payable under the Project Agreements are adjusted upward retroactively and/or prospectively for each tax year until such time as the Applicant has complied with the provisions of the Project Agreements. The amount of such adjustments shall be determined by the provisions of the Project Documents.

SCHEDULE D

Agency Payment in Lieu of Taxes (PILOT) Policy

An annual fee of \$2,000 (plus \$500 per subtenant) will be due to the Agency in addition to the PILOT payment to cover ongoing costs incurred by the Agency on behalf of the project.

1. The Town of Brookhaven Industrial Development Agency (IDA) may grant or be utilized to obtain a partial or full real property tax abatement for a determined period. To be eligible for this abatement there would be a requirement of new construction, or renovation, and a transfer of title of the real property to the Town of Brookhaven IDA.
2. The Chief Executive Officer (CEO) or their designee shall consult with the Town Assessor to ascertain the amounts due pursuant to each PILOT Agreement. Thereafter, the PILOT payment for each project shall be billed to the current lessees. The lessees can pay the PILOT payment in full by January 31st of each year, or in two equal payments due January 31st and May 31st of each year of the PILOT Agreement. The CEO or their designee shall send all PILOT invoices to the lessees on a timely basis.
3. The Town of Brookhaven IDA shall establish a separate, interest-bearing bank account for receipt and deposit of all PILOT payments. The CEO or their designee shall be responsible for depositing and maintaining said funds with input from the Chief Financial Officer (CFO).
4. The CEO or their designee shall remit PILOT payments and penalties if any, to the respective taxing authorities in the proportionate amounts due to said authorities. These remittances shall be made within thirty (30) days of receipt of the payments to the Agency.
5. Payments in lieu of taxes which are delinquent under the agreement shall be subject to a late payment penalty of five percent (5%) of the amount due. For each month, or part thereof, that the payment in lieu of taxes is delinquent beyond the first month, interest shall on the total amount due plus a late payment penalty in the amount of one percent (1%) per month until the payment is made.
6. If a PILOT payment is not received by **January 31st** of any year or **May 31st** of the second half of the year the lessee shall be in default pursuant to the PILOT Agreement. The Agency may give the lessee notice of said default. If the payment is not received within thirty (30) days of when due, the CEO shall notify the Board, and thereafter take action as directed by the Board.
7. The CEO shall maintain records of the PILOT accounts at the Agency office.
8. Nothing herein shall be interpreted to require the Agency to collect or disburse PILOT payments for any projects which are not Agency projects.

9. Should the Applicant fail to reach employment levels as outlined in their application to the Agency, the Board reserves the right to reduce or suspend the PILOT Agreement, declare a default under the Lease or the Installment Sale Agreement, and/or convey the title back to the Applicant.
10. This policy has been adopted by the IDA Board upon recommendation of the Governance Committee and may only be amended in the same manner.

SCHEDULE I.1.G.
The Gitto Group
Multi-Family Ownership Information

ENTITY NAME	OWNERSHIP	PROPERTY ADDRESS / DESCRIPTION
Rail Realty LLC	Anthony J. Gitto (25%) Beacon Equities LP (50%) General Partner: - AJG Beacon LLC o Anthony J. Gitto (100%) Gregory Star (25%)	"The Hills at Port Jefferson Village", 23-25 Texaco Avenue, Port Jefferson, NY 11777
Port Development LLC	Class A: One Country LLC (25%) Ownership: - Anthony J. Gitto (33.3%) - Robert M. Gitto (33.3%) - Joseph M. Gitto (33.3%) CDE of NY LLC (25%) Class B: One Country LP (50%) General Partner: - One Country LLC	"One North", 1 North Country Road, Port Jefferson, NY 11777
Brooks Partners LLC	AJG Brooks LLC (50%) Ownership: - Anthony J. Gitto (100%) JNP, LLC (50%)	"The Brookport", 52 Barnum Avenue, Port Jefferson, NY 11777
Barnum Equities LLC	AJG Barnum LLC (37.5%) Ownership: - Anthony J. Gitto (100%) Sawmill Associates LLC (37.5%) Main Street Equities, L.P. (25%) General Partner: - Gitto Management Corp. Ownership: o Anthony J. Gitto (100%)	"The Barnum House", 50 Barnum Avenue, Port Jefferson, NY 11777
Commercial Management Group, Inc.	Anthony J. Gitto (100%)	Property manager for Gitto Group multi-family buildings.

SCHEDULE I.1.G.
The Gitto Group
Multi-Family Ownership Information

Reliant Realty Group, LLC	Anthony J. Gitto (50%) Robert M. Gitto (50%)	Real estate brokerage firm for Gitto Group and other unrelated parties.
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Town of Brookhaven Industrial Development Agency

MRB Cost Benefit Calculator

Date September 11, 2026
Project Title Rail Realty, LLC
Project Location 23-25 Texaco Ave Port Jefferson



Economic Impacts

Summary of Economic Impacts over the Life of the PILOT

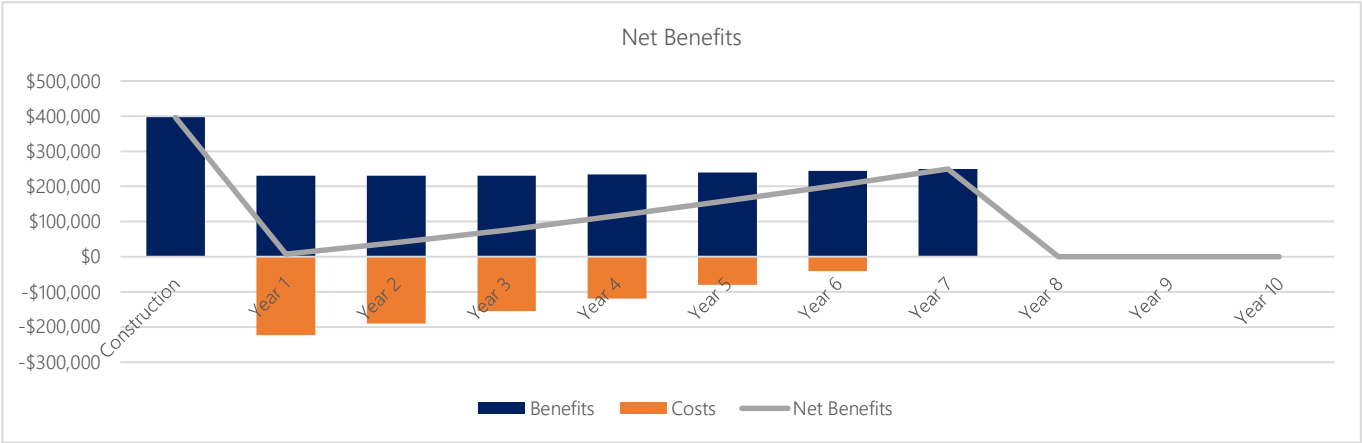
Construction Project Costs

\$620,000

Temporary (Construction)			
	Direct	Indirect	Total
Jobs	4	2	5
Earnings	\$239,210	\$134,870	\$374,080
Local Spend	\$620,000	\$449,391	\$1,069,391

Ongoing (Operations)			
Aggregate over life of the PILOT			
	Direct	Indirect	Total
Jobs	2	1	3
Earnings	\$1,001,362	\$561,913	\$1,563,275

Figure 1



Net Benefits chart will always display construction through year 10, irrespective of the length of the PILOT.

Figure 2

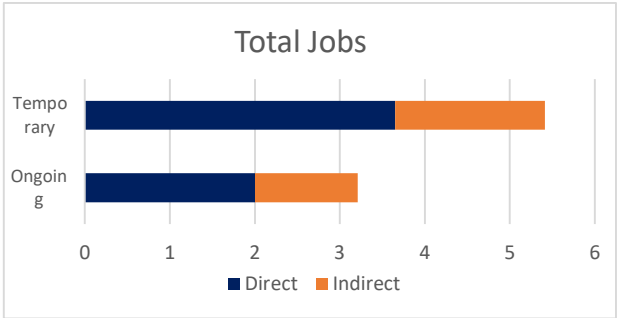
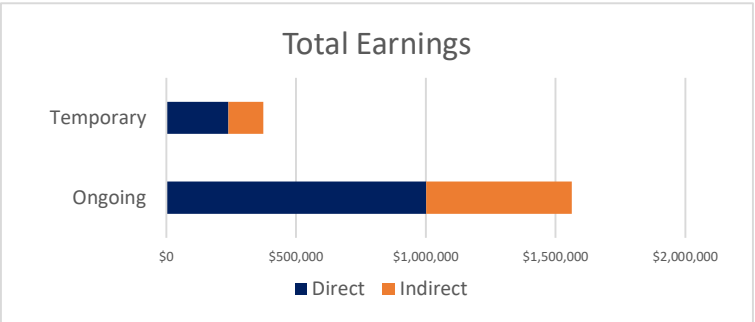


Figure 3



Fiscal Impacts

Estimated Costs of Exemptions

	Nominal Value	Discounted Value*
Property Tax Exemption	\$807,141	\$765,283
Sales Tax Exemption	\$0	\$0
Local Sales Tax Exemption	\$0	\$0
State Sales Tax Exemption	\$0	\$0
Mortgage Recording Tax Exemption	\$0	\$0
Local Mortgage Recording Tax Exemption	\$0	\$0
State Mortgage Recording Tax Exemption	\$0	\$0
Total Costs	\$807,141	\$765,283

State and Local Benefits

	Nominal Value	Discounted Value*
Local Benefits	\$1,146,318	\$1,067,644
To Private Individuals	\$1,937,354	\$1,817,816
Temporary Payroll	\$374,080	\$374,080
Ongoing Payroll	\$1,563,275	\$1,443,736
Other Payments to Private Individuals	\$0	\$0
To the Public	(\$791,037)	(\$750,172)
Increase in Property Tax Revenue	(\$807,141)	(\$765,283)
Temporary Jobs - Sales Tax Revenue	\$3,110	\$3,110
Ongoing Jobs - Sales Tax Revenue	\$12,995	\$12,001
Other Local Municipal Revenue	\$0	\$0
State Benefits	\$100,742	\$94,526
To the Public	\$100,742	\$94,526
Temporary Income Tax Revenue	\$16,834	\$16,834
Ongoing Income Tax Revenue	\$70,347	\$64,968
Temporary Jobs - Sales Tax Revenue	\$2,619	\$2,619
Ongoing Jobs - Sales Tax Revenue	\$10,943	\$10,106
Total Benefits to State & Region	\$1,247,060	\$1,162,171

Benefit to Cost Ratio

	Benefit*	Cost*	Ratio
Local	\$1,067,644	\$765,283	1:1
State	\$94,526	\$0	:1
Grand Total	\$1,162,171	\$765,283	2:1

*Discounted at the public sector discount rate of: 2%

Additional Comments from IDA

Rail Realty, LLC, an existing 74-unit market-rate residential housing facility, requested an extension of their PILOT. The project will set aside 20% of the residential units for rent to residents whose income is at or below 80% of the Area Median Income. Rail Realty, LLC will also complete approximately \$600,000 of investment into the facility and the surrounding area. As per Brookhaven IDA's Uniform Project Evaluation Criteria Policy, the criteria met for this project include, but are not limited to, that it is located in a town center and that it is located in an area with inadequate affordable housing supplies.

Does the IDA believe that the project can be accomplished in a timely fashion? Yes
Does this project provide onsite childcare facilities? No



Peter L. Curry
Partner

Direct Dial: 516.227.0772
Direct Fax: 516.336.2208
pcurry@farrellfritz.com

400 RXR Plaza
Uniondale, NY 11556
www.farrellfritz.com

Our File No.
42100/100

October 6, 2025

VIA FEDERAL EXPRESS – 631-406-4244
E-MAIL- lmulligan@brookhavenida.org

Ms. Lisa M.G. Mulligan
Chief Executive Officer
Town of Brookhaven Industrial Development Agency
One Independence Hill
Farmingville, NY 11738

Re: Rail Realty LLC

Dear Ms. Mulligan and Members of the Board:

I am writing in connection with the application of Rail Realty LLC ("Rail Realty") for economic assistance regarding the 74-unit multi-family rental facility located at 23-25 Texaco Avenue, Port Jefferson, New York (the "Facility").

