

RESOLUTION OF THE TOWN OF BROOKHAVEN
INDUSTRIAL DEVELOPMENT AGENCY
AUTHORIZING AN ADDITIONAL MORTGAGE
FINANCING AND RE-FINANCING AND THE
EXECUTION AND DELIVERY OF LOAN DOCUMENTS
IN CONNECTION THEREWITH FOR THE 17 BELLE
MEADE RD LLC / R.E. HANSEN INDUSTRIES INC.
FACILITY AND APPROVING THE FORM, SUBSTANCE,
EXECUTION AND DELIVERY OF RELATED
DOCUMENTS.

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

WHEREAS, the Agency has previously assisted 17 BELLE MEADE RD LLC, a New York limited liability company (the "**Company**"), in the acquisition of approximately 4.5 acres of land, more particularly shown on the Suffolk County Tax Map as District 0200 Section 202.00 Block 03.00 Lot 004.002 (the "**Land**"), the demolition of structures thereon, and the acquisition, construction and equipping of an approximately 40,000 square foot building, an approximately 12,000 square foot building, and related improvements thereon (the "**Improvements**"), to be subleased by the Company to R.E. Hansen Industries Inc., a New York corporation, for use by R.E. Hansen Industries Inc, for manufacturing, distribution and fabrication of sheet metal products (the "**Facility**"); and

WHEREAS, the Agency acquired a fee interest in the Land and Improvements pursuant to a deed, dated as of September 9, 2014 (the "**Deed**"), from the Company to the Agency; and

WHEREAS, the Agency currently leases the Facility to the Company pursuant to a certain Lease Agreement, dated as of September 1, 2014, as amended (the "**Lease Agreement**"), by and between the Agency and the Company; and

WHEREAS, the Company currently subleases a portion of the Facility to R.E. Hansen Industries Inc. pursuant to the Sublease Agreement, dated September 9, 2014, as amended (the "**Hansen Sublease Agreement**"), by and between the Company, as sublessor, and R.E. Hansen Industries Inc., as sublessee; and

WHEREAS, in connection with the acquisition, construction and equipping of the Facility, the Company and the Agency mortgaged their respective interests in the Facility by entering into a Mortgage and Assignment of Rents, dated September 9, 2014 (the "**2014 Mortgage**"), from the Company and the Agency to M&T Bank (the "**M&T**"), securing the principal amount of \$3,600,000; and

WHEREAS, at the request of the Company, the Company and the Agency refinanced the 2014 Mortgage by entering into a Mortgage Consolidation, Extension, Modification and Security Agreement, dated July 29, 2020 (the “**2020 Mortgage**”), from the Company and the Agency to M&T, securing the principal amount of \$4,480,000; and

WHEREAS, at the request of the Company, the Company and the Agency refinanced the 2020 Mortgage by entering into a Mortgage Consolidation, Extension, Modification and Security Agreement, dated July 28, 2022 (the “**2022 Mortgage**”), from the Company and the Agency to Signature Bank (the “**Lender**”), securing the principal amount of \$4,480,000; and

WHEREAS, the Company has now requested the Agency's consent to enter into additional financing with the Lender, with respect to the Facility, in the aggregate principal amount presently estimated to be \$1,240,000.00, but not to exceed \$2,000,000 (the “**2022 Second Loan**”); and

WHEREAS, as security for such 2022 Second Loan being made to the Company by the Lender, the Company has submitted a request to the Agency that it join with the Company in executing and delivering to the Lender one or more mortgages and such other loan documents, satisfactory to the Agency, upon advice of counsel, in both form and substance, as may be reasonably requested by the Lender (the “**2022 Second Loan Documents**”); and

WHEREAS, the Agency contemplates that it will not provide financial assistance to the Company in connection with the 2022 Second Loan in the form of exemptions from mortgage recording taxes; 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 Company has agreed to indemnify the Agency against certain losses, claims, expenses, damages and liabilities that may arise in connection with the transactions contemplated by the financing or refinancing of the Facility and the continued leasing and subleasing of the Facility.

