
CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY

OAK KNITTING MILL COMMONS LLC PROJECT

TRANSCRIPT OF PROCEEDINGS

CLOSING DATE: SEPTEMBER 26, 2017

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY

OAK KNITTING MILL COMMONS LLC PROJECT

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PROJECT AGREEMENT

THIS PROJECT AGREEMENT (the “*Project Agreement*”), made as of September 1, 2017, by and between the **CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY**, a public benefit corporation of the State of New York, with offices at 201 East Washington Street, 7th Floor, Syracuse, New York 13202 (the “*Agency*”) and **OAK KNITTING MILL COMMONS LLC**, a limited liability company duly organized, validly existing and in good standing under the laws of the State of New York, with offices at 100 Madison Street, Suite 1905, Syracuse, New York 13202 (the “*Company*”).

WITNESSETH:

WHEREAS, Title I of Article 18-A of the General Municipal Law of the State of New York (the “*Enabling Act*”) was duly enacted into law as Chapter 1030 of the Laws of 1969 of the State of New York; and

WHEREAS, the Enabling Act authorizes and provides for the creation of industrial development agencies for the benefit of the several counties, cities, villages and towns in the State of New York (the “*State*”) and empowers such agencies, among other things, to acquire, construct, reconstruct, lease, improve, maintain, equip and dispose of land and any building or other improvement, and all real and personal properties, including, but not limited to machinery and equipment deemed necessary in connection therewith, whether or not now in existence or under construction, which shall be suitable for manufacturing, warehousing, research, commercial, or industrial purposes, in order to advance the job opportunities, health, general prosperity and economic welfare of the people of the State and to improve their standard of living; and

WHEREAS, the Enabling Act further authorizes each such agency, for the purpose of carrying out any of its corporate purposes, to lease or sell any or all of its facilities, whether then owned or thereafter acquired; and

WHEREAS, the Agency was created, pursuant to and in accordance with the provisions of the Enabling Act, by Chapter 641 of the Laws of 1979 of the State, as amended (collectively, with the Enabling Act, the “*Act*”) and is empowered under the Act to undertake the Project (as hereinafter defined) in order to advance the job opportunities, health, general prosperity and economic welfare of the people of the State and improve their standard of living; and

WHEREAS, the Company submitted an application (the “*Application*”) to the Agency requesting the Agency’s assistance with respect to a certain project (the “*Project*”) consisting of: (A)(i) the acquisition of an interest in approximately 1 acre of real property improved by an existing four story approximately 68,000 square foot building (the “*Building*”) located at 102 West Division Street, in the City of Syracuse, New York (the “*Land*”); (ii) the renovation of the building to house approximately 18 two-bedroom and 20 one-bedroom market-rate apartment units on floors 2-4, a fitness center and community room; approximately 5,000 square feet of commercial space on the first floor; and approximately fifty-two (52) parking spaces, all located on the Land (collectively, the “*Facility*”); (iii) the acquisition and installation in and at the Land and Facility of furniture, fixtures and equipment (the “*Equipment*” and together with the Land

and the Facility, the "***Project Facility***"); (B) the granting of certain financial assistance in the form of exemptions from real property tax, State and local sales and use tax and mortgage recording tax (as limited by Section 874 of the General Municipal Law) (collectively the "***Financial Assistance***"); (C) the appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, reconstruction, renovation, equipping and completion of the Project Facility; and (D) the lease of the Land and Facility by the Agency pursuant to a lease agreement and the acquisition of an interest in the Equipment pursuant to a bill of sale from the Company to the Agency; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement; and

WHEREAS, by resolutions of its members adopted on December 20, 2017 (collectively, the "***Resolutions***"), the Agency authorized certain financial assistance for the benefit of the Project consisting of: (a) an exemption from New York State and local sales and use taxes for purchases and rentals related to the Project with respect to qualifying personal property included in or incorporated into the Project Facility or used in the acquisition, construction or equipping of the Project Facility; (b) an exemption from mortgage recording tax; and (c) an abatement from real property taxes through a 15-year payment in lieu of taxes agreement with the Company for the benefit of each municipality and school district having taxing jurisdiction over the Project (collectively, the sales and use tax exemption benefit, the mortgage recording tax benefit, and the abatement from real property taxes benefit, are hereinafter collectively referred to as the "***Financial Assistance***"); and

WHEREAS, it has been estimated and confirmed by the Company within its Application for Financial Assistance that: (i) the purchase of goods and services relating to the Project, and subject to New York State and local sales and use taxes, are estimated to cost an amount up to **\$4,872,928**; and therefore, the value of the State and local sales and use tax exemption benefits authorized and approved by the Agency cannot exceed **\$389,834**; (ii) the mortgage recording tax exemption amount shall be approximately **\$55,800** (as limited by Section 874 of the General Municipal Law); and (iii) real property tax abatement benefits to be provided to the Company over the 15-year benefit period of the anticipated payment in lieu of taxes agreement are estimated to be approximately **\$707,062.26**; and

WHEREAS, the Company proposes to lease the Land and Facility to the Agency, and the Agency desires to lease the Land and Facility from the Company pursuant to the terms of a certain Company Lease Agreement dated as of September 1, 2017 (the "***Company Lease***"), by and between the Company and the Agency; and

WHEREAS, the Agency proposes to acquire an interest in the Equipment pursuant to a bill of sale dated as of September 1, 2017 from the Company (the "***Bill of Sale***"); and

WHEREAS, contemporaneously with the execution of this Project Agreement, the Company shall execute and deliver an environmental compliance and indemnification agreement in favor of the Agency (the "***Environmental Compliance and Indemnification Agreement***"); and

WHEREAS, the Agency proposes to sublease the Project Facility to the Company, and the Company desires to lease the Project Facility from the Agency, upon the terms and conditions set forth in a certain Agency Lease Agreement dated as of September 1, 2017 (the “*Agency Lease*”); and