This project received assistance from The Town of Brookhaven Industrial Development Agency (the "Agency") at the time of its initial construction. Rail Realty now seeks a new PILOT term in connection with capital improvements it is considering making to maintain the first-class quality of the Facility, while keeping the apartment rents at a level residents of the Town of Brookhaven can afford. Certain of these improvements will also benefit the new 40-unit multi-family project the principals of Rail Realty are proposing for the adjacent parcel located at 1506 and 1510-1512 Main Street, Port Jefferson, New York. This new premises is proceeding through the planning stage with the Village of Port Jefferson, and the developers will submit an Application for Financial Assistance to the Agency at the appropriate time.

Anthony J. Gitto, the managing member of Rail Realty, has been in the real estate development business for almost 50 years. He and members of his family, along with various investment partners, have developed several multi-family rental projects in the Port Jefferson area, and have received significant assistance from the Agency. The Gitto Group, the family's development arm, has also constructed, leased and managed several million square feet of retail and office properties. It has received Vision Long Island's Smart Growth Award in each of 2002, 2016, 2022 and 2025. The Long Island Business Development Council named it the Developer of the Year in 2016.

Ms. Lisa M.G. Mulligan
October 6, 2025
Page 2

Mr. Gitto also owns a property management company to manage commercial and residential properties and, together with his son Robert Gitto, a Port Jefferson-based real estate brokerage. The family is well-known in the Village of Port Jefferson and the surrounding area for the quality of its projects.

To obtain the Agency's assistance, Rail Realty proposes to rent 8 of the units at the Facility to residents who earn no more than 100% of the Long Island adjusted median income (the "AMI"), and an additional 8 units to residents earning no more than 120% of the AMI. We realize that this proposal varies from the affordability standard the Agency seeks for multi-family rental projects applying for its assistance. However, the Gitto Group has experienced difficulty in obtaining tenants for units designated for residents earning 80% of AMI or less. The developer works with The Long Island Housing Partnership to obtain applications for units in its most recent project, and to screen the applicants. It took a considerable period of time to rent up the subject units, and there is no current waiting list to rent units once they become available. Rail Realty believes that there will be a greater market of potential tenants at 100% AMI who will still benefit from rents at less than the market rate.

We respectfully request that the foregoing matter be added to the agenda of the Agency's upcoming board meeting.

Please do not hesitate to contact me with any questions.

Very truly yours,

Peter L. Curry

Peter L. Curry

cc: Mr. Robert Gitto
Joseph Gitto, Esq.
Laura Fallick, Esq.

Year	PILOT
2026/27	\$ 222,898
2027/28	\$ 265,097
2028/29	\$ 309,080
2029/30	\$ 354,717
2030/31	\$ 402,056
2031/32	\$ 451,146
2032/33	\$ 502,039
PROPOSED PILOT BENEFITS ARE FOR DISCUSSION PURPOSES ONLY AND HAVE NOT BEEN APPROVED BY THE AGENCY.	



RAIL REALTY LLC

414 Main Street – Suite 202, Port Jefferson, NY 11777

August 3, 2026

Board of Directors
Town of Brookhaven Industrial Development Agency
One Independence Hill
Farmingville, New York 11738

Re: Rail Realty LLC – Request for Extension and Restructuring of PILOT Benefits

Dear Members of the Board:

On behalf of Rail Realty LLC (“Rail Realty”), we write at the request of the Town of Brookhaven Industrial Development Agency following our meeting and presentation on July 15, 2026. This letter sets forth the revised payment-in-lieu-of-taxes structure proposed by Rail Realty in connection with its application for an extension and restructuring of the real property tax benefits currently provided to its residential project in the Village of Port Jefferson (the “Project”).

Rail Realty recognizes that the existing PILOT—under which the improvements are fully exempt and real property taxes are paid on the land only—was particularly favorable and cannot reasonably be continued on the same terms. Rail Realty is not seeking to replicate that arrangement.

Instead, Rail Realty respectfully requests approval of a ten-year PILOT providing a fixed 70% abatement of the Project’s otherwise applicable real property taxes. Under the proposed structure, Rail Realty would pay 30% of the otherwise applicable real property taxes during each year of the ten-year PILOT term, after which the Project would return to full taxation.

This proposal represents a substantial reduction from the Project’s existing benefits. Using the first-year projections contained in the April 2026 Reasonableness Assessment prepared by Camoin Associates, the existing land-only PILOT produces an estimated payment of approximately \$19,760. Based upon Camoin’s projected full real property taxes of \$445,796, the proposed structure would result in an estimated first-year payment of approximately \$133,739.

Accordingly, based upon the Camoin projections, the proposed PILOT would increase the Project’s first-year tax payment by approximately \$113,979. Rail Realty’s estimated payment would therefore be approximately 6.8 times the amount payable under the existing land-only PILOT.

The requested PILOT does not represent a continuation of the status quo. It immediately generates a substantial increase in revenue for the affected taxing jurisdictions while providing



RAIL REALTY LLC

414 Main Street – Suite 202, Port Jefferson, NY 11777

the Project with the stability necessary to address increased operating and financing costs, undertake substantial additional improvements, preserve attainable rental levels and comply with the Agency's affordability requirements.

Proposed Property and Community Investment

In connection with the requested PILOT, Rail Realty proposes to undertake approximately \$620,000 in additional property and community improvements.

Approximately \$450,000 would be invested directly in the Project, including:

- \$75,000 to upgrade tenant fitness equipment and implement a wellness center for residents;
- \$150,000 to replace common-area carpet squares in the residential hallways and fitness center;
- \$50,000 for new outdoor lounge furniture;
- \$50,000 to install additional electric-vehicle charging stations;
- \$95,000 to upgrade wall coverings in the lobby and corridors; and
- \$30,000 to install new common-area sconces.

These improvements will enhance the condition, functionality and long-term competitiveness of the property, improve the residential experience for tenants and support the continued viability of an important housing project within uptown Port Jefferson.

In addition, subject to further discussion and coordination with the Mayor and Village of Port Jefferson, Rail Realty proposes to contribute approximately \$170,000 toward improvements benefiting the surrounding uptown community, including:

- \$25,000 toward the replacement of damaged decorative lanterns surrounding the property;
- \$60,000 toward a new pedestrian walkway connecting the property with Main Street in uptown Port Jefferson;
- \$35,000 toward improvements to the playground at the Village's public Texaco Park; and
- \$50,000 as a contribution to the dedicated uptown Port Jefferson improvement fund.

The precise scope, timing and implementation of these community improvements would be determined in cooperation with the Village. Collectively, the proposed expenditures demonstrate that the requested PILOT would support not only continued investment in the Project, but also tangible improvements to the surrounding public realm and the broader uptown district.



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414 Main Street – Suite 202, Port Jefferson, NY 11777

Current Operating and Financing Conditions

The Project operates in an economic environment materially different from the one that existed when the original PILOT was approved. Insurance premiums, maintenance expenses, labor costs, utilities and other operating expenses have increased substantially. These increases directly reduce the funds available for property maintenance, capital improvements and the preservation of attainable housing.

The Project's existing financing, which bears interest at approximately 3.40%, matures on August 31, 2027 and will need to be refinanced in a materially higher interest-rate environment. Although the Camoin report assumed a refinancing rate of 5.50% and an associated annual debt-service increase of approximately \$33,400, current refinancing indications are approximately 6.20%. A refinancing at approximately 6.20% would represent an increase of approximately 280 basis points over the Project's existing interest rate. The resulting debt-service obligations would be materially greater than those reflected in the Camoin analysis.

Similarly, the operating-expense assumptions contained in the Camoin report do not fully reflect the Project's actual and anticipated insurance costs. The financial projections contained in the report should therefore be considered in light of the higher insurance and refinancing expenses that Rail Realty will actually be required to absorb.

These are not discretionary expenditures. Adequate insurance coverage, responsible property maintenance, necessary capital investment and refinancing of the existing indebtedness are essential to the continued operation and preservation of the Project.

The requested PILOT would allow Rail Realty to address these increased expenses and direct meaningful capital toward the proposed property and community improvements. Without continued assistance, a significantly greater portion of available Project cash flow would be devoted to real property taxes and increased debt service, reducing the funds available for the proposed work and placing additional pressure on the Project's long-term operating performance.

Housing Affordability and Existing Rental Levels

Rail Realty recognizes that a meaningful affordable or workforce housing component must accompany any extension of benefits and will comply with the affordability requirements established by the Agency in connection with the requested PILOT.

The Project's contribution to housing affordability, however, is not limited to the units that may be formally designated under an affordability program. Many of the Project's current in-place rents are below the prevailing rents for comparable residential units in the surrounding market. Rail Realty has not sought to maximize rents throughout the property, instead maintaining rental levels that allow the Project to serve a broad range of residents.



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If the existing PILOT were permitted to expire without a replacement benefit, the resulting increase in real property taxes, when combined with increased insurance costs, higher operating expenses, anticipated refinancing costs and the proposed \$620,000 improvement program, would create significant economic pressure to increase rents to prevailing market levels as leases expire or are renewed. The result would be inconsistent with the recognized need to preserve attainable housing opportunities on Long Island and with the affordability objectives underlying the Agency's housing policy.

The requested benefit would allow Rail Realty to continue maintaining reasonable rental levels while complying with the Agency's affordability requirements, making the proposed property and community improvements and substantially increasing its payments to the affected taxing jurisdictions.

A Balanced Ten-Year Structure

Rail Realty believes the proposed PILOT presents a fair and reasonable balance between the needs of the Project and the interests of the affected taxing jurisdictions. The proposed structure would:

- replace the existing land-only PILOT with a substantially reduced benefit;
- immediately increase the Project's estimated annual tax payment from approximately \$19,760 to approximately \$133,739, based upon the first-year Camoin projections;
- require Rail Realty to pay 30% of the Project's otherwise applicable real property taxes throughout the ten-year term;
- provide a fixed and predictable structure during the Project's refinancing and improvement period;
- support approximately \$450,000 in direct investment in the property;
- facilitate approximately \$170,000 in community improvements, subject to coordination with the Village;
- comply with the affordability requirements established by the Agency;
- reduce the economic pressure to increase existing rents to prevailing market levels, thereby supporting the preservation of attainable housing within the Village and on Long Island; and
- provide a fixed ten-year term, after which the Project would return to full taxation.

Rail Realty and its principals have a longstanding connection to Port Jefferson and have invested substantial time, capital and effort in the Village. The Project was an important part of the early redevelopment of the uptown area, and Rail Realty remains committed to the continued success of both the property and the surrounding community.

For the foregoing reasons, Rail Realty respectfully requests that the Agency approve a ten-year PILOT providing a fixed 70% abatement of the Project's otherwise applicable real property taxes, with Rail Realty paying 30% of those taxes during each year of the PILOT term.



RAIL REALTY LLC

414 Main Street – Suite 202, Port Jefferson, NY 11777

We appreciate the time and consideration given to the application, as well as the opportunity to meet with and present the Project to the Agency. Rail Realty is prepared to work cooperatively with the Agency, its staff and the Village of Port Jefferson to finalize an appropriate PILOT agreement, affordability requirements and community improvement program.

Respectfully submitted,

RAIL REALTY LLC

By: 

Name: Anthony J. Gitto

Title: Authorized Member

PREPARED FOR:

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

Reasonableness Assessment for Financial Assistance

RAIL REALTY

APRIL 2026

PREPARED BY:



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EXECUTIVE SUMMARY

Project Description

The Town of Brookhaven Industrial Development Agency (Agency) received an application from Rail Realty (Applicant) to extend the existing Payment In Lieu of Taxes (PILOT) Agreement beyond the initial 10 years. When the applicant first received the PILOT, the Agency offered 10 years for land only, with no affordability requirements. With this most recent request, the Agency will follow current protocol and require a certain percentage of the units to be reserved for low- and moderate-income individuals. The following study is intended to consider the financial viability of five scenarios:

1. 10 Year PILOT: Including a requirement to set aside 10% for 80% AMI and 10% for 120% AMI
2. 10 Year PILOT: Including a requirement to set aside 20% for 80% AMI
3. 5 Year PILOT: Including a requirement to set aside 10% for 80% AMI and 10% for 120% AMI
4. 5 Year PILOT: Including a requirement to set aside 20% for 80% AMI
5. No PILOT: No requirement or oversight by the Agency, and therefore assumes no set aside for affordable units.