NOW, THEREFORE, BE IT RESOLVED by the Town of Brookhaven Industrial Development Agency (a majority of the members thereof affirmatively concurring) that:

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 as defined in the Act; and
- c. The Facility preserves the public purposes of the Act by increasing the number of private sector jobs in the Town of Brookhaven.

d. The financing or refinancing of the acquisition, construction and equipping of the Facility will promote and maintain the job opportunities, health, general prosperity and economic welfare of the citizens of the Town of Brookhaven and the State of New York and improve their standard of living and thereby serve the public purposes of the Act; and

e. The financing or refinancing of the acquisition, construction and equipping of the Facility as contemplated in this resolution is reasonably necessary to maintain the competitive position of the Company in its industry.

f. 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 and all regional and local land use plans for the area in which the Facility is located.

g. It is desirable and in the public interest for the Agency to assist in the financing or refinancing of the acquisition, construction and equipping of the Facility.

h. The 2022 Loan Documents will be effective instruments whereby the Agency and the Company agree to secure the 2022 Loan to the Lender.

Section 2. In consequence of the foregoing, the Agency hereby determines to: (i) grant a mortgage on and security interest in and to the Facility for the benefit of the Lender (the "**2022 Second Mortgage**"), provided, however, that the Agency shall not grant a mortgage recording tax exemption for the 2022 Second Mortgage, (ii) execute, deliver and perform the 2022 Second Mortgage, (iii) execute, deliver and perform the 2022 Second Loan Documents, with a limitation of the Agency's liability, in such form and containing such additional terms, conditions and provisions as the person executing same on behalf of the Agency shall approve, such approval to be conclusively evidenced by his or her execution and delivery thereof, and (iv) execute, deliver and perform such other related documents to which the Agency is a party, as may be necessary or appropriate to effect the 2022 Second Loan or any subsequent refinancing of the 2022 Second Mortgage.

Section 3. Subject to the provisions of this resolution and the Lease Agreement, the Agency is hereby authorized to do all things necessary or appropriate for the execution, delivery and performance of the 2022 Second Mortgage and the 2022 Second Loan Documents and such other related documents as may be necessary or appropriate to effect the 2022 Second Loan, or any subsequent refinancing of the 2022 Second Loan, and all acts heretofore taken by the Agency with respect to such financing or refinancing are hereby approved, ratified and confirmed.

Section 4. Subject to the provisions of this resolution and the Lease Agreement:

a. the Chairman, Chief Executive Officer, and all other members of the Agency are hereby authorized, on behalf of the Agency, to execute and deliver the 2022 Second Mortgage and the 2022 Second Loan Documents, together with such other related documents as may be, in the judgment of the Chairman, the Chief Executive Officer, or any of the other members of 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, Chief Executive Officer, or any member of the Agency shall constitute conclusive evidence of such approval; and

b. the Chairman, Chief Executive Officer, and any member of the Agency are further hereby authorized, on behalf of the Agency, to designate any additional authorized representatives of the Agency.

Section 5. Subject to the provisions of this resolution and the Lease Agreement, the Agency's Chairman, Chief Executive Officer, members, officers, employees and agents are each 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 person acting on behalf of the Agency, desirable and proper to effect the purposes of the foregoing resolution and to cause compliance by the Agency with all of the terms, covenants and provisions of the Agency Documents binding upon the Agency.

Section 6. Any and all acts, instruments, and other writings heretofore or hereafter performed and/or executed and delivered by any one or more of the Agency's Chairman, Chief Executive Officer, members, officers, employees or agents, pursuant to the several foregoing resolutions, for and on behalf of and in the name of the Agency, in connection with the transactions contemplated thereby, be and the same hereby are, in all respects ratified, confirmed and approved.

Section 7. The Chairman, Chief Executive Officer, Counsel to the Agency or any member of the Agency are hereby authorized and directed (i) to distribute copies of this resolution to the Company and (ii) to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this resolution.

Section 8. The Agency Documents, including the proposed 2022 Second Mortgage, promptly following the execution and delivery thereof, be identified by any of the Chairman, Chief Executive Officer or any member of the Agency by his or her endorsement thereon and when so identified be filed with the official records of the Agency.

Section 9. Any expenses incurred by the Agency with respect to the financing or refinancing of the Facility shall be paid by the Company. By acceptance hereof, the Company agrees to pay such expenses and further 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 with respect to the financing or refinancing of the Facility.