WHEREAS, in order to define the obligations of the Company regarding payments in lieu of taxes for the Project Facility, the Agency and the Company will enter into a Payment in Lieu of Tax Agreement, dated as of September 1, 2017 (the “*PILOT Agreement*”), by and between the Agency and the Company; and

WHEREAS, by its Resolutions, the Agency authorized the Company to act as its agent for the purposes of undertaking the Project and the Agency delegated to the Company the authority to appoint sub-agents subject to the execution of this Project Agreement and compliance with the terms set forth herein and in the Resolutions; and

WHEREAS, in order to define the obligations of the Company regarding its ability to utilize the Agency’s sales and use tax exemption benefit as agent of the Agency to acquire, construct, renovate, equip and complete the Project Facility and to undertake the Project, the Agency and the Company will enter into this Project Agreement; and

WHEREAS, the Agency requires, as a condition and as an inducement for it to enter into the transactions contemplated by the Resolutions, and as more particularly described in the PILOT Agreement and this Project Agreement, that the Company provide assurances with respect to the terms and conditions herein set forth; and

WHEREAS, this Project Agreement sets forth the terms and conditions under which Financial Assistance shall be provided to the Company; and

WHEREAS, no Financial Assistance shall be provided to the Company prior to the effective date of this Project Agreement.

NOW THEREFORE, in consideration of the covenants herein contained and other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, it is mutually agreed as follows:

**ARTICLE I
PURPOSE OF PROJECT**

Section 1.01 Recitals. The foregoing recitals are incorporated by referenced as if fully set forth herein.

Section 1.02 Purpose of Project. It is understood and agreed by the parties that the purpose of the Agency’s provision of Financial Assistance with respect to the Project is to, and that the Agency is entering into the Company Lease, Agency Lease, payment in lieu of taxes agreement (“*PILOT Agreement*”) and this Project Agreement in order to, promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping, furnishing and completing of the Project Facility to advance job opportunities, health,

general prosperity and economic welfare of the people of the City of Syracuse and to otherwise accomplish the public purpose of the Act.

ARTICLE II REAL PROPERTY TAX EXEMPTION

Section 2.01. PILOT Agreement. Attached hereto and made a part hereof as Exhibit A is a copy of the PILOT Agreement by and between the Company and the Agency.

ARTICLE III SALES AND USE TAX EXEMPTION

Section 3.01. Scope of Agency. The Company agrees to limit its activities as agents for the Agency under the authority of the Resolutions and this Project Agreement to acquisition, reconstruction, installation and completion of the Project Facility. The right of the Company to act as agent of the Agency shall expire on the earlier of **August 1, 2018** or sixty days after the issuance of a certificate of occupancy, unless extended by a resolution adopted by the members of the Agency, or unless terminated early in accordance with the terms of the Agency Lease. The value of the sales and use tax exemption benefits shall not exceed the amounts described in the Application and as set forth in Section 3.03(b) unless approved by a resolution adopted by the members of the Agency. All contracts entered into by the Company as agent for the Agency shall include the following language:

“This contract is being entered into by _____ (the “*Agent*”), as agent for and on behalf of the City of Syracuse Industrial Development Agency (the “*Agency*”), in connection with a certain project of the Agency for the benefit of the Agent consisting in part of the acquisition and installation of certain machinery, equipment and building materials, all for use in construction and/or incorporation and installation in certain premises located at 102 West Division Street, in the City of Syracuse, New York (the “*Premises*”). The machinery, equipment and building materials (collectively, the “*Equipment*”) to be used in the construction and/or incorporated and installed in the Premises shall be exempt from the sales and use taxes levied by the State of New York if the use and/or acquisition of the Equipment is effected in accordance with the terms and conditions set forth in the Project Agreement dated as of September 1, 2017 by and between the Agency and the Company (the “*Project Agreement*”); and the Agent represents that this contract is in compliance with the terms of the Project Agreement. This contract is non-recourse to the Agency, and the Agency shall not be directly, indirectly or contingently liable or obligated hereunder in any manner or to any extent whatsoever. By execution or acceptance of this contract, the vendor/contractor acknowledges and agrees to the terms and conditions set forth in this paragraph.”

Section 3.02. Appointment of Sub-Agents. Subject to the terms and conditions of this Project Agreement and pursuant to the Resolutions, the Agency hereby delegates to the Company the authority to appoint sub-agents of the Agency in connection with the Project,

which may be agents, subagents, contractors, subcontractors, contractors and subcontractors of such agents and subagents and other parties as the Company chooses (each, a “**Sub-Agent**”). The appointment of each such Sub-Agent will be effective only upon: (1) the execution by the Sub-Agent and the Company of the Sub-Agent Appointment Agreement attached as Exhibit F to the Agency Lease (the “**Sub-Agent Agreement**”), the terms and provisions of which are incorporated herein; (2) the receipt by the Agency of a completed Form ST-60 in accordance with Section 3.03(e) below; and (3) receipt of any required insurance as set forth in the Sub-Agent Agreement.

Section 3.03. Representations and Covenants of the Company.

(a) The Company hereby incorporates and restates its representations, covenants and warranties made in the Agency Lease.

(b) The Company further covenants and agrees that the purchase of goods and services relating to the Project and subject to State and local sales and use taxes are estimated in the amount up to **\$4,872,928**, and, therefore, the value of the sales and use tax exemption benefits authorized and approved by the Agency cannot exceed **\$389,834**.

(c) The Company further covenants and agrees to complete “IDA Appointment of Project Operator or Agent For Sales Tax Purposes” (Form ST-60) for itself and each Sub-Agent and to provide said form to the Agency within fifteen (15) days of appointment such that the Agency can execute and deliver said form to the State Department of Taxation and Finance within thirty (30) days of appointment.