The Applicant has indicated that this request is associated with a minor renovation totaling \$600,000, while continuing to repay a loan originally obtained 10 years ago. This loan matures on August 31, 2027, at which point the rate is expected to increase by approximately \$33,400,

Purpose of this Analysis

An objective, third-party review of a project's assumptions and estimated operating and financial performance helps Industrial Development Agencies perform a complete evaluation of a proposed Project. Camoin Associates was engaged to analyze the Project and deliver an analysis and opinion to answer three questions:

- ◆ Are the operating assumptions, such as rent, vacancy, and expenses, within regional norms?
- ◆ Is the assistance necessary for the Project to be financially feasible and, therefore, undertaken by the Applicant?
- ◆ If assistance is awarded, will the Applicant's rate of return on investment be similar to market expectations for similar projects in the region and, therefore, reasonable?

Findings: This analysis concludes that the answer to each of these questions is as follows:

- ***Certain assumptions fall within standard norms, such as market rent and vacancy rate. However, operating expenses are more efficient than the benchmarks.***
- ***The average equity dividend rate benchmark is achieved under all PILOT scenarios and is met in the No PILOT and market apartment scenario. A PILOT of some length will be necessary to incentivize the inclusion of affordable units in the development.***

1. OPERATING ASSUMPTIONS

The applicant is already operating this 74-unit residential building in Brookhaven and has achieved reasonable occupancy rates while charging market-rate prices. If the applicant accepts a PILOT, they would need to set aside units for residents meeting established income limits and charge the designated rental rates. Since they are not planning to create new market-rate units and the other units will be monitored, comparing rental rates to Suffolk County standards is unnecessary.

The following table shows the current rental rates charged for the 74 units. If a PILOT is approved, 20% of the units will need to be set aside for households within certain income limits.

RESIDENTIAL UNITS

	Unit Type	Number of Units		Rent per Month	Rent per Year
	Studio	3	\$	2,500	\$ 240,000
Market Rate	1BR	64	\$	2,800	\$ 235,200
	2BR	7	\$	3,400	\$ 285,600

Source: Applicant

2. PILOT ANALYSIS

Camoin Associates developed two PILOT schedules aligned with the Agency's Uniform Tax Exemption Policy (UTEP). These schedules would gradually fully assess the property's value over 5 or 10 years. The Applicant will start paying full taxes in year 6 or 11, based on the PILOT agreement. These tables and this analysis use a 10-year span to effectively compare the scenarios.

PILOT Schedule - 5 Year Agency Proposed

Year	Property Without Project (1)	Plus: Improvements			Estimated PILOT Savings (2)	Project w/out PILOT (2)
		Projected Improvement Tax (2)	Proposed Exemption (1)	Total PILOT and Taxes (1)		
PILOT/Tax Year 1	\$19,760	\$426,036	80%	\$104,967	\$340,829	\$445,796
PILOT/Tax Year 2	\$20,155	\$434,557	60%	\$193,978	\$260,734	\$454,712
PILOT/Tax Year 3	\$20,558	\$443,248	40%	\$286,507	\$177,299	\$463,806
PILOT/Tax Year 4	\$20,969	\$452,113	20%	\$382,660	\$90,423	\$473,082
PILOT/Tax Year 5	\$21,389	\$461,155	10%	\$436,428	\$46,116	\$482,544
<i>Tax Year 6</i>	<i>\$21,817</i>	<i>\$470,378</i>	<i>0%</i>	<i>\$492,195</i>	<i>\$0</i>	<i>\$492,195</i>
<i>Tax Year 7</i>	<i>\$22,253</i>	<i>\$479,786</i>	<i>0%</i>	<i>\$502,039</i>	<i>\$0</i>	<i>\$502,039</i>
<i>Tax Year 8</i>	<i>\$22,698</i>	<i>\$489,381</i>	<i>0%</i>	<i>\$512,079</i>	<i>\$0</i>	<i>\$512,079</i>
<i>Tax Year 9</i>	<i>\$23,152</i>	<i>\$499,169</i>	<i>0%</i>	<i>\$522,321</i>	<i>\$0</i>	<i>\$522,321</i>
<i>Tax Year 10</i>	<i>\$23,615</i>	<i>\$509,152</i>	<i>0%</i>	<i>\$532,767</i>	<i>\$0</i>	<i>\$532,767</i>
Total	\$216,366			\$3,965,942	\$915,400	\$4,881,342

(1) Source: Town of Brookhaven

(2) Source: Applicant

Note: Property will pay full property taxes starting in year 6 (shown in italics). Ten years are shown in the table to allow for consistent comparison with the 10 year PILOT.

PILOT Schedule - 10 Year Requested

Year	Property Without Project (1)	Plus: Improvements			Estimated PILOT Savings (2)	Project w/out PILOT (2)
		Projected Improvement Tax (2)	Proposed Exemption (1)	Total PILOT (1)		
PILOT/Tax Year 1	\$19,760	\$426,036	90%	\$62,364	\$383,432	\$445,796
PILOT/Tax Year 2	\$20,155	\$434,557	80%	\$107,067	\$347,645	\$454,712
PILOT/Tax Year 3	\$20,558	\$443,248	70%	\$153,533	\$310,273	\$463,806
PILOT/Tax Year 4	\$20,969	\$452,113	60%	\$201,815	\$271,268	\$473,082
PILOT/Tax Year 5	\$21,389	\$461,155	50%	\$251,966	\$230,578	\$482,544
PILOT/Tax Year 6	\$21,817	\$470,378	40%	\$304,044	\$188,151	\$492,195
PILOT/Tax Year 7	\$22,253	\$479,786	30%	\$358,103	\$143,936	\$502,039
PILOT/Tax Year 8	\$22,698	\$489,381	20%	\$414,203	\$97,876	\$512,079
PILOT/Tax Year 9	\$23,152	\$499,169	10%	\$472,404	\$49,917	\$522,321
PILOT/Tax Year 10	\$23,615	\$509,152	5%	\$507,310	\$25,458	\$532,767
Total	\$216,366			\$2,832,808	\$2,048,534	\$4,881,342

(1) Source: Town of Brookhaven

(2) Source: Applicant

The 10-year PILOT agreement will abate 42.0% of the Applicant's taxes, resulting in \$2.0 million in foregone tax revenue (benefit to the Project) to the municipality over the next 10 years.

The 5-year PILOT agreement will abate 18.8% of the Applicant's taxes, resulting in \$915,400 in foregone tax revenue (benefit to the Project) to the municipality over the next 10 years.

Real Property Tax Comparison

	10 Year PILOT, Affordable Units	5 Year PILOT, Affordable Units	10 Year No PILOT, Market Rate Units
<u>Comparison of Taxes on Full Value of Project and with PILOT</u>			
Taxes without PILOT	\$4,881,342	\$4,881,342	\$4,881,342
Less: PILOT/Tax Payments	<u>(\$2,832,808)</u>	<u>(\$3,965,942)</u>	<u>(\$4,881,342)</u>
Foregone Revenue (Benefits to Project)	\$2,048,534	\$915,400	\$0
Abatement Percent	42.0%	18.8%	0.0%
<u>Net New Taxes Compared with No Project</u>			
PILOT/Tax Payments	\$2,832,808	\$3,965,942	\$4,881,342
Less: Estimated Taxes without Project	<u>(\$216,366)</u>	<u>(\$216,366)</u>	<u>(\$216,366)</u>
Estimated New Tax Revenue (Benefits to Municipalities)	\$2,616,441	\$3,749,575	\$4,664,975

3. OPERATING PERFORMANCE

The project's year 5 operating performance is measured, which is the mid-year of the pro forma period studied. The Applicant assumes that gross revenue and expenses will increase by 3% and 2% per year, respectively, and that the vacancy rate will stabilize at 4%, within the range for Suffolk County, NY. Operating expenses are lower than the benchmarks for all scenarios. Without a PILOT, real property taxes absorb 17% of project income, while debt service absorbs 34%, resulting in a positive cash flow of nearly \$338,000.

With a 10-year PILOT and related affordable housing requirements, property taxes absorb 9% of gross operating income and have a positive cash flow between \$524,000 and \$552,800.

With a 5-year PILOT and related affordable housing requirements, property taxes absorb 15% - 16% of gross operating income and have a positive cash flow between \$339,500 and \$367,400.

Operations Snapshot

	10 Year PILOT, 80%/120% AMI (Year 5)		10 Year PILOT, 80% AMI (Year 5)		5 Year PILOT, 80%/120% AMI (Year 5)		5 Year PILOT, 80% AMI (Year 5)		10 Year No PILOT, Market (Year 5)		Benchmark Performance (2)	
	Share of Project Performance (1)	Gross Operating Income	Share of Project Performance (1)	Gross Operating Income	Share of Project Performance (1)	Gross Operating Income	Share of Project Performance (1)	Gross Operating Income	Share of Project Performance (1)	Gross Operating Income	Benchmark Expectation (2)	Evaluation
<u>Calculation of Net Operating Income Residential</u>												
Gross Operating Income	\$2,795,358	99%	\$2,766,604	99%	\$2,795,358	99%	\$2,766,604	99%	\$2,812,644	99%	n/a	n/a
Vacancy Rate and Concessions	4%	n/a	4%	n/a	4%	n/a	4%	n/a	4%	n/a	5.6%	Within range
<u>Calculation of Net Operating Income, Non-Residential</u>												
Gross Operating Income	\$28,094	1%	\$28,094	1%	\$28,094	1%	\$28,094	1%	\$28,094	1%	n/a	n/a
Vacancy Rate	0%	n/a	0%	n/a	0%	n/a	0%	n/a	0%	n/a	n/a	n/a
Effective Gross Income (EGI), All Uses (3)	\$2,739,592	97%	\$2,711,700	97%	\$2,739,592	97%	\$2,711,700	97%	\$2,756,359	97%	94%	Within range
Less: Operating Expenses and Reserve	(\$951,726)	34%	(\$951,726)	34%	(\$951,726)	34%	(\$951,726)	34%	(\$951,726)	34%	54%	More efficient
Less: Real Property Taxes	(\$251,966)	9%	(\$251,966)	9%	(\$436,428)	15%	(\$436,428)	16%	(\$482,544)	17%	n/a	n/a
Net Operating Income	\$1,535,899	54%	\$1,508,008	54%	\$1,351,437	48%	\$1,323,546	47%	\$1,322,090	47%	43%	More efficient/ Within range
Less: Debt Service	(\$984,051)	35%	(\$984,051)	35%	(\$984,051)	35%	(\$984,051)	35%	(\$984,051)	35%	n/a	n/a
Cashflow after Operating Costs, Taxes, Debt	\$551,848	20%	\$523,956	19%	\$367,386	13%	\$339,494	12%	\$338,038	12%	n/a	n/a

(1) Source: Applicant

(2) Source: RealtyRates Q4 2025 for Northeast Region

(3) Net of vacancy and concessions

4. FINANCING PLAN

- ◆ The Sources and Uses of Funds show the total project costs and debt and equity capital structure.
- ◆ The Applicant will not be receiving a new loan for any portion of this Project but originally contributed \$4.05 million in equity. They continue to pay off the original loan.
- ◆ The Applicant has indicated that this request is associated with a minor renovation totaling \$600,000, while continuing to repay a loan originally obtained 10 years ago to develop the property. Notably, this loan matures on August 31, 2027, at which point the rate is expected to reset. Based on an assumed interest rate of 5.50% and a 25-year amortization, the rate reset would increase annual debt service by approximately \$33,400, reducing 2027 cash flow accordingly. However, given recent interest rate increases, the actual rate at reset remains uncertain, and 2027 cash flow projections should be treated with caution.

Sources and Uses of Funds

<u>Sources of Funds</u>	<u>Amount (1)</u>	<u>Share</u>
Bank Financing	\$0	0%
Equity and Working Capital	<u>\$600,000</u>	<u>100%</u>
Total Sources	\$600,000	100%
<u>Uses of Funds</u>		
Acquisition and Transaction Costs	\$0	0%
Construction Costs	<u>\$600,000</u>	<u>100%</u>
Total Uses	\$600,000	100%

(1) Source: Applicant

5. RATE OF RETURN

An estimated return on investment is calculated using the Applicant's operating pro forma and capital structure. This analysis measures whether the financial assistance is necessary and reasonable.

