

Date: July 16, 2025

At a meeting of the Town of Brookhaven Industrial Development Agency (the “Agency”), held at 1 Independence Hill, 2<sup>nd</sup> Floor, Farmingville, New York 11738 on the 16th day of July, 2025, the following members of the Agency were:

Present: Frederick C. Braun III, Chairman  
Martin Callahan, Vice Chair  
Mitchell H. Pally, Treasurer  
Ann-Marie Scheidt, Secretary  
Frank C. Trotta, Asst. Treasurer  
Felix J. Grucci, Jr., Asst. Secretary (via Zoom)  
John Rose, Member

Recused: Mitchell H. Pally, Treasurer

Excused:

Also Present: Lisa M. G. Mulligan, Chief Executive Officer  
Lori LaPonte, Chief Financial Officer  
Amy Illardo, Director of Marketing and Project Development  
Jocelyn Linse, Executive Assistant  
Annette Eaderesto, Esq., Counsel to the Agency  
Barry Carrigan, Esq., Transaction Counsel  
Howard Gross, Esq., Transaction Counsel (via Zoom)  
Andrew Komaromi, Transaction Counsel  
John Anzalone, Transaction Counsel

After the meeting had been duly called to order, the Chairman announced that among the purposes of the meeting was to consider and take action on certain matters pertaining to the authorization of the assignment of interest in a certain industrial development facility more particularly described below (HSRE-EB Holtsville, LLC 2015 Facility).

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

Voting Aye

Braun  
Callahan  
Scheidt  
Trotta  
Grucci  
Rose

Voting Nay

RESOLUTION OF THE TOWN OF BROOKHAVEN  
INDUSTRIAL DEVELOPMENT AGENCY AUTHORIZING  
THE ASSIGNMENT AND ASSUMPTION OF THE COMPANY  
LEASE AGREEMENT AND THE LEASE AGREEMENT  
CURRENTLY BETWEEN THE AGENCY AND HSRE-EB  
HOLTSVILLE, LLC AND APPROVING THE FORM,  
SUBSTANCE AND EXECUTION OF RELATED  
DOCUMENTS

WHEREAS, by Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 358 of the Laws of 1970 of the State of New York, as amended from time to time (collectively, the “**Act**”), the Town of Brookhaven Industrial Development Agency (the “**Agency**”) was created with the authority and power among other things, to assist with the acquisition of certain industrial development projects as authorized by the Act; and

WHEREAS, the Agency previously provided assistance to HSRE-EB Holtsville, LLC (the “**Original Company**”), in connection with the acquisition, construction, equipping and furnishing of an industrial development facility (i) the acquisition of a parcel of land totaling approximately 5.89 acres located at 2000 North Ocean Avenue, Farmingville, Town of Brookhaven, County of Suffolk, New York (the “**Land**”), and (ii) the construction, equipping and furnishing of a four-story above-grade approximately 120,000 square foot building to be located thereon consisting of approximately 140 assisted living units and 150 beds, for use by elderly citizens in the community as a fully integrated residence including living, dining, housekeeping, personal laundry and transportation services (collectively, the “**Facility**”), which Facility is currently leased by the Agency to the Original Company and used by the Original Company as an assisted living residential facility (the “**Project**”); and

WHEREAS, the Agency previously acquired a leasehold interest in the Facility pursuant to a certain Company Lease Agreement, dated as of August 1, 2015 (the “**Original Company Lease**”), and a certain Bill of Sale (the “**Original Bill of Sale**”), dated August 11, 2015, each from the Original Company to the Agency; and

WHEREAS, the Agency is currently leasing the Facility to the Original Company pursuant to a certain Lease Agreement, dated as of August 1, 2015 (the “**Original Lease Agreement**”), by and between the Agency and the Original Company; and

WHEREAS, in connection with the leasing and subleasing of the Facility, the Agency and the Original Company entered into a certain Environmental Compliance and Indemnification Agreement, dated as of August 1, 2015 (the “**Environmental Compliance and Indemnification Agreement**”), whereby the Original Company provided representations and warranties in connection with environmental matters related to the Facility; and

WHEREAS, in connection with the leasing and subleasing of the Facility, the Agency and the Original Company entered into a certain Payment-in-Lieu-of Tax Agreement, dated

as of August 1, 2015 (the “**Original PILOT Agreement**”), whereby the Original Company agreed to make payments in lieu of taxes on the Facility; and