(d) The Company further covenants and agrees to file an annual statement with the State Department of Taxation and Finance an “Annual Report of Sales and Use Tax Exemptions” (Form ST-340) regarding the value of sales and use tax exemptions the Company and its Sub-Agents have claimed pursuant to the agency conferred on the Company with respect to the Project in accordance with Section 874(8) of the Act. The Company further covenants and agrees that it will, within thirty (30) days of each filing, provide a copy of their filed ST-340 to the Agency, but in no event later than March 29 of each year. The Company understands and agrees that the failure to file such annual statement will result in the removal of: (1) the Company’s authority to act as agents for the Agency; and (2) the authority of any Sub-Agent of the Agency appointed by the Company pursuant to Section 3.02 hereof to act as agent for the Agency.

(e) The Company further acknowledges and agrees that all purchases made in furtherance of the Project by the Company and any Sub-Agent shall be made using “IDA Agent or Project Operator Exempt Purchase Certificate” (Form ST-123, a copy of which is attached to the Sub-Agent Agreement), and it shall be the responsibility of the Company and the Sub-Agent, as the case may be, (and not the Agency) to complete Form ST-123. The Company acknowledges and agrees that it shall identify the Project on each bill and invoice for such purchases and further indicate on such bills or invoices that the Company is making purchases of tangible personal property or services for use in the Project as agent of the Agency. For purposes of indicating who the purchaser is, the Company acknowledges and agrees that the bill of invoice

should state, "I, [NAME OF AGENT], certify that I am a duly appointed agent of the City of Syracuse Industrial Development Agency and that I am purchasing the tangible personal property or services for use in the following IDA project and that such purchases qualify as exempt from sales and use taxes under my Project Agreement with the City of Syracuse Industrial Development Agency." The Company further acknowledges and agrees that the following information shall be used by the Company to identify the Project on each bill and invoice: Oak Knitting Mill Commons Project, 102 West Division Street, Syracuse, New York 13202, IDA Project No.: 31021704.

(f) The Company acknowledges and agrees that the Agency shall not be liable, either directly or indirectly or contingently, upon any contract, agreement, invoice, bill or purchase order in any manner and to any extent whatsoever (including payment or performance obligations), and the Company shall be the sole party liable thereunder.

Section 3.04. Hold Harmless Provisions.

(a) The Company releases the Agency and its members, officers, agents (other than the Company) and employees from, agrees that the Agency and its members, officers, agents (other than the Company) and employees shall not be liable for and agrees to indemnify, defend and hold the Agency and its members, officers, agents (other than the Company) and employees harmless from and against any and all claims, causes of action, judgments, liabilities, damages, losses, costs and expenses arising as a result of the Agency's undertaking the Project, including, but not limited to: (1) liability for loss or damage to property or bodily injury to or death of any and all persons that may be occasioned, directly or indirectly, by any cause whatsoever pertaining to the Project Facility or arising by reason of or in connection with the occupation or the use thereof or the presence of any person or property on, in or about the Project Facility; (2) liability arising from or expense incurred by the Agency's acquiring, constructing, equipping, installing, owning, leasing or selling the Project Facility, including, without limiting the generality of the foregoing, any sales or use taxes which may be payable with respect to goods supplied or services rendered with respect to the Project Facility, all liabilities or claims arising as a result of the Agency's obligations under this Project Agreement or the enforcement of or defense of validity of any provision of this Project Agreement; (3) all claims arising from the exercise by the Company of the authority conferred on it pursuant to Sections 1 and 2 hereof; and (4) all causes of action and reasonable attorneys' fees and other expenses incurred in connection with any suits or actions that may arise as a result of any of the foregoing; provided that any such claims, causes of action, judgments, liabilities, damages, losses, costs or expenses of the Agency are not incurred or do not result from the gross negligence or intentional wrongdoing of the Agency or any of its members, officers, agents (other than the Company) or employees. The foregoing indemnities shall apply notwithstanding the fault or negligence in part of the Agency or any of its officers, members, agents (other than the Company) or employees and notwithstanding the breach of any statutory obligation or any rule of comparative or apportioned liability.

(b) In the event of any claim against the Agency or its members, officers, agents (other than the Company) or employees by any employee of the Company or any contractor of the Company or anyone directly or indirectly employed by any of them or anyone

for whose acts any of them may be liable, the obligations of the Company hereunder shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for the Company or such contractor under workers' compensation laws, disability benefits laws or other employee benefit laws.

(c) To effectuate the provisions of this Section 3.04, the Company agrees to provide for and insure, in the liability policies required by Section 3.05 of this Project Agreement, its liabilities assumed pursuant to this Section 3.04.

(d) Notwithstanding any other provisions of this Project Agreement, the obligations of the Company pursuant to this Section 3.04 shall remain in full force and effect after the termination of this Project Agreement until the expiration of the period stated in the applicable statute of limitations during which a claim, cause of action or prosecution relating to the matters herein described may be brought and the payment in full or the satisfaction of such claim, cause of action or prosecution and the payment of all expenses, charges and costs incurred by the Agency, or its officers, members, agents (other than the Company) or employees, relating thereto.

Section 3.05. Insurance Required.

(a) The Company agrees that it shall maintain all insurance required under the Agency Lease.

(b) The Company agrees that it shall cause its general contractor for the Project to maintain, effective as of the date of its Sub-Agent Agreement until the expiration or termination of the general contractor's employment by the Company, or its designee, with respect to the Project Facility, all of the same insurance with respect to the Project Facility, as set forth in Article 6 of the Agency Lease as if the general contractor were the Company thereunder. The Company further agrees that it shall cause its general contractor for the Project to comply and abide, effective as of the date of the Sub-Agent Agreement and until the expiration or termination of the general contractor's employment by the Company, or its designee, with respect to the Project Facility, with all of the terms and conditions set forth in Article 6 of the Agency Lease with respect to the type, nature and proof of insurance required thereunder.