Section 10. This resolution shall take effect immediately.

ADOPTED: August 17, 2022

ACCEPTED: August ____, 2022

17 BELLE MEADE RD LLC

By: _____

Name:

Title:

RESOLUTION OF THE TOWN OF BROOKHAVEN
INDUSTRIAL DEVELOPMENT AGENCY
AUTHORIZING A MORTGAGE FINANCING AND RE-
FINANCING AND THE EXECUTION AND DELIVERY
OF LOAN DOCUMENTS IN CONNECTION
THEREWITH FOR 17 BELLE MEADE RD LLC / R.E.
HANSEN INDUSTRIES INC. FACILITY AND
APPROVING THE FORM, SUBSTANCE, EXECUTION
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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 the same may be amended from time to time (collectively, the "Act"), the Town of Brookhaven Industrial Development Agency (the "Agency"), was created with the authority and power among other things, to assist with certain industrial development projects as authorized by the Act; and

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WHEREAS, the Agency acquired a fee interest in the Land and Improvements pursuant to a deed, dated as of September 9, 2014 (the "Deed"), from the Company to the Agency; and

WHEREAS, the Agency currently leases the Facility to the Company pursuant to a certain Lease Agreement, dated as of September 1, 2014 (the "Lease Agreement"), by and between the Agency and the Company; and

WHEREAS, the Company currently subleases a portion of the Facility to R.E. Hansen Industries Inc. pursuant to the Sublease Agreement, dated September 9, 2014, as amended (the "Hansen Sublease Agreement"), by and between the Company, as sublessor, and R.E. Hansen Industries Inc., as sublessee; and

WHEREAS, the Company currently subleases a portion of the Facility to Hansai Holdings LLC, a New York limited liability company, pursuant to the Sublease Agreement, dated March 15, 2019 (the "Hansai Sublease Agreement"), by and between the Company, as sublessor, and Hansai Holdings LLC, as sublessee; and

WHEREAS, in connection with the acquisition, construction and equipping of the Facility, the Company and the Agency mortgaged their respective interests in the Facility by entering into a Mortgage and Assignment of Rents, dated September 9, 2014 (the "2014

Mortgage"), from the Company and the Agency to M&T Bank (the "M&T"), securing the principal amount of \$3,600,000; and

WHEREAS, at the request of the Company, the Company and the Agency refinanced the 2014 Mortgage by entering into a Mortgage Consolidation, Extension, Modification and Security Agreement, dated July 29, 2020 (the "2020 Mortgage"), from the Company and the Agency to M&T, securing the principal amount of \$4,480,000; and

WHEREAS, the Company has now requested the Agency's consent to enter into a financing or refinancing with Signature Bank, or such other lender as may be determined (the "Lender"), with respect to the Facility in the aggregate principal amount presently estimated to be \$4,240,000.00, but not to exceed \$5,000,000 (the "2022 Loan"); and

WHEREAS, as security for such 2022 Loan being made to the Company by the Lender, the Company has submitted a request to the Agency that it join with the Company in executing and delivering to the Lender one or more mortgages and such other loan documents, satisfactory to the Agency, upon advice of counsel, in both form and substance, as may be reasonably requested by the Lender (the "2022 Loan Documents"); and

WHEREAS, the Agency contemplates that it will not provide financial assistance to the Company in connection with the 2022 Loan in the form of exemptions from mortgage recording taxes; 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 Company has agreed to indemnify the Agency against certain losses, claims, expenses, damages and liabilities that may arise in connection with the transactions contemplated by the financing or refinancing of the Facility and the continued leasing and subleasing of the Facility.

NOW, THEREFORE, BE IT RESOLVED by the Town of Brookhaven Industrial Development Agency (a majority of the members thereof affirmatively concurring) that:

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 as defined in the Act; and
- c. The Facility preserves the public purposes of the Act by increasing the number of private sector jobs in the Town of Brookhaven.
- d. The financing or refinancing of the acquisition, construction and equipping of the Facility will promote and maintain the job opportunities, health, general prosperity and

economic welfare of the citizens of the Town of Brookhaven and the State of New York and improve their standard of living and thereby serve the public purposes of the Act; and

e. The financing or refinancing of the acquisition, construction and equipping of the Facility as contemplated in this resolution is reasonably necessary to maintain the competitive position of the Company in its industry.

f. 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 and all regional and local land use plans for the area in which the Facility is located.