WHEREAS, the Agency and the Original Company entered into a certain Recapture Agreement, dated as of August 1, 2015 (the “**Recapture Agreement**”), by and between the Agency and the Original Company in order to reflect the repayment obligations of the Original Company upon the occurrence of a Recapture Event (as defined therein); and

WHEREAS, VTR BRTL Holtsville, LLC, a Delaware limited liability company, on behalf of itself and/or the principals of VTR BRTL Holtsville, LLC and/or an entity formed or to be formed on behalf of the foregoing (collectively, the “**Company**”), has now requested the Agency’s consent to the (i) assignment by the Original Company of all of its rights, title, interest, duties, liabilities and obligations under the Lease Agreement, the Environmental Compliance and Indemnification Agreement, the PILOT Agreement and the Recapture Agreement, and certain other agreements in connection with the Facility to the Company and the assumption by the Company of all of such rights, title, interest, duties, liabilities and obligations of the Original Company, and (ii) the release of the Original Company from any further liability with respect to the Facility, subject to certain requirements of the Agency (the “**Assignment and Assumption**”), all pursuant to the terms of an Assignment, Assumption and Amendment Agreement, to be dated as of July 1, 2025, or such other date as may be determined by the Chairman, Chief Executive Officer and counsel to the Agency (the “**Assignment and Assumption Agreement**”), by and among the Agency, the Original Company and the Company; and

WHEREAS, the Original Company Lease will be assigned by the Original Company to the Company pursuant to a certain Assignment and Assumption of Company Lease Agreement, to be dated as of July 1, 2025, or such other date as may be determined by the Chairman, Chief Executive Officer and counsel to the Agency (the “**Assignment of Company Lease**”, and together with the Original Company Lease, and the Assignment and Assumption Agreement, the “**Company Lease**”), by and between the Original Company and the Company, and consented to by the Agency; and

WHEREAS, the Original Lease Agreement will be assigned by the Original Company to the Company pursuant to a certain Assignment and Assumption of Lease Agreement, to be dated as of July 1, 2025, or such other date as may be determined by the Chairman, Chief Executive Officer and counsel to the Agency (the “**Assignment of Lease Agreement**”, and together with the Original Lease Agreement and the Assignment and Assumption Agreement, the “**Lease Agreement**”), by and between the Original Company and the Company, and consented to by the Agency; and

WHEREAS, the Lease Agreement will be assigned by the Original Company to the Company pursuant to a certain Assignment and Assumption of Lease Agreement, to be dated as of July 1, 2025, or such other date as may be determined by the Chairman, Chief Executive Officer and counsel to the Agency (the “**Assignment of Lease Agreement**”), by and between the Original Company and the Company, and consented to by the Agency; and

WHEREAS, the Lease Agreement, PILOT Agreement, the Recapture Agreement and the Environmental Compliance and Indemnification Agreement, as assigned, shall be amended and restated pursuant to a certain Amended and Restated Lease and Project Agreement, dated as of July 1, 2025, or such other date as may be determined by the Chairman, Chief Executive Officer and counsel to the Agency (the "**Amended and Restated Lease Agreement**"), by and between the Agency, as lessor, and the Company, as lessee, and a memorandum of such Amended and Restated Lease Agreement, shall be recorded in the Suffolk County Clerk's office; and

WHEREAS, the Agency and the Company will enter into such other documents upon advice of counsel, in both form and substance, as may be reasonably required to effectuate the assignment and assumption of the Project (together with the Assignment and Assumption Agreement, the Assignment of Company Lease, the Assignment of Lease Agreement and the Amended and Restated Lease Agreement, the "**Assignment Documents**"); and

WHEREAS, pursuant to Section 9.3 of the Lease Agreement, the Lease Agreement may be assigned by the Original Company, in whole or in part, with the prior written consent of the Agency; and

WHEREAS, subject to the execution and delivery of the Assignment and Assumption Agreement, the Assignment of Lease, the Amended and Restated Lease Agreement and the other required Assignment Documents, the Agency will consent to the assignment by the Original Company to the Company and the assumption by the Company of all of the Original Company's rights, title, interest, duties, liabilities and obligations under the Lease Agreement, the Environmental Compliance and Indemnification Agreement, the PILOT Agreement, the Recapture Agreement and the Facility and the Agency will thereafter lease the Facility to the Company; and