**ARTICLE IV
COMMITMENTS AND REPORTING**

Section 4.01. Compliance Commitments. The Company agrees and covenants that it shall meet and maintain the commitments set forth in (a) below beginning in the first year after completion of the Project. The Company further agrees and covenants that it shall meet and maintain the commitments set forth in (b) below with respect to retained jobs set forth in the Application starting in the first year in which Financial Assistance is claimed and/or provided; and with respect to new jobs, the Company shall create, in years one (1) through three (3) following completion of the Project the new jobs set forth in the Company's Application. The reporting of, and the commitment to, each of (a), (b) and (c) below continue for the duration of the PILOT

Agreement (the “*Term*”) or if the PILOT is terminated early, until the earlier of five (5) years from the termination date or the stated expiration of the PILOT Agreement:

(a) The total investment made with respect to the Project at the Project’s completion date shall equal to or exceed \$9,745,856, being the total project cost as stated in the Company’s Application for Financial Assistance (the “*Investment Commitment*”).

(b) At least zero (0) full time equivalent (“*FTE*”) employees were retained by the Project Facility as of the date of the Application for Financial Assistance (the “*Baseline FTE*”). The Company’s application estimated the creation of twenty (20) new FTEs (the “*New FTEs*”) at the Project Facility within the first three (3) years following completion of the Project Facility. The Company shall be required to meet and maintain all of the foregoing employment commitments during the Term hereof (the “*Employment Commitment*”).

(c) The Company shall annually provide to the Agency certain information to confirm that the Project is achieving the investment, job retention, job creation, and other objectives of the Project for the Term (the “*Reporting Commitment*”).

Section 4.02. Reporting Requirement. As part of the commitments set forth in Section 4.01, the Company shall provide annually, to the Agency, a certified statement and supporting documentation: (i) enumerating the full time equivalent jobs retained and the full time equivalent jobs created as a result of the Financial Assistance, by category, including full time equivalent independent contractors or employees of independent contractors that work at the Project location, and (ii) indicating that the salary and fringe benefit averages or ranges for categories of jobs retained and jobs created that was provided in the application for Financial Assistance is still accurate and if it is not still accurate, providing a revised list of salary and fringe benefit averages or ranges for categories of jobs retained and jobs created. **Exhibit B** contains a form of annual certification that the Company must complete and submit to the Agency on an annual basis. The Agency reserves the right to modify such form to require additional information that the Agency must have in order to comply with its reporting requirements under the Act.

ARTICLE V SUSPENSION, DISCONTINUATION, RECAPTURE AND/OR TERMINATION OF FINANCIAL ASSISTANCE

Section 5.01. Suspension, Discontinuation, Recapture and/or Termination of Financial Assistance. It is understood and agreed by the Parties that the Agency is entering into the Company Lease, the Agency Lease, the PILOT Agreement and this Project Agreement in order to provide Financial Assistance to the Company for the Project Facility and to accomplish the public purposes of the Act.

(a) In accordance with Section 875(3) of the New York General Municipal Law, the policies of the Agency, and the Resolutions, the Company covenants and agrees that it is subject to recapture of all State sales and use tax exemption benefits if:

(1) the Company or its Subagents, if any, authorized to make purchases for the benefit of the Project are not entitled to the State sales and use tax exemption benefits; or

(2) the State sales and use tax exemption benefits are in excess of the amounts authorized by the Agency to be taken by the Company or its Subagents, if any; or

(3) the State sales and use tax exemption benefits are for property or services not authorized by the Agency as part of the Project; or

(4) the Project has failed to comply with a material term or condition to use the property or services in the manner required by any project document between the Company and the Agency.

Each of the foregoing four events are hereinafter referred to as a “***State-Mandated Recapture Event***”. The Agency shall evaluate, annually as of December 31, or at any time information is brought to the Agency’s attention, whether a State-Mandated Recapture Event has occurred.

(b) In addition to Section 5.01(a), in accordance with the policies of the Agency and the Resolutions, the Company covenants and agrees that the Agency shall have the right to suspend, discontinue, recapture or terminate all or any portion of any Financial Assistance to the extent any of the following occur (each a “***Deficit***”):

- a) for projects that utilized local sales and use tax exemptions, the project was not entitled to such exemptions, such exemptions were in excess of the amounts authorized by the Agency, and/or such exemptions were for property or services not authorized by the Agency (each, a “***Local Sales Tax Benefit Violation***”);
- b) the company, upon completion of the project, fails to reach and maintain at least 85 percent of its employment requirements for job creation and/or retention (“***Job Deficit***”);
- c) the total investment actually made with respect to the project at the project’s completion date is less than 85 percent of its investment requirement (“***Investment Deficit***”);
- d) the company fails to provide annually to the Agency certain information to confirm that the project is achieving the investment, job retention, job creation, and other objectives of the Project (“***Reporting Failure***”); or
- e) there otherwise occurs any event of default under any project document (each, an “Event of Default”) or a material violation of the terms and conditions of any project document (a “***Material Violation***”).

The Agency shall evaluate, annually as of December 31, or at any time information is brought to the Agency's attention, whether a Local Sales Tax Benefit Violation, Job Deficit, Investment Deficit, Reporting Failure Event of Default or Material Violation (each a "**Noncompliance Event**") has occurred. Notwithstanding the foregoing, the Agency may determine whether an Event of Default has occurred pursuant to any Project Document in accordance with the terms of the Project Document.

At the time of any Noncompliance Event, the Agency shall determine by resolution whether to exercise its right to suspend, discontinue, recapture or terminate all or any portion of the Financial Assistance in accordance with its Recapture Policy; and shall consider the following criteria in determining whether to proceed to suspend, discontinue, recapture or terminate all or any portion of the Financial Assistance:

- i. Whether the Company has proceeded in good faith.
- ii. Whether the Project has not performed as required due to economic issues, changes in market conditions or adverse events beyond the control of the Company.
- iii. Whether the enforcement by the Agency of its right to suspend, discontinue, recapture or terminate all or any portion of the Financial Assistance would create a more adverse situation for the Company, such as the Company going out of business or declaring bankruptcy, which would not occur if the Agency's rights were not exercised.
- iv. Whether the enforcement by the Agency of its right to suspend, discontinue, recapture or terminate all or any portion of the Financial Assistance would create an adverse situation for the residents of the City of Syracuse.
- v. The assessment prepared in accordance with the Agency's Annual Assessment Policy.
- vi. Such other criteria as the Agency shall determine is a relevant factor in connection with any decision regarding the exercise of its right to suspend, discontinue, recapture or terminate all or any portion of the Financial Assistance.