Three metrics are used to evaluate outcomes:

- ◆ **Equity Dividend Rate** – Net cash flow for each year, divided by the initial equity investment. Equity Dividend Rates are benchmarked using current market information from RealtyRates.com for similar projects in the region. Equity Dividend Rates close to the benchmarks indicate a Project outcome in line with the current market, which means the Applicant is earning a reasonable return.

Based on an initial equity investment of \$4,050,000, the Project's average equity dividend exceeds average benchmarks in all PILOT scenarios and meets benchmarks in the No PILOT scenario.

- ◆ **Cash Flow** – Shows the applicant's net cash flow over time. There are currently no cash flow benchmarks available. The investment for the current project (\$600,000) is recouped before year 3 in all scenarios.

- ◆ **Debt Service Coverage** – Estimates how well the Project's net income, after taxes, supports debt repayment. The benchmark range is 1.00 to 1.85 with an average of 1.43. In year 1, Debt Service Coverage exceeded the benchmark in all scenarios.

Comparison of Return on Investment						
	<u>10 Year PILOT, 80%/120% AMI</u>	<u>10 Year PILOT, 80% AMI</u>	<u>5 Year PILOT, 80%/120% AMI</u>	<u>5 Year PILOT, 80% AMI</u>	<u>10 Year No PILOT, Market</u>	<u>Benchmarks (1)</u>
<u>Equity Dividend Rates</u>						
Average (10 years)	14.22%	13.52%	11.42%	10.72%	9.58%	
Minimum (10 years)	13.39%	12.74%	9.05%	8.38%	6.12%	4.67%
Maximum (10 years)	15.74%	15.11%	14.56%	13.95%	14.60%	to 13.51%
Average (5 years)	14.38%	13.73%	11.28%	10.63%	7.15%	Ave: 9.53%
Year Benchmarks Met	1	1	1	1	1	
<u>Cash Flow</u>						
Average	\$575,805	\$547,395	\$462,491	\$434,082	\$388,030	
Minimum	\$542,346	\$516,055	\$366,354	\$339,274	\$247,877	
Maximum	\$637,448	\$611,923	\$589,596	\$564,814	\$591,330	n/a
Cumulative	\$5,758,047	\$5,473,954	\$4,624,913	\$4,340,820	\$3,880,302	
Year Investment Recouped	1	1	1	2	3	
<u>Debt Service Coverage</u>						
Average	1.60	1.57	1.48	1.45	1.40	1.00
Minimum	1.55	1.52	1.37	1.34	1.25	to
Maximum	1.72	1.69	1.67	1.64	1.60	1.85
Years Benchmarks Met	1	1	1	1	1	Ave: 1.43

(1) Source: RealtyRates for Q4 2025

ATTACHMENT 1: PRO FORMAS

Rail Realty LLC	Date		As of 4/15/2026									
Annual Cashflows (Pro Forma)												
	Construction	Year 2026	Year 2027	Year 2028	Year 2029	Year 2030	Year 2031	Year 2032	Year 2033	Year 2034	Year 2035	
Operating Cash Flow												
Residential Income												
Gross Operating Income (100% Market Rate Units)	\$	-	\$ 2,498,998	\$ 2,573,968	\$ 2,651,187	\$ 2,730,723	\$ 2,812,644	\$ 2,897,024	\$ 2,983,935	\$ 3,073,453	\$ 3,165,656	\$ 3,260,626
Less: Vacancy Allowance (enter as a negative number)	\$	-	\$ (74,970)	\$ (77,219)	\$ (79,536)	\$ (81,922)	\$ (84,379)	\$ (86,911)	\$ (89,518)	\$ (92,204)	\$ (94,970)	\$ (97,819)
Net Rental Income, Residential	\$	-	\$ 2,424,028	\$ 2,496,749	\$ 2,571,652	\$ 2,648,801	\$ 2,728,265	\$ 2,810,113	\$ 2,894,417	\$ 2,981,249	\$ 3,070,686	\$ 3,162,807
Commercial/Industrial Income												
Gross Operating Income	\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Less: Vacancy Allowance (enter as a negative number)	\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Rental Income, Commercial/Industrial	\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Income												
Parking Income	\$	-	\$ 27,749	\$ 27,749	\$ 27,749	\$ 27,749	\$ 27,749	\$ 27,749	\$ 27,749	\$ 27,749	\$ 27,749	\$ 27,749
Pet Income	\$	-	\$ 3,881	\$ 3,881	\$ 3,881	\$ 3,881	\$ 3,881	\$ 3,881	\$ 3,881	\$ 3,881	\$ 3,881	\$ 3,881
Storage Income	\$	-	\$ 345	\$ 345	\$ 345	\$ 345	\$ 345	\$ 345	\$ 345	\$ 345	\$ 345	\$ 345
Net Income, Other	\$	-	\$ 28,094	\$ 28,094	\$ 28,094	\$ 28,094	\$ 28,094	\$ 28,094	\$ 28,094	\$ 28,094	\$ 28,094	\$ 28,094
Effective Gross Income (EGI)	\$	-	\$ 2,452,123	\$ 2,524,843	\$ 2,599,746	\$ 2,676,895	\$ 2,756,359	\$ 2,838,207	\$ 2,922,511	\$ 3,009,343	\$ 3,098,781	\$ 3,190,901
Operating Expenses (enter positive numbers)												
Salaries and Wages	\$	-	\$ 95,038	\$ 96,939	\$ 98,878	\$ 100,855	\$ 102,872	\$ 104,930	\$ 107,029	\$ 109,169	\$ 111,352	\$ 113,580
Maintenance	\$	-	\$ 514,651	\$ 530,091	\$ 545,994	\$ 562,374	\$ 579,245	\$ 596,622	\$ 614,521	\$ 632,956	\$ 651,945	\$ 671,503
Deposit to replacement reserve	\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Insurance	\$	-	\$ 249,077	\$ 254,058	\$ 259,139	\$ 264,322	\$ 269,609	\$ 275,001	\$ 280,501	\$ 286,111	\$ 291,833	\$ 297,670
Other	\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Expenses	\$	-	\$ 858,766	\$ 881,088	\$ 904,011	\$ 927,551	\$ 951,726	\$ 976,553	\$ 1,002,050	\$ 1,028,236	\$ 1,055,131	\$ 1,082,753
Pre-Tax Operating Income (Revenue less Operating Expenses)	\$	-	\$ 1,593,356	\$ 1,643,755	\$ 1,695,735	\$ 1,749,344	\$ 1,804,634	\$ 1,861,655	\$ 1,920,461	\$ 1,981,107	\$ 2,043,650	\$ 2,108,149
Real Property Taxes (assuming no PILOT)	\$	-	\$ 445,796	\$ 454,712	\$ 463,806	\$ 473,082	\$ 482,544	\$ 492,195	\$ 502,039	\$ 512,079	\$ 522,321	\$ 532,767
Net Operating Income (NOI) after Taxes	\$	-	\$ 1,147,560	\$ 1,189,043	\$ 1,231,929	\$ 1,276,262	\$ 1,322,090	\$ 1,369,460	\$ 1,418,422	\$ 1,469,028	\$ 1,521,329	\$ 1,575,381
Loan or Mortgage (Debt Service)												
Interest Payment	\$	-	\$ 457,879	\$ 457,879	\$ 726,000	\$ 711,807	\$ 696,834	\$ 681,037	\$ 664,371	\$ 646,789	\$ 628,239	\$ 608,669
Principal Payment	\$	-	\$ 426,016	\$ 426,016	\$ 258,051	\$ 272,244	\$ 287,218	\$ 303,015	\$ 319,681	\$ 337,263	\$ 355,812	\$ 375,382
Debt Service	\$	-	\$ 883,895	\$ 883,895	\$ 984,051	\$ 984,051	\$ 984,051	\$ 984,051	\$ 984,051	\$ 984,051	\$ 984,051	\$ 984,051
Cash Flow After Financing and Reserve	\$	-	\$ 263,665	\$ 305,148	\$ 247,877	\$ 292,211	\$ 338,038	\$ 385,408	\$ 434,371	\$ 484,976	\$ 537,278	\$ 591,330
Debt Service Coverage Ratio (DSCR)			1.30	1.35	1.25	1.30	1.34	1.39	1.44	1.49	1.55	1.60
Equity Dividend Rate			7%	8%	6%	7%	8%	10%	11%	12%	13%	15%

Reasonableness Assessment for Rail Realty, Town of Brookhaven Industrial Development Agency

Rail Realty LLC	Date	As of 4/15/2026									
Annual Cashflows (Pro Forma)											
	Construction	Year 2026	Year 2027	Year 2028	Year 2029	Year 2030	Year 2031	Year 2032	Year 2033	Year 2034	Year 2035
Operating Cash Flow											
Residential Income											
Gross Operating Income (10% @ 80% AMI and 10% @ 120% AMI)	\$ -	\$ 2,483,639	\$ 2,558,149	\$ 2,634,893	\$ 2,713,940	\$ 2,795,358	\$ 2,879,219	\$ 2,965,595	\$ 3,054,563	\$ 3,146,200	\$ 3,240,586
Less: Vacancy Allowance (enter as a negative number)	\$ -	\$ (74,509)	\$ (76,744)	\$ (79,047)	\$ (81,418)	\$ (83,861)	\$ (86,377)	\$ (88,968)	\$ (91,637)	\$ (94,386)	\$ (97,218)
Net Rental Income, Residential	\$ -	\$ 2,409,130	\$ 2,481,404	\$ 2,555,846	\$ 2,632,522	\$ 2,711,497	\$ 2,792,842	\$ 2,876,628	\$ 2,962,926	\$ 3,051,814	\$ 3,143,369
Commercial/Industrial Income											
Gross Operating Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Less: Vacancy Allowance (enter as a negative number)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Rental Income, Commercial/Industrial	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Income											
Parking Income	\$ -	\$ 27,749	\$ 27,749	\$ 27,749	\$ 27,749	\$ 27,749	\$ 27,749	\$ 27,749	\$ 27,749	\$ 27,749	\$ 27,749
Pet Income	\$ -	\$ 3,881	\$ 3,881	\$ 3,881	\$ 3,881	\$ 3,881	\$ 3,881	\$ 3,881	\$ 3,881	\$ 3,881	\$ 3,881
Storage Income	\$ -	\$ 345	\$ 345	\$ 345	\$ 345	\$ 345	\$ 345	\$ 345	\$ 345	\$ 345	\$ 345
Net Income, Other	\$ -	\$ 28,094	\$ 28,094	\$ 28,094	\$ 28,094	\$ 28,094	\$ 28,094	\$ 28,094	\$ 28,094	\$ 28,094	\$ 28,094
Effective Gross Income (EGI)	\$ -	\$ 2,437,225	\$ 2,509,498	\$ 2,583,941	\$ 2,660,616	\$ 2,739,592	\$ 2,820,937	\$ 2,904,722	\$ 2,991,021	\$ 3,079,908	\$ 3,171,463
Operating Expenses (enter positive numbers)											
Salaries and Wages	\$ -	\$ 95,038	\$ 96,939	\$ 98,878	\$ 100,855	\$ 102,872	\$ 104,930	\$ 107,029	\$ 109,169	\$ 111,352	\$ 113,580
Maintenance	\$ -	\$ 514,651	\$ 530,091	\$ 545,994	\$ 562,374	\$ 579,245	\$ 596,622	\$ 614,521	\$ 632,956	\$ 651,945	\$ 671,503
Deposit to replacement reserve	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Insurance	\$ -	\$ 249,077	\$ 254,058	\$ 259,139	\$ 264,322	\$ 269,609	\$ 275,001	\$ 280,501	\$ 286,111	\$ 291,833	\$ 297,670
Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Expenses	\$ -	\$ 858,766	\$ 881,088	\$ 904,011	\$ 927,551	\$ 951,726	\$ 976,553	\$ 1,002,050	\$ 1,028,236	\$ 1,055,131	\$ 1,082,753
Pre-Tax Operating Income (Revenue less Operating Expenses)	\$ -	\$ 1,578,458	\$ 1,628,410	\$ 1,679,930	\$ 1,733,065	\$ 1,787,866	\$ 1,844,384	\$ 1,902,672	\$ 1,962,784	\$ 2,024,778	\$ 2,088,710
Real Property Taxes (assuming 10 year PILOT)	\$ -	\$ 62,364	\$ 107,067	\$ 153,533	\$ 201,815	\$ 251,966	\$ 304,044	\$ 358,103	\$ 414,203	\$ 472,404	\$ 507,310
Net Operating Income (NOI) after Taxes	\$ -	\$ 1,516,095	\$ 1,521,344	\$ 1,526,397	\$ 1,531,250	\$ 1,535,899	\$ 1,540,340	\$ 1,544,569	\$ 1,548,581	\$ 1,552,374	\$ 1,581,400
Loan or Mortgage (Debt Service)											
Interest Payment	\$ -	\$ 457,879	\$ 457,879	\$ 726,000	\$ 711,807	\$ 696,834	\$ 681,037	\$ 664,371	\$ 646,789	\$ 628,239	\$ 608,669
Principal Payment	\$ -	\$ 426,016	\$ 426,016	\$ 258,051	\$ 272,244	\$ 287,218	\$ 303,015	\$ 319,681	\$ 337,263	\$ 355,812	\$ 375,382
Debt Service	\$ -	\$ 883,895	\$ 883,895	\$ 984,051	\$ 984,051	\$ 984,051	\$ 984,051	\$ 984,051	\$ 984,051	\$ 984,051	\$ 984,051
Cash Flow After Financing and Reserve	\$ -	\$ 632,199	\$ 637,448	\$ 542,346	\$ 547,199	\$ 551,848	\$ 556,289	\$ 560,517	\$ 564,530	\$ 568,322	\$ 597,349
Debt Service Coverage Ratio (DSCR)		1.72	1.72	1.55	1.56	1.56	1.57	1.57	1.57	1.58	1.61
Equity Dividend Rate		16%	16%	13%	14%	14%	14%	14%	14%	14%	15%