WHEREAS, the Agency contemplates that it will provide financial assistance to the Company in the form of continued abatement of real property taxes (as set forth in the PILOT Schedule attached as Exhibit C to the Amended and Restated Lease Agreement) pursuant to terms of the Amended and Restated Lease Agreement and as assigned by the Original Company to the Company in accordance with the Assignment and Assumption Agreement and the Amended and Restated Lease Agreement, consistent with the policies of the Agency; and

WHEREAS, the Agency has given due consideration to the application of the Company and to representations by the Company that the proposed Facility is either an inducement to the Company to maintain and expand the Facility in the Town of Brookhaven or is necessary to maintain the competitive position of the Company in its industry; and

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

WHEREAS, the Original Company and the Company have agreed to indemnify the Agency against certain losses, claims, expenses, damages and liabilities that may arise in

connection with the transaction contemplated by the Assignment and Assumption Agreement.

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

Section 1. The Agency hereby finds and determines:

(a) By virtue of the Act, the Agency has been vested with all powers necessary and convenient to carry out and effectuate the purposes and provisions of the Act and to exercise all powers granted to it under the Act; and

(b) The Facility constitutes a “project”, as such term is defined in the Act; and

(c) The execution and delivery of the Assignment Documents and the leasing of the Facility to the Company will promote and maintain the job opportunities, health, general prosperity and economic welfare of the citizens of the Town of Brookhaven, Suffolk County and the State of New York and improve their standard of living and thereby serve the public purposes of the Act; and

(d) The execution and delivery of the Assignment Documents and the continued leasing of the Facility is reasonably necessary to induce the Company to maintain and expand its business operations in the State of New York; and

(e) Based upon representations of the Company and counsel to the Company, the Facility continues to conform with the local zoning laws and planning regulations of the Town of Brookhaven, Suffolk County and all regional and local land use plans for the area in which the Facility is located; and

(f) It is desirable and in the public interest for the Agency to lease the Facility to the Company; and

(g) It is desirable and in the public interest for the Agency to consent to the execution and delivery of the Assignment Documents providing for the assignment by the Original Company of all of its rights, title, interest, duties, liabilities and obligations under the Lease Agreement, the Environmental Compliance and Indemnification Agreement, the PILOT Agreement, the Recapture Agreement and the Facility to the Company and the assumption by the Company of all of such rights, title, interest, duties, liabilities and obligations of the Original Company under the Lease Agreement, the Environmental Compliance and Indemnification Agreement, the PILOT Agreement, the Recapture Agreement; and

(h) The Assignment and Assumption Agreement, the Assignment of Lease, the Amended and Restated Lease Agreement and the Assignment Documents to which the Agency is a party will be effective instruments whereby the Original Company will assign all of its rights, title, interest, duties, liabilities and obligations under the Lease Agreement, the Environmental Compliance and Indemnification Agreement, the PILOT Agreement, the Recapture Agreement and the Facility to the Company and the Company will assume all of

such rights, title, interest, duties, liabilities and obligations of the Original Company under the Lease Agreement, the Environmental Compliance and Indemnification Agreement, the PILOT Agreement, the Recapture Agreement and the Facility with the consent of the Agency.

Section 2. Subject to the provisions of this resolution, the Agency has assessed all material information included in connection with the Company's application for financial assistance, and such information has provided the Agency a reasonable basis for its decision to provide the financial assistance described herein to the Company.

Section 3. Subject to the provisions of this resolution, and in consequence of the foregoing, the Agency hereby determines to: (i) consent to the assignment by the Original Company of all of its rights, title, interest, duties, liabilities and obligations pertaining to the Facility under the Lease Agreement to the Company and the assumption by the Company of all of such rights, title, interest, duties, liabilities and obligations of the Original Company pursuant to the Assignment and Assumption Agreement, (ii) execute, deliver and perform the Assignment and Assumption Agreement, (iii) execute, deliver and perform the Assignment of Company Lease, (iv) execute, deliver and perform the Assignment of Lease, (v) execute, deliver and perform the Amended and Restated Lease Agreement and (vi) execute and deliver the other Assignment Documents to which the Agency is a party.