The Agency shall document its evaluation of the above criteria in writing and based upon its evaluation, the Agency shall determine whether to suspend, discontinue, recapture or terminate all or any portion of the Financial Assistance (the "**Determination**"). The Determination shall provide terms, if any, by which the Company may remedy any Noncompliance Event upon which the Determination was based. The Company must submit written documentation to the Agency of compliance with all terms and conditions of the Determination in order for the Agency to consider whether to resume Financial Assistance to the Company (which will be at the Agency's sole discretion).

received or delivery of same is refused by the recipient or personally delivered in the manner provided in this Section.

Section 6.03. Amendments. No amendment, change, modification, alteration or termination of this Project Agreement shall be made except in writing upon the written consent of the Company and the Agency.

Section 6.04. Severability. The invalidity or unenforceability of any one or more phrases, sentences, clauses or sections in this Project Agreement or the application thereof shall not affect the validity or enforceability of the remaining portions of this Project Agreement or any part thereof.

Section 6.05. Counterparts. This Project Agreement may be executed in any number of counterparts each of which shall be deemed an original but which together shall constitute a single instrument.

Section 6.06. Governing Law. This Project Agreement shall be governed by, and all matters in connection herewith shall be construed and enforced in accordance with, the laws of the State applicable to agreements executed and to be wholly performed therein and the parties hereto hereby agree to submit to the personal jurisdiction of the federal or state courts located in Onondaga County, New York.

Section 6.07. Term. Except as specifically provided otherwise, the term of this Project Agreement shall be the longer of: (1) the term of the Agency Lease ; or (2) five years following the Project's substantial completion date as evidenced by a certificate of occupancy. The Project will remain "active" for purposes of Section 874(12) of General Municipal Law and the Agency's Annual Assessment Policy during the term of this Project Agreement.

Section 6.08. Section Headings. The headings of the several Sections in this Project Agreement have been prepared for convenience of reference only and shall not control, affect the meaning of or be taken as an interpretation of any provision of this Project Agreement.

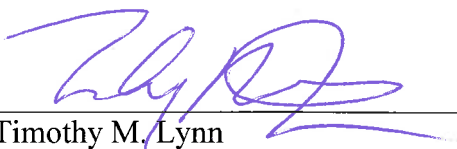
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IN WITNESS WHEREOF, the parties hereto have executed this Project Agreement as of the day and year first above written.

**CITY OF SYRACUSE INDUSTRIAL
DEVELOPMENT AGENCY**

By: 
William M. Ryan, Chairman

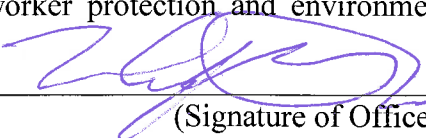
OAK KNITTING MILL COMMONS LLC
By: OKM MM LLC

By: 
Timothy M. Lynn
Manager

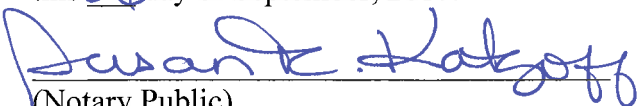
STATE OF NEW YORK)
COUNTY OF ONONDAGA) ss.:

Timothy M. Lynn, being first duly sworn, deposes and says:

1. That I am the Manager of OKM MM LLC, the Managing Member of Oak Knitting Mill Commons LLC and that I am duly authorized on behalf of the Company to bind the Company and to execute this Project Agreement.
2. That the Company confirms and acknowledges that the owner, occupant, or operator receiving Financial Assistance for the Project is in substantial compliance with all applicable local, state and federal tax, worker protection and environmental laws, rules and regulations.


(Signature of Officer)

Subscribed and affirmed to me
under penalties of perjury
this 26 day of September, 2017.


(Notary Public)

SUSAN R. KATZOFF
Notary Public, State of New York
Qual. in Onondaga Co. No. 02KA6120102
Commission Expires on December 13, 2020

EXHIBIT A

Executed Copy of PILOT Agreement

(See Tab #13)

EXHIBIT B

FORM OF ANNUAL REPORTING QUESTIONNAIRE

SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY
201 East Washington Street, 7th Floor, Syracuse, New York 13202

Date

COMPANY
COMPANY ADDRESS

Dear _____:

Our auditors, _____, CPAs are conducting an audit of our financial statements for the year ended December 31, _____. In connection with that audit, we request that you furnish certain information directly to our auditor with regard to the following security issued by/through the City of Syracuse Industrial Development Agency:

Sale - Leaseback Financing

Project: _____

Date of Financing:

Principal Amount Financed:

Maturity Date:

Original Interest Rate:

Please provide the following information as of December 31, [year]:

Name of Lender

Debt Retired in [year] Yes/No

Debt Refinanced in [year] Yes/No

(If Yes, please update information in Paragraph 1 above)

Debt in Default as of [date] Yes/No

Current Interest Rate(s)

Rate range, if Variable

Principal balance outstanding as of [date]

Principal payments made during [year]

Payments in Lieu of Taxes (PILOT)

paid in [year]

Total cost of goods/services purchased: \$ _____

New York State Sales Tax Exemptions Claimed [year]

New York Local Sales Tax Exemptions Claimed: [year]

New York State Mortgage Recording

Tax Exemption: [year]

Form of Syracuse Industrial Development Agency — Project Jobs Data [year]

From:

To: _____, CPAs

Re:

The following jobs information is furnished to you with regard to the above cited project:

Full Time Equivalent (FTE) Jobs Created and Retained – [year]