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h. The 2022 Loan Documents will be effective instruments whereby the Agency and the Company agree to secure the 2022 Loan to the Lender.

Section 2. In consequence of the foregoing, the Agency hereby determines to: (i) grant a mortgage on and security interest in and to the Facility for the benefit of the Lender (the "2022 Mortgage"), provided, however, that the Agency shall not grant a mortgage recording tax exemption for the 2022 Mortgage, (ii) execute, deliver and perform the 2022 Mortgage, (iii) execute, deliver and perform the 2022 Loan Documents, with a limitation of the Agency's liability, in such form and containing such additional terms, conditions and provisions as the person executing same on behalf of the Agency shall approve, such approval to be conclusively evidenced by his or her execution and delivery thereof, and (iv) execute, deliver and perform such other related documents to which the Agency is a party, as may be necessary or appropriate to effect the 2022 Loan or any subsequent refinancing of the 2022 Mortgage.

Section 3. Subject to the provisions of this resolution and the Lease Agreement, the Agency is hereby authorized to do all things necessary or appropriate for the execution, delivery and performance of the 2022 Mortgage and the 2022 Loan Documents and such other related documents as may be necessary or appropriate to effect the 2022 Loan, or any subsequent refinancing of the 2022 Loan, and all acts heretofore taken by the Agency with respect to such financing or refinancing are hereby approved, ratified and confirmed.

Section 4. Subject to the provisions of this resolution and the Lease Agreement:

a. the Chairman, Chief Executive Officer, and all other members of the Agency are hereby authorized, on behalf of the Agency, to execute and deliver the 2022 Mortgage and the 2022 Loan Documents, together with such other related documents as may be, in the judgment of the Chairman, the Chief Executive Officer, or any of the other members of 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, Chief Executive Officer, or any member of the Agency shall constitute conclusive evidence of such approval; and

b. the Chairman, Chief Executive Officer, and any member of the Agency are further hereby authorized, on behalf of the Agency, to designate any additional authorized representatives of the Agency.

Section 5. Subject to the provisions of this resolution and the Lease Agreement, the Agency's Chairman, Chief Executive Officer, members, officers, employees and agents are each 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 person acting on behalf of the Agency, desirable and proper to effect the purposes of the foregoing resolution and to cause compliance by the Agency with all of the terms, covenants and provisions of the Agency Documents binding upon the Agency.

Section 6. Any and all acts, instruments, and other writings heretofore or hereafter performed and/or executed and delivered by any one or more of the Agency's Chairman, Chief Executive Officer, members, officers, employees or agents, pursuant to the several foregoing resolutions, for and on behalf of and in the name of the Agency, in connection with the transactions contemplated thereby, be and the same hereby are, in all respects ratified, confirmed and approved.

Section 7. The Chairman, Chief Executive Officer, Counsel to the Agency or any member of the Agency are hereby authorized and directed (i) to distribute copies of this resolution to the Company and (ii) to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this resolution.

Section 8. The Agency Documents, including the proposed 2022 Mortgage, promptly following the execution and delivery thereof, be identified by any of the Chairman, Chief Executive Officer or any member of the Agency by his or her endorsement thereon and when so identified be filed with the official records of the Agency.

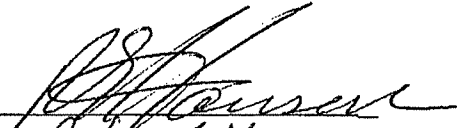
Section 9. Any expenses incurred by the Agency with respect to the financing or refinancing of the Facility shall be paid by the Company. By acceptance hereof, the Company agrees to pay such expenses and further to indemnify the Agency, its members, directors, employees and agents and hold the Agency 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 with respect to the financing or refinancing of the Facility.

Section 10. This resolution shall take effect immediately.

ADOPTED: July 19, 2022

ACCEPTED: July 19, 2022

17 BELLE MEADE RD LLC

By: 
Name: Robert Hansen
Title: Managing Member