Reasonableness Assessment for Rail Realty, Town of Brookhaven Industrial Development Agency

Rail Realty LLC	Date	As of 4/15/2026									
Annual Cashflows (Pro Forma)											
	Construction	Year 2026	Year 2027	Year 2028	Year 2029	Year 2030	Year 2031	Year 2032	Year 2033	Year 2034	Year 2035
Operating Cash Flow											
<u>Residential Income</u>											
Gross Operating Income (20% @ 80% AMI)	\$ -	\$ 2,458,091	\$ 2,531,834	\$ 2,607,789	\$ 2,686,023	\$ 2,766,604	\$ 2,849,602	\$ 2,935,090	\$ 3,023,142	\$ 3,113,837	\$ 3,207,252
Less: Vacancy Allowance (enter as a negative number)	\$ -	\$ (73,743)	\$ (75,955)	\$ (78,234)	\$ (80,581)	\$ (82,998)	\$ (85,488)	\$ (88,053)	\$ (90,694)	\$ (93,415)	\$ (96,218)
Net Rental Income, Residential	\$ -	\$ 2,384,349	\$ 2,455,879	\$ 2,529,556	\$ 2,605,442	\$ 2,683,605	\$ 2,764,114	\$ 2,847,037	\$ 2,932,448	\$ 3,020,422	\$ 3,111,034
<u>Commercial/Industrial Income</u>											
Gross Operating Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Less: Vacancy Allowance (enter as a negative number)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Rental Income, Commercial/Industrial	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<u>Other Income</u>											
Parking Income	\$ -	\$ 27,749	\$ 27,749	\$ 27,749	\$ 27,749	\$ 27,749	\$ 27,749	\$ 27,749	\$ 27,749	\$ 27,749	\$ 27,749
Pet Income	\$ -	\$ 3,881	\$ 3,881	\$ 3,881	\$ 3,881	\$ 3,881	\$ 3,881	\$ 3,881	\$ 3,881	\$ 3,881	\$ 3,881
Storage Income	\$ -	\$ 345	\$ 345	\$ 345	\$ 345	\$ 345	\$ 345	\$ 345	\$ 345	\$ 345	\$ 345
Net Income, Other	\$ -	\$ 28,094	\$ 28,094	\$ 28,094	\$ 28,094	\$ 28,094	\$ 28,094	\$ 28,094	\$ 28,094	\$ 28,094	\$ 28,094
Effective Gross Income (EGI)	\$ -	\$ 2,412,443	\$ 2,483,973	\$ 2,557,650	\$ 2,633,536	\$ 2,711,700	\$ 2,792,208	\$ 2,875,131	\$ 2,960,542	\$ 3,048,516	\$ 3,139,129
<u>Operating Expenses (enter positive numbers)</u>											
Salaries and Wages	\$ -	\$ 95,038	\$ 96,939	\$ 98,878	\$ 100,855	\$ 102,872	\$ 104,930	\$ 107,029	\$ 109,169	\$ 111,352	\$ 113,580
Maintenance	\$ -	\$ 514,651	\$ 530,091	\$ 545,994	\$ 562,374	\$ 579,245	\$ 596,622	\$ 614,521	\$ 632,956	\$ 651,945	\$ 671,503
Deposit to replacement reserve	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Insurance	\$ -	\$ 249,077	\$ 254,058	\$ 259,139	\$ 264,322	\$ 269,609	\$ 275,001	\$ 280,501	\$ 286,111	\$ 291,833	\$ 297,670
Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Expenses	\$ -	\$ 858,766	\$ 881,088	\$ 904,011	\$ 927,551	\$ 951,726	\$ 976,553	\$ 1,002,050	\$ 1,028,236	\$ 1,055,131	\$ 1,082,753
Pre-Tax Operating Income (Revenue less Operating Expenses)	\$ -	\$ 1,553,677	\$ 1,602,885	\$ 1,653,639	\$ 1,705,985	\$ 1,759,974	\$ 1,815,655	\$ 1,873,081	\$ 1,932,306	\$ 1,993,385	\$ 2,056,376
Real Property Taxes (assuming 10 year PILOT)	\$ -	\$ 62,364	\$ 107,067	\$ 153,533	\$ 201,815	\$ 251,966	\$ 304,044	\$ 358,103	\$ 414,203	\$ 472,404	\$ 507,310
Net Operating Income (NOI) after Taxes	\$ -	\$ 1,491,313	\$ 1,495,819	\$ 1,500,106	\$ 1,504,171	\$ 1,508,008	\$ 1,511,612	\$ 1,514,978	\$ 1,518,103	\$ 1,520,981	\$ 1,549,066
<u>Loan or Mortgage (Debt Service)</u>											
Interest Payment	\$ -	\$ 457,879	\$ 457,879	\$ 726,000	\$ 711,807	\$ 696,834	\$ 681,037	\$ 664,371	\$ 646,789	\$ 628,239	\$ 608,669
Principal Payment	\$ -	\$ 426,016	\$ 426,016	\$ 258,051	\$ 272,244	\$ 287,218	\$ 303,015	\$ 319,681	\$ 337,263	\$ 355,812	\$ 375,382
Debt Service	\$ -	\$ 883,895	\$ 883,895	\$ 984,051	\$ 984,051	\$ 984,051	\$ 984,051	\$ 984,051	\$ 984,051	\$ 984,051	\$ 984,051
Cash Flow After Financing and Reserve	\$ -	\$ 607,418	\$ 611,923	\$ 516,055	\$ 520,119	\$ 523,956	\$ 527,560	\$ 530,927	\$ 534,052	\$ 536,930	\$ 565,015
Debt Service Coverage Ratio (DSCR)		1.69	1.69	1.52	1.53	1.53	1.54	1.54	1.54	1.55	1.57
Equity Dividend Rate		15%	15%	13%	13%	13%	13%	13%	13%	13%	14%

Reasonableness Assessment for Rail Realty, Town of Brookhaven Industrial Development Agency

Rail Realty LLC	Date	As of 4/15/2026										
Annual Cashflows (Pro Forma)												
	Construction	Year 2026	Year 2027	Year 2028	Year 2029	Year 2030	Year 2031	Year 2032	Year 2033	Year 2034	Year 2035	
<u>Operating Cash Flow</u>												
<u>Residential Income</u>												
Gross Operating Income (10% @ 80% AMI and 10% @ 120% AMI)	\$ -	\$ 2,483,639	\$ 2,558,149	\$ 2,634,893	\$ 2,713,940	\$ 2,795,358	\$ 2,879,219	\$ 2,965,595	\$ 3,054,563	\$ 3,146,200	\$ 3,240,586	
Less: Vacancy Allowance (enter as a negative number)	\$ -	\$ (74,509)	\$ (76,744)	\$ (79,047)	\$ (81,418)	\$ (83,861)	\$ (86,377)	\$ (88,968)	\$ (91,637)	\$ (94,386)	\$ (97,218)	
Net Rental Income, Residential	\$ -	\$ 2,409,130	\$ 2,481,404	\$ 2,555,846	\$ 2,632,522	\$ 2,711,497	\$ 2,792,842	\$ 2,876,628	\$ 2,962,926	\$ 3,051,814	\$ 3,143,369	
<u>Commercial/Industrial Income</u>												
Gross Operating Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Less: Vacancy Allowance (enter as a negative number)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Net Rental Income, Commercial/Industrial	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
<u>Other Income</u>												
Parking Income	\$ -	\$ 27,749	\$ 27,749	\$ 27,749	\$ 27,749	\$ 27,749	\$ 27,749	\$ 27,749	\$ 27,749	\$ 27,749	\$ 27,749	
Pet Income	\$ -	\$ 3,881	\$ 3,881	\$ 3,881	\$ 3,881	\$ 3,881	\$ 3,881	\$ 3,881	\$ 3,881	\$ 3,881	\$ 3,881	
Storage Income	\$ -	\$ 345	\$ 345	\$ 345	\$ 345	\$ 345	\$ 345	\$ 345	\$ 345	\$ 345	\$ 345	
Net Income, Other	\$ -	\$ 28,094	\$ 28,094	\$ 28,094	\$ 28,094	\$ 28,094	\$ 28,094	\$ 28,094	\$ 28,094	\$ 28,094	\$ 28,094	
Effective Gross Income (EGI)	\$ -	\$ 2,437,225	\$ 2,509,498	\$ 2,583,941	\$ 2,660,616	\$ 2,739,592	\$ 2,820,937	\$ 2,904,722	\$ 2,991,021	\$ 3,079,908	\$ 3,171,463	
<u>Operating Expenses (enter positive numbers)</u>												
Salaries and Wages	\$ -	\$ 95,038	\$ 96,939	\$ 98,878	\$ 100,855	\$ 102,872	\$ 104,930	\$ 107,029	\$ 109,169	\$ 111,352	\$ 113,580	
Maintenance	\$ -	\$ 514,651	\$ 530,091	\$ 545,994	\$ 562,374	\$ 579,245	\$ 596,622	\$ 614,521	\$ 632,956	\$ 651,945	\$ 671,503	
Deposit to replacement reserve	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Insurance	\$ -	\$ 249,077	\$ 254,058	\$ 259,139	\$ 264,322	\$ 269,609	\$ 275,001	\$ 280,501	\$ 286,111	\$ 291,833	\$ 297,670	
Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Operating Expenses	\$ -	\$ 858,766	\$ 881,088	\$ 904,011	\$ 927,551	\$ 951,726	\$ 976,553	\$ 1,002,050	\$ 1,028,236	\$ 1,055,131	\$ 1,082,753	
Pre-Tax Operating Income (Revenue less Operating Expenses)	\$ -	\$ 1,578,458	\$ 1,628,410	\$ 1,679,930	\$ 1,733,065	\$ 1,787,866	\$ 1,844,384	\$ 1,902,672	\$ 1,962,784	\$ 2,024,778	\$ 2,088,710	
Real Property Taxes (assuming 5 year PILOT)	\$ -	\$ 104,967	\$ 193,978	\$ 286,507	\$ 382,660	\$ 436,428	\$ 492,195	\$ 502,039	\$ 512,079	\$ 522,321	\$ 532,767	
Net Operating Income (NOI) after Taxes	\$ -	\$ 1,473,491	\$ 1,434,432	\$ 1,393,423	\$ 1,350,405	\$ 1,351,437	\$ 1,352,189	\$ 1,400,633	\$ 1,450,705	\$ 1,502,457	\$ 1,555,943	
<u>Loan or Mortgage (Debt Service)</u>												
Interest Payment	\$ -	\$ 457,879	\$ 457,879	\$ 726,000	\$ 711,807	\$ 696,834	\$ 681,037	\$ 664,371	\$ 646,789	\$ 628,239	\$ 608,669	
Principal Payment	\$ -	\$ 426,016	\$ 426,016	\$ 258,051	\$ 272,244	\$ 287,218	\$ 303,015	\$ 319,681	\$ 337,263	\$ 355,812	\$ 375,382	
Debt Service	\$ -	\$ 883,895	\$ 883,895	\$ 984,051	\$ 984,051	\$ 984,051	\$ 984,051	\$ 984,051	\$ 984,051	\$ 984,051	\$ 984,051	
Cash Flow After Financing and Reserve	\$ -	\$ 589,596	\$ 550,537	\$ 409,371	\$ 366,354	\$ 367,386	\$ 368,138	\$ 416,582	\$ 466,653	\$ 518,405	\$ 571,891	
Debt Service Coverage Ratio (DSCR)		1.67	1.62	1.42	1.37	1.37	1.37	1.42	1.47	1.53	1.58	
Equity Dividend Rate		15%	14%	10%	9%	9%	9%	10%	12%	13%	14%	