- # of Current FTE Employees as of [closing date]
- # of FTE Jobs Created during [year]
- # of FTE Jobs Retained during [year]
- # of FTE Construction Jobs Created during [year]

Comments:

Signature

Print Name

Title

Date

2

OAK KNITTING MILL COMMONS LLC

AND

**CITY OF SYRACUSE
INDUSTRIAL DEVELOPMENT AGENCY**

COMPANY LEASE AGREEMENT

DATED AS OF SEPTEMBER 1, 2017

COMPANY LEASE AGREEMENT

THIS COMPANY LEASE AGREEMENT (the “*Company Lease*”), made and entered into as of September 1, 2017, by and between OAK KNITTING MILL COMMONS LLC (the “*Company*”), a limited liability company duly organized, validly existing and in good standing under the laws of the State of New York, with offices at 100 Madison Street, Suite 1905, Syracuse, New York 13202 (the “*Company*”) and CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY (the “*Agency*”), a corporate governmental agency constituting a body corporate and politic and a public benefit corporation of the State of New York, duly organized and existing under the laws of the State of New York, with an office at 333 West Washington Street, Suite 130, Syracuse, New York 13202.

WITNESSETH:

WHEREAS, Title 1 of Article 18-A of the New York General Municipal Law (the “*Enabling Act*”) was duly enacted into law as Chapter 1030 of the New York Laws of 1969; and

WHEREAS, the Enabling Act authorizes and provides for the creation of industrial development agencies for the benefit of the several counties, cities, villages, and towns in the State of New York and empowers such agencies, among other things, to acquire, construct, reconstruct, lease, improve, maintain, equip, and dispose of land and any buildings or other improvements, and all real and personal properties, including, but not limited to, machinery and equipment deemed necessary in connection therewith, whether or not now in existence or under construction, which shall be suitable for manufacturing, warehousing, research, commercial, or industrial purposes, in order to advance the job opportunities, health, general prosperity, and economic welfare of the people of the State of New York and to improve their standard of living; and

WHEREAS, the Enabling Act further authorizes each such agency to lease or sell any or all of its properties, to mortgage and pledge any or all of its properties, whether then owned or thereafter acquired, and to pledge the revenues and receipts from the lease or sale thereof; and

WHEREAS, the Agency was created pursuant to and in accordance with the provisions of the Enabling Act by Chapter 641 of the Laws of 1979 of the State of New York (collectively with the Enabling Act, the “*Act*”) and is empowered under the Act to undertake the Project (as hereinafter defined); and

WHEREAS, the Agency, by resolution adopted on December 20, 2016, agreed, at the request of the Company to undertake a project (the “*Project*”) consisting of: (A)(i) the acquisition of an interest in approximately 1 acre of real property improved by an existing four story approximately 68,000 square foot building (the “*Building*”) located at 102 West Division Street, in the City of Syracuse, New York (the “*Land*”); (ii) the renovation of the building to house approximately 18 two-bedroom and 20 one-bedroom market-rate apartment units on floors 2-4, a fitness center and community room; approximately 5,000 square feet of commercial space on the first floor; and approximately fifty-two (52) parking spaces, all located on the Land (collectively, the “*Facility*”); (iii) the acquisition and installation in and at the Land and Facility of furniture,

fixtures and equipment (the “*Equipment*” and together with the Land and the Facility, the “*Project Facility*”); (B) the granting of certain financial assistance in the form of exemptions from real property tax, State and local sales and use tax and mortgage recording tax (as limited by Section 874 of the General Municipal Law) (collectively the “*Financial Assistance*”); (C) the appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, reconstruction, renovation, equipping and completion of the Project Facility; and (D) the lease of the Land and Facility by the Agency pursuant to a lease agreement and the acquisition of an interest in the Equipment pursuant to a bill of sale from the Company to the Agency; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement; and

WHEREAS, the Company is the current owner of the Project Facility; and

WHEREAS, the Agency proposes to assist the Company’s acquisition, construction and equipping of the Project Facility, and grant the Financial Assistance to the Project by, among other things: (1) appointing the Company, or its designee, as its agent with respect to the Project Facility; (2) accepting a leasehold interest in the Land and Facility from the Company pursuant to this Company Lease and acquiring an interest in the Equipment pursuant to a bill of sale from the Company; and (3) subleasing the Project Facility to the Company pursuant to the Agency Lease; and

WHEREAS, the Agency now proposes to lease the Land and Facility from the Company pursuant to the terms and conditions set forth herein; and

WHEREAS, all things necessary to constitute this Company Lease a valid and binding agreement by and between the parties hereto in accordance with the terms hereof have been done and performed, and the creation, execution and delivery of this Company Lease have, in all respects, been duly authorized.

NOW, THEREFORE, for and in consideration of the premises and the mutual covenants hereinafter contained, the parties hereto hereby formally covenant, agree and bind themselves as follows, to wit:

**ARTICLE I
RECITALS AND DEFINITIONS**

1.0 RECITALS.

The foregoing recitals are incorporated herein by reference as if fully set forth hereinbelow.

1.1 DEFINITIONS.

For all purposes of this Company Lease and any agreement supplemental thereto, all defined terms indicated by the capitalization of the first letter of such term shall have the meanings specified in the Table of Definitions which is attached to the Agency Lease as Exhibit “C” thereto except as otherwise expressly defined herein or the context hereof otherwise requires.

1.2 INTERPRETATION.

In this Company Lease, unless the context otherwise requires:

(a) The terms “hereby,” “hereof,” “herein,” “hereunder,” and any similar terms as used in this Company Lease refer to this Company Lease; the term “heretofore” shall mean before and the term “hereafter” shall mean after the date of this Company Lease;

(b) Words of masculine gender shall mean and include correlative words of feminine and neuter genders, and words importing the singular number shall mean and include the plural number and vice versa; and

(c) Any certificates, letters, or opinions required to be given pursuant to this Company Lease shall mean a signed document attesting to or acknowledging the circumstances, representations, opinions of law, or other matters therein stated or set forth or setting forth matters to be determined pursuant to this Company Lease.