Section 4. The Agency is hereby authorized to consent to the assignment by the Original Company of all of its rights, title, interest, duties, liabilities and obligations under the Lease Agreement, and the Facility to the Company and the assumption by the Company of all of such rights, title, interest, duties, liabilities and obligations of the Company pursuant to the Assignment and Assumption Agreement, the Assignment of Company Lease, and the Assignment of Lease Agreement and to do all things necessary or appropriate for the accomplishment thereof, and all acts heretofore taken by the Agency with respect to such assignment and assumption are hereby approved, ratified and confirmed.

Section 5. The Agency hereby authorizes and approves the following economic benefits to be granted to the Company continued abatement of real property taxes as set forth in the PILOT Schedule annexed to the Amended and Restated Lease Agreement as Exhibit C thereto.

Section 6. The Company is hereby notified that it will be required to comply with Section 875 of the Act. The Company shall be required to agree to the terms of Section 875 pursuant to the Lease Agreement. The Company is further notified that the abatements provided pursuant to the Act are subject to termination and recapture of benefits pursuant to Sections 859-a and 875 of the Act and the recapture provisions of the Amended and Restated Lease Agreement.

Section 7. The form and substance of the Assignment and Assumption Agreement, the Assignment of Company Lease, the Assignment of Lease Agreement, the Amended and Restated Lease Agreement and any other Assignment Documents to which the Agency is a party (each in substantially the forms presented to or approved by the Agency

and which, prior to the execution and delivery thereof, may be redated and renamed) are hereby approved.

Section 9.

(a) The Chairman, the Chief Executive Officer of the Agency or any member of the Agency are hereby authorized, on behalf of the Agency, to execute and deliver the Assignment and Assumption Agreement, the Assignment of Company Lease, the Assignment of Lease Agreement, the Amended and Restated Lease Agreement and the other Assignment Documents to which the Agency is a party, all in substantially the forms thereof presented to this meeting with such changes, variations, omissions and insertions as the Chairman, the Chief Executive Officer of the Agency or any member of the Agency shall approve, and such other related documents as may be, in the judgment of the Chairman and counsel to the Agency, necessary or appropriate to effect the transactions contemplated by this resolution (hereinafter collectively called the "**Agency Documents**"). The execution thereof by the Chairman, the Chief Executive Officer of the Agency or any member of the Agency shall constitute conclusive evidence of such approval.

(b) The Chairman, the Chief Executive Officer of the Agency or any member of the Agency are further hereby authorized, on behalf of the Agency, to designate any additional Authorized Representatives of the Agency (as defined in and pursuant to the Lease Agreement).

Section 10. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required or provided for by the provisions of the Agency Documents, and to execute and deliver all such additional certificates, instruments and documents, pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolution and to cause compliance by the Agency with all of the terms, covenants and provisions of the Agency Documents binding upon the Agency.

Section 11. Subject to the provisions of this resolution, any expenses incurred by the Agency with respect to the Facility shall be paid by the Company. The Company agrees to pay such expenses and further agrees to indemnify the Agency, its members, directors, employees and agents and hold the Agency and such persons harmless against claims for losses, damage or injury or any expenses or damages incurred as a result of action taken by or on behalf of the Agency in good faith with respect to the Facility.

Section 12. The provisions of this resolution shall continue to be effective for one year from the date hereof, whereupon the Agency may, at its option, terminate the effectiveness of this resolution (except with respect to the matters contained in Section 7 hereof).

Section 13. This resolution shall take effect immediately.


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

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

That I have compared the annexed extract of the minutes of the meeting of the Town of Brookhaven Industrial Development Agency (the “**Agency**”), including the resolutions contained therein, held on the 16<sup>th</sup> day of July, 2025, with the original thereof on file in my office, and that the same is a true and correct copy of the proceedings of the Agency and of such resolutions set forth therein and of the whole of said original insofar as the same related to the subject matters therein referred to.

That the Agency Documents contained in this transcript of proceedings are each in substantially the form presented to the Agency and/or approved by said meeting.

IN WITNESS WHEREOF, I have hereunto set my hand as of the 16<sup>th</sup> day of July, 2025.

By:   
Chief Executive Officer