Reasonableness Assessment for Rail Realty, Town of Brookhaven Industrial Development Agency

Rail Realty LLC	Date	As of 4/15/2026										
Annual Cashflows (Pro Forma)												
	Construction	Year 2026	Year 2027	Year 2028	Year 2029	Year 2030	Year 2031	Year 2032	Year 2033	Year 2034	Year 2035	
<u>Operating Cash Flow</u>												
<u>Residential Income</u>												
Gross Operating Income (20% @ 80% AMI)	\$ -	\$ 2,458,091	\$ 2,531,834	\$ 2,607,789	\$ 2,686,023	\$ 2,766,604	\$ 2,849,602	\$ 2,935,090	\$ 3,023,142	\$ 3,113,837	\$ 3,207,252	
Less: Vacancy Allowance (enter as a negative number)	\$ -	\$ (73,743)	\$ (75,955)	\$ (78,234)	\$ (80,581)	\$ (82,998)	\$ (85,488)	\$ (88,053)	\$ (90,694)	\$ (93,415)	\$ (96,218)	
Net Rental Income, Residential	\$ -	\$ 2,384,349	\$ 2,455,879	\$ 2,529,556	\$ 2,605,442	\$ 2,683,605	\$ 2,764,114	\$ 2,847,037	\$ 2,932,448	\$ 3,020,422	\$ 3,111,034	
<u>Commercial/Industrial Income</u>												
Gross Operating Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Less: Vacancy Allowance (enter as a negative number)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Net Rental Income, Commercial/Industrial	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
<u>Other Income</u>												
Parking Income	\$ -	\$ 27,749	\$ 27,749	\$ 27,749	\$ 27,749	\$ 27,749	\$ 27,749	\$ 27,749	\$ 27,749	\$ 27,749	\$ 27,749	
Pet Income	\$ -	\$ 3,881	\$ 3,881	\$ 3,881	\$ 3,881	\$ 3,881	\$ 3,881	\$ 3,881	\$ 3,881	\$ 3,881	\$ 3,881	
Storage Income	\$ -	\$ 345	\$ 345	\$ 345	\$ 345	\$ 345	\$ 345	\$ 345	\$ 345	\$ 345	\$ 345	
Net Income, Other	\$ -	\$ 28,094	\$ 28,094	\$ 28,094	\$ 28,094	\$ 28,094	\$ 28,094	\$ 28,094	\$ 28,094	\$ 28,094	\$ 28,094	
Effective Gross Income (EGI)	\$ -	\$ 2,412,443	\$ 2,483,973	\$ 2,557,650	\$ 2,633,536	\$ 2,711,700	\$ 2,792,208	\$ 2,875,131	\$ 2,960,542	\$ 3,048,516	\$ 3,139,129	
<u>Operating Expenses (enter positive numbers)</u>												
Salaries and Wages	\$ -	\$ 95,038	\$ 96,939	\$ 98,878	\$ 100,855	\$ 102,872	\$ 104,930	\$ 107,029	\$ 109,169	\$ 111,352	\$ 113,580	
Maintenance	\$ -	\$ 514,651	\$ 530,091	\$ 545,994	\$ 562,374	\$ 579,245	\$ 596,622	\$ 614,521	\$ 632,956	\$ 651,945	\$ 671,503	
Deposit to replacement reserve	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Insurance	\$ -	\$ 249,077	\$ 254,058	\$ 259,139	\$ 264,322	\$ 269,609	\$ 275,001	\$ 280,501	\$ 286,111	\$ 291,833	\$ 297,670	
Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Operating Expenses	\$ -	\$ 858,766	\$ 881,088	\$ 904,011	\$ 927,551	\$ 951,726	\$ 976,553	\$ 1,002,050	\$ 1,028,236	\$ 1,055,131	\$ 1,082,753	
Pre-Tax Operating Income (Revenue less Operating Expenses)	\$ -	\$ 1,553,677	\$ 1,602,885	\$ 1,653,639	\$ 1,705,985	\$ 1,759,974	\$ 1,815,655	\$ 1,873,081	\$ 1,932,306	\$ 1,993,385	\$ 2,056,376	
Real Property Taxes (assuming 5 year PILOT)	\$ -	\$ 104,967	\$ 193,978	\$ 286,507	\$ 382,660	\$ 436,428	\$ 492,195	\$ 502,039	\$ 512,079	\$ 522,321	\$ 532,767	
Net Operating Income (NOI) after Taxes	\$ -	\$ 1,448,709	\$ 1,408,907	\$ 1,367,132	\$ 1,323,326	\$ 1,323,546	\$ 1,323,460	\$ 1,371,043	\$ 1,420,227	\$ 1,471,064	\$ 1,523,608	
<u>Loan or Mortgage (Debt Service)</u>												
Interest Payment	\$ -	\$ 457,879	\$ 457,879	\$ 726,000	\$ 711,807	\$ 696,834	\$ 681,037	\$ 664,371	\$ 646,789	\$ 628,239	\$ 608,669	
Principal Payment	\$ -	\$ 426,016	\$ 426,016	\$ 258,051	\$ 272,244	\$ 287,218	\$ 303,015	\$ 319,681	\$ 337,263	\$ 355,812	\$ 375,382	
Debt Service	\$ -	\$ 883,895	\$ 883,895	\$ 984,051	\$ 984,051	\$ 984,051	\$ 984,051	\$ 984,051	\$ 984,051	\$ 984,051	\$ 984,051	
Cash Flow After Financing and Reserve	\$ -	\$ 564,814	\$ 525,012	\$ 383,080	\$ 339,274	\$ 339,494	\$ 339,409	\$ 386,991	\$ 436,175	\$ 487,013	\$ 539,557	
Debt Service Coverage Ratio (DSCR)		1.64	1.59	1.39	1.34	1.34	1.34	1.39	1.44	1.49	1.55	
Equity Dividend Rate		14%	13%	9%	8%	8%	8%	10%	11%	12%	13%	

APPENDIX A: SCOPE OF SERVICES

To assist with its evaluation of the Applicant's request for financial assistance, Camoin was commissioned by the Town of Brookhaven Industrial Development Agency to conduct the above analyses. The analysis is comprised of four tasks:

- ◆ *Test Assumptions* by comparing rents, operating costs, and vacancy rates to real estate benchmarks for similar projects and noting any significant differences. Operating performance and net income are also evaluated.
- ◆ *Review the Financing Plan* and perform an objective third-party evaluation of the estimated return on investment (ROI) to the Applicant with and without a PILOT agreement. We also analyze whether the capital structure and terms of the long-term debt are within market benchmarks for obtaining bank financing.
- ◆ *Evaluate the effects of one or more PILOTs* recommended by the Agency and determine whether the PILOT would result in a return that is within what would normally be anticipated in the current market for a similar project.
- ◆ *Provide an objective, third-party opinion* about the need for and reasonableness of the financial assistance.

Sources Consulted

- ◆ Project financing and annual cashflow workbook submitted by the Applicant on 12/17/2025, revised April 15, 2026.
- ◆ Assessed value estimates provided by the applicant in the cashflow workbook.
- ◆ Real estate tax information and estimates received from the Agency, including anticipated future assessed value of the Project.
- ◆ CoStar
- ◆ RealtyRates.com



CoStar is the leading source of commercial real estate intelligence in the U.S. It provides a full market inventory of properties and spaces—available as well as fully leased—by market and submarket. Details on vacancy, absorption, lease rates, inventory, and other real estate market data are provided, as well as property-specific information including photos and floor plans. More at **www.costar.com**.



RealtyRates.com™ is a comprehensive resource of real estate investment and development news, trends, analytics, and market research that support real estate professionals involved with more than 50 income producing and sell-out property types throughout the U.S. RealtyRates.com™ is the publisher of the award-winning Investor, Developer and Market Surveys, providing data essential to the appraisal, evaluation, disposition and marketing of investment and development real estate nationwide.

APPENDIX B: DEFINITIONS

Equity Dividend Rate: This is calculated as the rate of return on the equity component of a project. It is calculated as follows: (Source: RealtyRates.com)

Equity Dividend / Equity Investment = Equity Dividend Rate, where Equity Dividend = Net Operating Income – Debt Service.

Debt Service Coverage Ratio (DSCR): The ratio of annual debt repayment, including principal and interest, to total Net Operating Income (NOI). (Source: RealtyRates.com)

Net Operating Income (NOI): Income net of all operating costs including vacancy and collection loss but not including debt service. Appraisers also typically expense reserves for repairs and replacements. However, because reserves are not usually reported along with other transaction data, RealtyRates.com tracks lender requirements but does not include them in calculations. (Source: RealtyRates.com)

ABOUT CAMOIN ASSOCIATES

Camoin Associates has provided economic development consulting services to municipalities, economic development agencies, and private enterprises since 1999. Through the services offered, Camoin Associates has had the opportunity to serve EDOs and local and state governments from Maine to California; corporations and organizations that include Lowes Home Improvement, FedEx, Amazon, Volvo (Nova Bus) and the New York Islanders; as well as private developers proposing projects in excess of \$6 billion. Our reputation for detailed, place-specific, and accurate analysis has led to projects in 46 states and garnered attention from national media outlets including Marketplace (NPR), Crain's New York Business, Forbes magazine, The New York Times, and The Wall Street Journal. Additionally, our marketing strategies have helped our clients gain both national and local media coverage for their projects in order to build public support and leverage additional funding. To learn more about our experience and projects in all of our service lines, please visit our website at www.camoinassociates.com.

THE PROJECT TEAM

Rachel Selsky
CEO, Project Principal

Town of Brookhaven Industrial Development Agency

MRB Cost Benefit Calculator

Date March 18, 2024

Project Title Nassau Provisions Kosher Foods, Inc. UPDATED

Project Location 885 Waverly Ave Holtsville, NY 11742



Economic Impacts

Summary of Economic Impacts over the Life of the PILOT

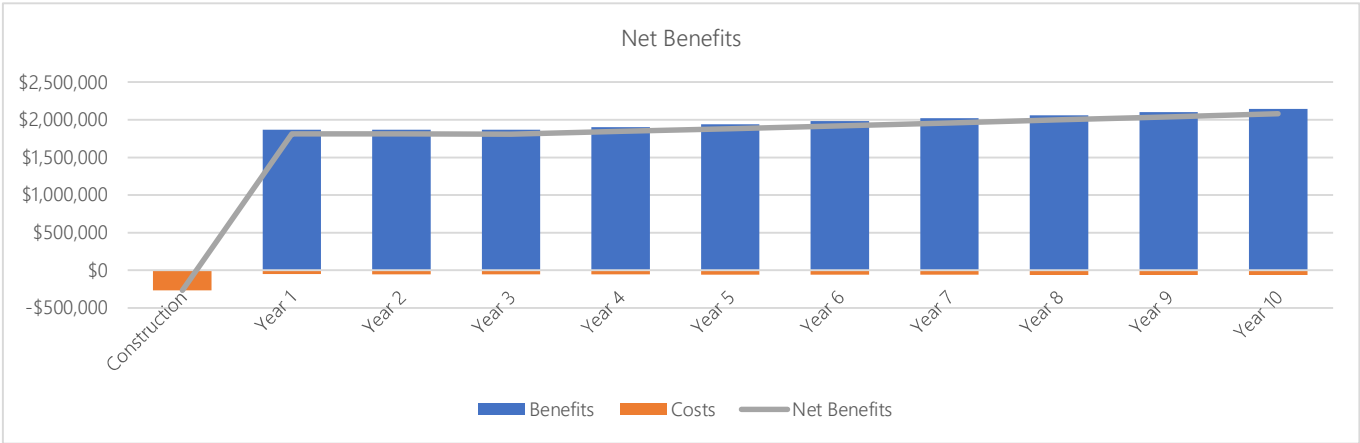
Project Total Investment

\$10,540,000

Temporary (Construction)			
	Direct	Indirect	Total
Jobs	0	0	0
Earnings	\$0	\$0	\$0
Local Spend	\$580,000	\$0	\$580,000

Ongoing (Operations)			
Aggregate over life of the PILOT			
	Direct	Indirect	Total
Jobs	17	11	28
Earnings	\$12,507,736	\$6,103,486	\$18,611,222

Figure 1



Net Benefits chart will always display construction through year 10, irrespective of the length of the PILOT.