ARTICLE II DEMISE; PREMISES; TERM

2.1 DEMISE.

The Company hereby leases to the Agency, and the Agency hereby leases from the Company, the Land and the Facility for the stated term for the rents, covenants and conditions set forth herein subject only to the Permitted Encumbrances.

2.2 DESCRIPTION OF PREMISES LEASED.

The leased premises is the Land and the Facility described in the recitals of this Company Lease and as more fully described on **Exhibit “A”** attached hereto.

2.3 TERM.

The Project is leased for a term which shall commence as of September 1, 2017, and shall end on the expiration or earlier termination of the Agency Lease.

2.4 MANDATORY CONVEYANCE.

At the expiration of the term hereof or any extension thereof by mutual agreement, or as otherwise provided in the Agency Lease, this Company Lease shall automatically expire without any further action by the parties hereto. The Company hereby irrevocably designates the Agency as its attorney-in-fact, coupled with an interest, for the purpose of executing, delivering and recording terminations of leases and bill of sale together with any other documents therewith and to take such other and further actions reasonably necessary to confirm the termination of the Agency’s interest in the Project, all at the Company’s sole cost and expense.

2.5 CONSIDERATION.

The Agency is paying to the Company concurrently with the execution hereof consideration of \$1.00 and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the Company.

2.6 REPRESENTATIONS AND COVENANTS OF THE COMPANY.

The Company makes the following representations and covenants as the basis for the undertakings on its part herein contained:

(a) The Company is a limited liability company duly organized, validly existing and in good standing under the laws of New York State, has the power to enter into this Company Lease and the other Company Documents and to carry out its obligations hereunder and thereunder, and has duly authorized the execution, delivery, and performance of this Company Lease and the other Company Documents.

(b) This Company Lease and the other Company Documents constitute, or upon their execution and delivery in accordance with the terms thereof will constitute, valid and legally binding obligations of the Company, enforceable in accordance with their respective terms.

(c) The Company has a valid and enforceable fee interest in the Land and the Facility and shall remain and retain such interests for the term of this Company Lease unless otherwise consented to in writing by the Agency.

(d) Neither the execution and delivery of this Company Lease and the other Company Documents, the consummation of the transactions contemplated thereby, nor the fulfillment of or compliance with the provisions thereof will:

(1) Result in a breach of, or conflict with any term or provision in, the Company's Articles of Incorporation and Operating Agreement;

(2) Require consent under (which has not been heretofore received) or result in a breach of or default under any credit agreement, indenture, purchase agreement, mortgage, deed of trust indenture, commitment, guaranty or other agreement or instrument to which the Company is a party or by which the Company or any of its property may be bound or affected; or

(3) Conflict with or violate any existing law, rule, regulation, judgment, order, writ, injunction, or decree of any Governmental Authority or court (domestic or foreign) having jurisdiction over the Company or any of the property of the Company.

(g) So long as the Agency holds an interest in the Project Facility, the Project Facility is and will continue to be a "project" (as such quoted term is defined in the Act), and the Company will not take any action (or omit to take any action required by the Company Documents or which the Agency, together with Agency's counsel, advise the Company in writing

should be taken), or allow any action to be taken, which action (or omission) would in any way cause the Project Facility not to constitute a “project” (as such quoted term is defined in the Act).

(h) The Company shall cause all notices as required by law to be given and shall comply or cause compliance with all laws, ordinances, municipal rules, and regulations and requirements of all Governmental Authorities applying to or affecting the construction, equipping and operation of the Project Facility (the applicability of such laws, ordinances, rules, and regulations to be determined both as if the Agency were the owner of the Project Facility and as if the Company, were the owner of the Project Facility), and the Company will defend and save the Agency and its officers, members, agents (other than the Company), and employees harmless from all fines and penalties due to failure to comply therewith.

(i) The Company shall perform, or cause to be performed, for and on behalf of the Agency, each and every obligation of the Agency (which is within the control of the Company) under and pursuant to the Agency Lease, this Company Lease and the other Company Documents and shall defend, indemnify, and hold harmless the Agency and its members, officers, agents (other than the Company), servants and employees from and against every expense, liability, or claim arising out of the failure of the Company to fulfill its obligations under the provisions of this Section 2.6.

(j) The Company acknowledges, restates and affirms the obligations, representations, warranties and covenants set forth in Sections 2.2 and 11.12 of the Agency Lease as if fully set forth herein.

ARTICLE III DISPUTE RESOLUTION

3.1 GOVERNING LAW.

This Company Lease shall be governed in all respects by the laws of the State of New York.

3.2 WAIVER OF TRIAL BY JURY.

THE COMPANY AND THE AGENCY WAIVE THE RIGHT TO TRIAL BY JURY OF ANY DISPUTE ARISING UNDER THIS COMPANY LEASE, AND THIS PROVISION SHALL SURVIVE THE TERMINATION OF THIS COMPANY LEASE.

ARTICLE IV MISCELLANEOUS CLAUSES

4.1 NOTICES.

All notices, certificates, and other communications hereunder shall be in writing, shall be sufficiently given, and shall be deemed given when (a) sent to the applicable address stated below by registered or certified mail, return receipt requested, and actually received by the intended recipient or by overnight courier or such other means as shall provide the sender with

documentary evidence of such delivery, or (b) delivery is refused by the addressee as evidenced by the affidavit of the Person who attempted to effect such delivery. The addresses to which notices, certificates, and other communications hereunder shall be delivered are as follows:

(a) To the Agency:

City of Syracuse Industrial Development Agency
201 East Washington Street, 7th Floor
Syracuse, New York 13202
Attn: Chairman

With copies to:

Corporation Counsel
City of Syracuse
233 East Washington Street
Syracuse, New York 13202

(b) To the Company:

Oak Knitting Mill Commons LLC
100 Madison Street, Suite 1905
Syracuse, New York 13202
Attn: Timothy Lynn, Esq.

