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November 1, 2021

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

Attention: Ms. Lisa MG Mulligan, Chief Executive Officer

***Re: The Arboretum at Farmingville 2019 Facility
510 Horseblock Road, Farmingville, New York***

Dear Ms. Mulligan:

As you may recall, this firm represents BRP Farmingville, LLC (“BRP Farmingville”) in connection with the proposed Straight Lease Transaction with the Town of Brookhaven Industrial Development Agency (the “Agency”) for the above-referenced Project. This Project was originally submitted by Kelly Builders of Farmingville LLC on September 1, 2018 (the “Original Application”) and approved by the Agency.

In connection with their planned acquisition of the Project, BRP Farmingville submitted a request for the Agency’s consent to an assignment of the Project to BRP Farmingville and submitted a new Application for Application for Financial Assistance (the “BRP Farmingville Application”). Such consent and BRP Farmingville Application were approved. The Agency approved a further assignment of the BRP Farmingville Application to Brookhaven Venture LLC a related entity formed or to be formed in conjunction with the BRP Farmingville, LLC’s capital partner.

Whereas, pursuant to that certain letter of the undersigned dated March 21, 2021, the Company requested that the Application be deemed amended to reflect that the total Project Cost be increased due to certain increases in material costs since the original filing of the Application. The Agency approved such request pursuant to that certain Resolution of the Board of the Agency dated as of April 21, 2021.

Due to the continued and ongoing dramatic changes in the construction and materials markets caused by the COVID-19 Pandemic, the Project Cost, as amended, are out-of-date and are significantly lower than the currently anticipated costs. Additionally, due to the increase in costs and the structuring of the financing and equity investment, the amount of conventional

financing being sought has also changed.

Accordingly, the Company hereby requests that the Agency approve the following changes to the Original Application and the BRP Farmingville Application:

- Part IV(1) to be amended to provide the following project costs:

Description	Amount
Land and/or Building Acquisition	\$ 20,100,000.00
Building demolition/construction	\$ 98,956,061.00
Building Renovation	\$0
Site Work	\$0 (included in construction costs)
Machinery and Equipment	\$0 (included in construction costs)
Legal Fees (including closing costs)	\$ 1,920,788.00
Architectural/ Engineering Fees	\$ 2,065,773.00
Financial Charges	\$ 4,442,413.00
Other (environmental)	\$ 163,443.00
Other (Municipal)	\$ 2,064,623.00
Other (Survey)	\$ 57,445.00
Other (Taxes and Insurance)	\$ 2,751,143.00
Other (Development Fee)	\$ 3,850,000.00
Other (Soft Cost Contingency)	\$ 521,876.00
Other (Construction Loan Interest)	\$ 3,480,789.00
Other (Start Up Expenses)	\$ 1,414,300.00
Total Project Cost	\$141,788,654.00

- Part IV(2) to be modified to reflect the following method of financing:

Method of Financing	Amount
A. Tax-exempt bond financing	\$0
B. Taxable bond financing	\$0
C. Conventional Mortgage	\$91,000,000.00
D. SBA (504) or other governmental financing	\$0
E. Public Sources	\$0
F. Other Loans	\$0
G. Owner/User equity contribution	\$50,788,653
Total Project Costs	\$141,788,654.00

- Part V (Project Benefits) to be modified as follows:

1. Mortgage Recording Tax Benefit:

- A. Mortgage Amount for exemption: \$91,000,000.00
- B. Estimated Mortgage Recording Tax Exemption: \$682,500.00

C. Sales and Use Tax Benefit:

- A. Gross amount of costs for good and services that are subject to State and local Sales and Use Tax (such amount to benefit from the Agency's exemption):
\$59,373,636.60
- B. Estimated State and local Sales and Use Tax exemption (product of 8.625% and figure above): \$5,120,976.16

Please feel free to contact me with any questions or concerns regarding the foregoing requested modifications.

Sincerely,

FORCHELLI DEEGAN TERRANA LLP

By: *Louis H. Fiore*
LOUIS H. FIORE