Figure 2

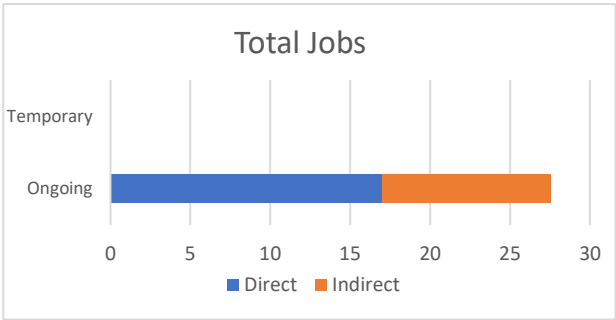
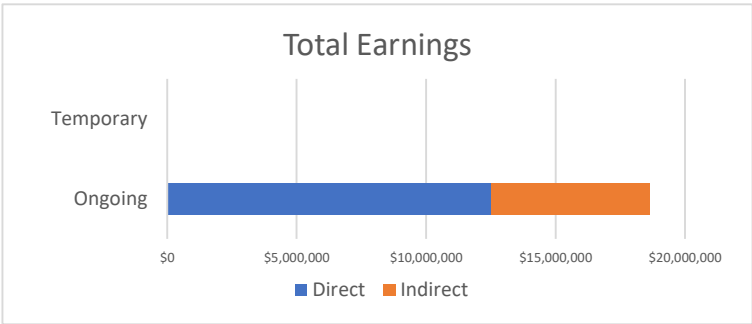


Figure 3



Fiscal Impacts



Cost-Benefit Analysis Tool powered by MRB Group

Estimated Costs of Exemptions

	Nominal Value	Discounted Value*
Property Tax Exemption	\$579,750	\$519,084
Sales Tax Exemption	\$208,375	\$208,375
Local Sales Tax Exemption	\$113,118	\$113,118
State Sales Tax Exemption	\$95,257	\$95,257
Mortgage Recording Tax Exemption	\$60,750	\$60,750
Local Mortgage Recording Tax Exemption	\$20,250	\$20,250
State Mortgage Recording Tax Exemption	\$40,500	\$40,500
Total Costs	\$848,875	\$788,209

State and Local Benefits

	Nominal Value	Discounted Value*
Local Benefits	\$18,186,178	\$16,291,285
To Private Individuals	\$18,611,222	\$16,671,785
Temporary Payroll	\$0	\$0
Ongoing Payroll	\$18,611,222	\$16,671,785
Other Payments to Private Individuals	\$0	\$0
To the Public	(\$425,044)	(\$380,499)
Increase in Property Tax Revenue	(\$579,750)	(\$519,084)
Temporary Jobs - Sales Tax Revenue	\$0	\$0
Ongoing Jobs - Sales Tax Revenue	\$154,706	\$138,584
Other Local Municipal Revenue	\$0	\$0
State Benefits	\$967,784	\$866,933
To the Public	\$967,784	\$866,933
Temporary Income Tax Revenue	\$0	\$0
Ongoing Income Tax Revenue	\$837,505	\$750,230
Temporary Jobs - Sales Tax Revenue	\$0	\$0
Ongoing Jobs - Sales Tax Revenue	\$130,279	\$116,702
Total Benefits to State & Region	\$19,153,962	\$17,158,218

Benefit to Cost Ratio

	Benefit*	Cost*	Ratio
Local	\$16,291,285	\$652,452	25:1
State	\$866,933	\$135,757	6:1
Grand Total	\$17,158,218	\$788,209	22:1

*Discounted at 2%

Additional Comments from IDA

Nassau Provisions Kosher Foods, Inc. plans to purchase an existing, underutilized approximately 50,000 sf building located at 885 Waverly Ave Medford to expand their warehousing capacity for their distribution of specialty foods. As per the Brookhaven IDA Uniform Project Evaluation Criteria Policy, the criteria met for this project include, but are not limited to jobs retained and created and capital investment by the applicant. UPDATE - The project is expecting an additional \$580,000 of sales and use taxable purchases.

Does the IDA believe that the project can be accomplished in a timely fashion? Yes

Nassau Provisions Kosher Foods Inc
Projects submitted to IDA for Sales Tax Extension review.

Warehouse Floor Remediation – 855 Waverly Warehouse

Estimated Project Cost: \$250,000

Nassau Provisions plans to undertake a significant floor remediation project within the approximately 50,000-square-foot Waverly Warehouse.

The existing concrete floor is approximately only four inches thick and was installed without metal or rebar reinforcement. Due to the demands of daily warehouse operations and the continuous use of heavy material-handling equipment, the floor has experienced substantial cracking and deterioration. One of the Drexel machines utilized in the warehouse, for example, weighs approximately 14,000 pounds before product is added.

The proposed project will address both the overall condition of the warehouse floor and individual areas that have already sustained more significant damage.

For budgeting purposes, Nassau Provisions is utilizing comparable flooring work recently quoted for another warehouse area. Stonhard provided a proposal of \$97,900 for 21,200 square feet, or approximately \$4.62 per square foot. The proposed work includes mechanical preparation of the existing concrete surface using diamond grinders followed by application of the specified industrial flooring system.

Applying that comparable cost to the approximately 50,000 square feet at Waverly results in an estimated flooring cost of approximately \$231,000.

In addition to the overall floor treatment, individual cracks and significantly damaged sections of the existing concrete will require repair. Based on current repair costs, these areas are estimated at approximately \$5,500 per repair on average, based on the several repairs already made.

Based on the approximately \$231,000 estimated cost for the overall floor treatment, together with the repair of existing cracks and damaged areas, Nassau Provisions has budgeted approximately \$250,000 for the Waverly Warehouse floor remediation project.

Additional Warehouse Racking and Decking

Estimated Project Cost: \$25,000

Nassau Provisions plans to purchase and install additional pallet racking components to expand storage capacity within the warehouse and to provide additional decking and replacement/backup components for the existing racking system.

The anticipated purchases include:

- Approximately 100 additional wire decking sections for existing pallet rack locations.

- Additional upright frames and cross beams to construct several new pallet rack sections and increase available pallet storage capacity.
- Additional upright frames, beams and related components to maintain a limited inventory of replacement/backup racking components for damaged or worn sections.
- Row spacers, anchors, hardware and other components required for proper installation of the additional racking.
- Freight and delivery of the racking materials.
- Professional installation and anchoring of the new rack sections.

The estimated project cost is based upon Nassau Provisions' prior purchases of the same or similar warehouse racking components. A previous Handy Equipment purchase included wire decks, upright frames, cross beams, row spacers, anchors, freight and professional installation, providing the company with established costs for the materials and installation required for this expansion.

Based upon the quantity of additional decking required, construction of several additional rack sections, backup/replacement components, freight, hardware and installation, Nassau Provisions has budgeted approximately \$25,000 for this project.

Loading Dock Improvements – Waverly Warehouse

Estimated Project Cost: \$50,000

The Waverly Warehouse currently has four loading dock doors; however, only two of the four are presently configured with the equipment and improvements necessary to fully support Nassau Provisions' loading and unloading operations. Nassau Provisions plans to upgrade the remaining two dock positions to make them more functional and allow the company to better utilize all four loading doors.

The proposed project will include improvements to the two currently underutilized dock positions, including the addition and/or modification of dock leveler equipment and the related components necessary to accommodate Nassau Provisions' trucks and normal shipping and receiving operations.

Nassau Provisions has previously utilized EnerTech Associates, Inc. for specialized loading dock work at the Waverly facility. EnerTech's prior work has included removal and reinstallation of dock levelers, fabrication of curb-angle assemblies for leveler pits, boom-truck service, installation of dock bumpers, weather seals and related dock equipment.

Nassau Provisions has also utilized PND Masonry Contracting Corp. for the concrete work associated with improvements to the Waverly loading dock area. Depending upon the final configuration of the two dock positions, concrete work may be required to properly accommodate the dock equipment and provide a durable transition between the warehouse, loading dock and truck areas.

The anticipated work for the two dock positions includes:

- Dock leveler equipment and associated components for the two dock positions.
- Preparation and modification of the existing dock areas as required for installation.

- Fabrication and installation of curb angles and associated steel components where required.
- Concrete cutting, removal, repair and reconstruction where necessary to accommodate the upgraded dock positions.
- Dock bumpers and protective components.
- Dock seals/weather seals as required.
- Freight, delivery and boom-truck/equipment-handling costs.
- Professional installation, adjustment and final setup of the dock equipment.

The objective of the project is to make the two currently underutilized loading doors fully functional for Nassau Provisions' operations, increasing the usable loading capacity of the Waverly Warehouse from two dock positions to four.

Based upon Nassau Provisions' prior loading dock work with EnerTech Associates, Inc. and PND Masonry Contracting Corp., and the anticipated equipment, concrete work, materials, freight and professional installation required for the two additional dock positions, Nassau Provisions has budgeted approximately \$50,000 for the project.

Warehouse Lighting Improvements – Waverly Warehouse

Estimated Project Cost: \$25,000

Nassau Provisions plans to reconfigure and improve the lighting throughout the Waverly Warehouse to better accommodate the warehouse's current pallet-racking layout and improve illumination throughout the facility.

The existing lighting configuration predates Nassau Provisions' current racking layout and was not designed around the way the warehouse is now utilized. The primary lighting rows currently run perpendicular to the pallet-racking aisles rather than parallel with the aisles. As a result, portions of the lighting system cross directly over and through the footprint of the current pallet racks rather than illuminating the travel and picking aisles.

In addition, when Nassau Provisions acquired and configured the facility, many of the existing light fixtures were suspended approximately 10 feet below the warehouse ceiling. Nassau subsequently installed pallet racking utilizing the available vertical height of the building. Because the existing lighting hangs substantially below the ceiling and crosses the racking layout, portions of individual rack sections cannot presently be utilized without interfering with the lighting fixtures.

The current configuration also results in areas of inadequate illumination within the warehouse. Nassau Provisions therefore intends to reconfigure the existing lighting and supplement it with additional fixtures where necessary.

The anticipated project includes:

- Relocating existing light fixtures that currently interfere with pallet-racking locations.
- Raising fixtures where practical to better utilize the available warehouse ceiling height.
- Reorienting portions of the lighting system so that lighting more appropriately follows the warehouse aisles.
- Relocating associated electrical wiring, conduit and mounting hardware as required.

- Purchasing and installing additional high-efficiency warehouse lighting fixtures in areas where existing illumination is insufficient.
- Improving lighting within picking, travel and material-handling aisles.
- Eliminating lighting-related obstructions that currently prevent full utilization of certain pallet-rack positions.
- Labor, lifts, electrical materials and other equipment necessary to complete the reconfiguration and installation.

The project is intended to accomplish two primary objectives: improve visibility and lighting throughout the Waverly Warehouse and allow Nassau Provisions to more fully utilize the storage capacity of its existing pallet-racking system.

Based upon the anticipated relocation of existing fixtures, electrical modifications, additional lighting equipment, lift/equipment requirements and professional installation, and a previous conversation with a contractor, Nassau Provisions has budgeted approximately **\$25,000** for the warehouse lighting improvement project.

Office HVAC / Air-Conditioning Improvements – Waverly Warehouse

IDA Project Allocation: \$5,000 (Incorrectly posed – read below – estimated at = \$30,000)

The existing air-conditioning system serving the office areas of the Waverly facility is currently nonfunctional, leaving the offices without operational air conditioning. Nassau Provisions therefore intends to replace the failed system with a new ductless heating and air-conditioning system serving the office and common areas.

The proposed installation includes:

- Two new outdoor heat-pump/air-conditioning condensing units.
- Individual ductless air handlers serving the office areas.
- Air-conditioning units serving both bathrooms.
- A dedicated unit for the front office.
- A dedicated unit for the conference room.
- A dedicated unit for the rear office.
- Two larger ceiling-mounted cassette units serving the common office area.
- Refrigerant piping between the indoor units and exterior condensers.
- Exterior protective covering for exposed refrigerant piping.
- Wireless wall-mounted controls.
- System evacuation, startup, testing and commissioning.

The need for 6,000-BTU units in each bathroom, 12,000-BTU units in the front office and conference room, a 9,000-BTU unit in the rear office, and two 18,000-BTU ceiling cassettes in the common area.

While Nassau Provisions' original IDA extension estimate allocated approximately \$5,000 to office and HVAC improvements, the replacement is substantially greater more like \$30,000. Nassau

Provisions intends to proceed with improvements necessary to restore air conditioning to the currently unconditioned office areas.

Additional Material-Handling Equipment

Estimated Project Cost: \$200,000

As part of the continued buildout and improved utilization of the Waverly Warehouse, Nassau Provisions anticipates purchasing approximately \$200,000 of additional material-handling equipment. The equipment will support the expanded pallet-racking system, improve product movement throughout the facility, increase picking and replenishment efficiency, and provide additional equipment capacity as warehouse volume increases.

The anticipated equipment purchases include the following:

1. Bendi B3/30AC Very-Narrow-Aisle Articulated Forklift

Nassau Provisions currently utilizes a Drexel SwingMast forklift for narrow-aisle pallet handling. As the Waverly facility is more fully racked and utilized, Nassau intends to add a Bendi B3/30AC articulated forklift to complement the existing Drexel.

The Bendi offers a different operating configuration that is particularly useful within the Waverly racking layout. Its articulating front end provides 220 degrees of rotation, allowing the operator to access pallet positions on either side of a narrow aisle without the same positioning requirements as a conventional reach truck. The Bendi B3/30AC is designed to operate in aisles as narrow as approximately 72 inches and is available with lift heights of up to 30 feet.

This capability will allow Nassau Provisions to more efficiently service pallet positions on both sides of the warehouse aisles, reduce repositioning and travel time, and better utilize the vertical and horizontal storage capacity created by the expanded racking system.

2. Raymond 7300 Reach-Fork Truck

Nassau Provisions also anticipates purchasing an additional Raymond 7300 reach-fork truck for use with the expanded pallet-racking system.

The Raymond 7300 is designed specifically for pallet movement within storage aisles and incorporates side shift, power tilt and high-elevation pallet-handling capabilities. Nassau's existing equipment proposals describe the 7300 as providing quicker acceleration, faster lift and lower speeds, and smoother directional changes for more efficient movement of loads within storage aisles.

The additional reach truck will provide increased capacity for pallet put-away and replenishment and allow multiple operators to service different portions of the expanded racking system simultaneously.

3. Two Raymond 8410 End-Rider Pallet Trucks

Nassau Provisions anticipates purchasing two additional Raymond 8410 electric rider pallet trucks to support movement of product between receiving, storage, picking and shipping areas.

Nassau already utilizes this equipment extensively in its warehouse operation. The Raymond 8410 has a 6,000-pound maximum capacity, and the manufacturer specifically identifies its maneuverability and acceleration as features intended to increase the number of pallets moved per hour.

Nassau's prior Abel Womack pricing provides a strong basis for the anticipated cost. A previous purchase of a Raymond 8410 with battery was priced at approximately **\$15,155**, while another configuration with longer forks was approximately **\$18,288 per unit**.

The additional pallet trucks will provide needed capacity for increased product movement within Waverly and reduce delays caused by operators waiting for available equipment during heavier receiving, replenishment and shipping periods.

Overall Equipment Budget

The anticipated equipment package therefore consists primarily of:

- One Bendi B3/30AC articulated very-narrow-aisle forklift
- One Raymond 7300 reach-fork truck
- Two Raymond 8410 electric rider pallet trucks
- Batteries, chargers and associated equipment as required
- Freight, delivery, setup and related acquisition costs

Nassau Provisions has previously purchased substantial material-handling equipment from Abel Womack, including Raymond reach trucks and rider pallet trucks, and the attached proposals provide established pricing for comparable equipment used in Nassau's operations.

Based upon the anticipated acquisition of the Bendi articulated forklift, additional Raymond reach truck, two rider pallet trucks, batteries/chargers and related acquisition costs, Nassau Provisions has budgeted approximately **\$200,000 for additional material-handling equipment at the Waverly Warehouse**.

These projects does not require permits

Projects summary

Warehouse Floor Remediation	250,000
Equipment purchased	200,000
Loading Dock Improvements	50,000
Warehouse Racking	25,000
Air-Conditioning Improvements	30,000 (increased from the original estimate of 5,000)
Warehouse Lighting Improvements	25,000
TOTAL COST	580,000



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Submitted by Scott Horowitz CEO
Nassau Provisions Kosher Foods Inc



Scheff Family Realty Co. LLC

September 8, 2026

Town of Brookhaven Industrial Development Agency
Attn: Board of Directors / Chief Executive Officer
1 Independence Hill, 2nd Floor
Farmingville, NY 11738

RE: Request for Extension of Financial Assistance / Benefits
Project Name: Scheff Family Realty Co., LLC / The Burmax Company Inc.
Project Address: 28 Barretts Ave, Holtsville, NY 11742
Original Resolution Date: 1995

Dear Members of the Brookhaven IDA Board,

I am writing on behalf of Scheff Family Realty Co. LLC subsidiary of The Burmax Company Inc. to formally request an extension of the financial assistance and benefits previously approved by this board. Specifically, we are requesting a five-year extension of our PILOT program, sales tax exemption and mortgage reporting tax exemption moving the current expiration date from December 2027 to December 2032.

The Burmax Company Inc. is a third-generation Company founded in 1948 specializing in wholesale distribution of professional beauty supplies. Since receiving initial approval, The Burmax Company, Inc. has made significant strides toward fulfilling our commitments to the Town of Brookhaven. To date, we have invested over ten million dollars into the local economy through construction and site development while creating over one 150 permanent jobs.

Over the next three years The Burmax Company, Inc. is planning several major renovations totaling well over one million dollars. These projects include replacing existing main driveway and parking lot. Replacing two large sections of the warehouse roof. Upgrade and replace all existing warehouse and office overhead lighting with energy efficient LED fixtures. Replace all warehouse heating units with energy efficient units. Full demolition and renovation of warehouse cafeteria and office bathrooms.

Despite our best efforts and continuous progress, we have encountered unforeseen economic challenges that have impacted our ability to be competitive. The next several years will be challenging especially for business located on Long Island. The high cost of labor, reduced labor pool, and increased supply chain costs have made it extremely difficult to compete with other distributors outside of our region.

The Burmax Company, Inc. remains fully committed to the Town of Brookhaven. Granting this extension will help us remain competitive, continue our presence and commitment in the community. This extension will allow us to maintain or even increase future job commitments.

We greatly appreciate the ongoing support of the Brookhaven IDA and your dedication to fostering economic growth in our region. Thank you for your time, consideration, and continued partnership.

I am available to answer any questions or provide further documentation prior to or during the upcoming Board meeting.

Sincerely,

A handwritten signature in black ink, appearing to read 'T. Forte', with a stylized flourish at the end.

Thomas Forte

Chief Financial Officer
Direct Phone: 631-285-1244
Email: t.forte@burmax.com

September 10, 2026

Lisa Mulligan CEO
Town of Brookhaven, Industrial Development Agency
One Independence Hill
Brookhaven, Long Island 11738

RE: AE-Manorville 2, LLC

Dear Lisa,

Agilitas Energy, Inc. (“**Agilitas**”) and its affiliate AE-Manorville 2, LLC (the “**Project Company**”) are developing a solar photovoltaic and battery energy storage system facility (the “**Project**”) located at 2 Paper Mill Road, Manorville, NY 11949. The Town of Brookhaven Industrial Development Agency (the “**Agency**”) holds an interest in the Project through a lease, sublease, and sub-sublease arrangement with the Project Company. This letter notifies the Agency of an intended transfer of equity interests in the Project Company in connection with the tax equity financing of the Project.

In connection with the closing of that financing, Agilitas intends to transfer ninety-nine percent (99%) of the equity interests in the Project Company to Patriot Renewable Energy Capital, through its affiliate PREC Manorville II, LLC, as tax equity investor. Following the transfer, Agilitas Energy, Inc. will continue to control and manage the Project Company and the Project. Commencing approximately five and one-half years following the placed in service date of the Project, Agilitas will have the option to purchase the entire interest held by the tax equity investor. The resulting post-financing organizational structure is depicted on the chart enclosed with this letter.

We are providing this notice consistent with the requirements of the Agency’s lease documents. Please contact the undersigned with any questions or if the Agency requires any further information or documentation in connection with the transfer.

Sincerely,

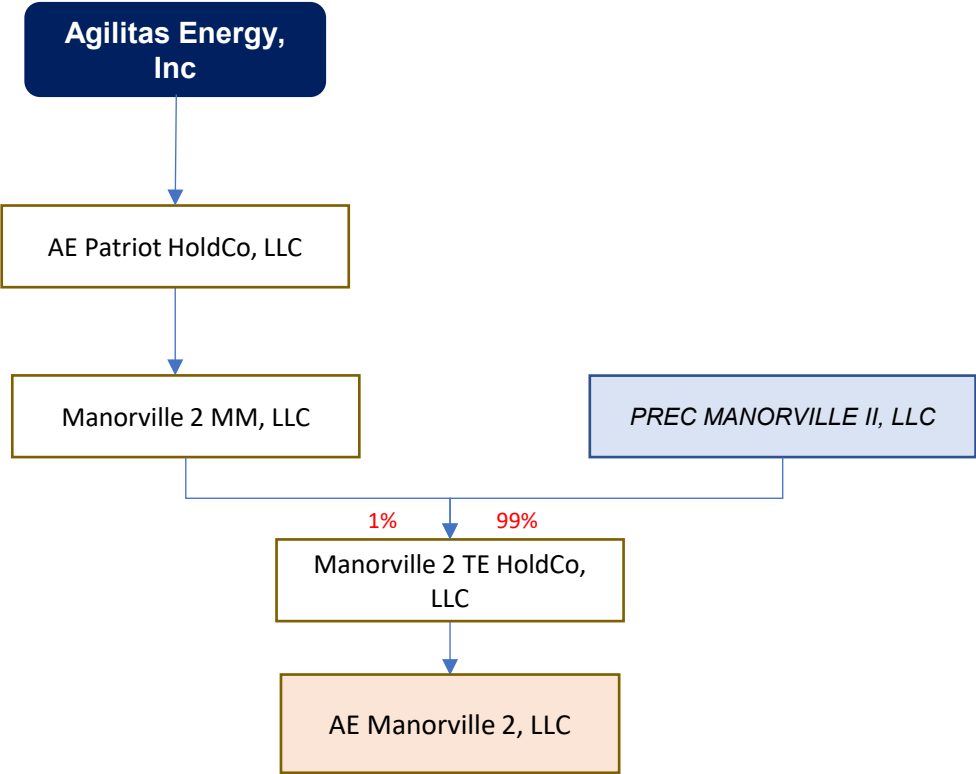
Barrett Bilotta

Barrett Bilotta (Sep 9, 2026 16:10:38 EDT)

Barrett C. Bilotta
President

Manorville 2 Ownership Post TE Close

**Ownership is 100% unless otherwise noted*



Legend

- Upstream Investors
- Project Companies
- External Parties