With a copy to:

Lynn, D'Elia, Temes & Stanczyk LLC
100 Madison Street, Suite 1905
Syracuse, New York 13202
Attn: Anthony J. D'Elia, Esq.

4.2 NO RECOURSE UNDER THIS COMPANY LEASE.

No provision, covenant or agreement contained herein, in any other agreement entered into in connection herewith, or any obligations herein imposed, upon the Agency, or any breach thereof, shall constitute or give rise to or impose upon the Agency, a debt or other pecuniary liability or a charge upon its general credit, and all covenants, stipulations, promises, agreements and obligations of the Agency contained in this Company Lease shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the Agency, and not of any member, director, officer, employee or agent of the Agency in his individual capacity.

4.3 ENTIRE AGREEMENT.

This Company Lease contains the entire agreement between the parties and all prior negotiations and agreements are merged in this Company Lease. This Company Lease may

not be changed, modified or discharged, in whole or in part, except by a written instrument executed by the party against whom enforcement of the change, modification or discharge is sought.

4.4 AGENCY REPRESENTATIONS.

The Company expressly acknowledges that neither the Agency nor the Agency's directors, members, employees or agents has made or is making, and the Company, in executing and delivering this Company Lease, is not relying upon warranties, representations, promises or statements, except to the extent that the same are expressly set forth in this Company Lease, and no rights, easements or licenses are or shall be acquired by the Company by implication or otherwise unless expressly set forth in this Company Lease.

4.5 BINDING EFFECT.

This Company Lease shall be binding upon and inure to the benefit of the parties, their respective successors and assigns.

4.6 PARAGRAPH HEADINGS.

Paragraph headings are for convenience only and shall not affect the construction or interpretation of this Company Lease.

4.7 CONSENT TO AGENCY LEASE; SUBORDINATION.

The Company hereby consents to the sublease by the Agency of the Project Facility to the Company pursuant to the Agency Lease. The Company acknowledges and agrees that this Company Lease and the Agency Lease shall be subordinate in all respects to the Mortgages.

4.8 HOLD HARMLESS PROVISIONS.

(a) The Company hereby releases the Agency and its members, officers, agents, and employees from, agree that the Agency and its members, officers, agents, and employees shall not be liable for, and agree to indemnify, defend, and hold the Agency and its members, officers, agents, and employees harmless from and against any and all claims arising as a result of the Agency's undertaking of the Project, including, but not limited to:

(1) Liability for loss or damage to Property or bodily injury to or death of any and all persons that may be occasioned by any cause whatsoever pertaining to the Project Facility, or arising by reason of or in connection with the occupation or the use thereof, or the presence on, in, or about the Project Facility;

(2) Liability arising from or expense incurred by the Agency's acquisition of a leasehold interest in the Project Facility and the subleasing of the Project Facility, including, without limiting the generality of the foregoing, all liabilities or claims

arising as a result of the Agency's obligations under the Agency Lease, the Company Lease or the Mortgage;

(3) All claims arising from the exercise by the Company of the authority conferred upon it and performance of the obligations assumed under Article II hereof;

(4) All causes of action and attorneys' fees and other expenses incurred in connection with any suits or actions which may arise as a result of any of the foregoing, provided that any such losses, damages, liabilities, or expenses of the Agency are not incurred or do not result from the intentional wrongdoing of the Agency or any of its members, officers, agents, or employees.

The foregoing indemnities shall apply notwithstanding the fault or negligence (other than gross negligence or willful misconduct) on the part of the Agency or any of its officers, members, agents, servants, or employees and irrespective of any breach of statutory obligation or any rule of comparative or apportioned liability.

(b) In the event of any claim against the Agency or its members, officers, agents, or employees by any employee of the Company, or any contractor of the Company, or anyone directly or indirectly employed by any of them, or any one for whose acts any of them may be liable, the obligations of the Company hereunder shall not be limited in any way by any limitation on the amount or type of damages, compensation, or benefits payable by or for the Company such contractor under workers' compensation laws, disability benefit laws, or other employee benefit laws.

(c) Notwithstanding any other provisions of this Company Lease, the obligations of the Company pursuant to this Section 4.8 shall remain in full force and effect after the termination of the Agency Lease and this Company Lease until the expiration of the period stated in the applicable statute of limitations during which a claim, cause of action, or prosecution relating to the matters herein described may be brought, and the payment in full or the satisfaction of such claim, cause of action, or prosecution, and the payment of all expenses and charges incurred by the Agency, or its officers, members, agents (other than the Company), or employees, relating thereto.

(d) For purposes of this Section 4.8, the Company shall not be deemed to constitute an employee, agent or servant of the Agency or a person under the Agency's control or supervision.

4.9 NO RECOURSE; SPECIAL OBLIGATION.

The obligations and agreements of the Agency contained herein and in the other Agency Documents and in any other instrument or document executed in connection herewith or therewith, and any instrument or document supplemental hereto or thereto, shall be deemed the obligations and agreements of the Agency and not of any member, officer, agent, or employee of the Agency in his individual capacity; and the members, officers, agents, and employees of the Agency shall not be liable personally hereon or thereon or be subject to any personal liability or accountability based upon or in respect hereof or thereof or of any transaction contemplated hereby

or thereby. The obligations and agreements of the Agency contained herein or therein shall not constitute or give rise to an obligation of the State New York or of the City of Syracuse, and neither the State of New York nor the City of Syracuse shall be liable hereon or thereon. Further, such obligations and agreements shall not constitute or give rise to a general obligation of the Agency, but rather shall constitute limited obligations of the Agency, payable solely from the revenues of the Agency derived, and to be derived from, the lease, sale, or other disposition of the Project Facility, other than revenues derived from or constituting Unassigned Rights. No order or decree of specific performance with respect to any of the obligations of the Agency hereunder or thereunder shall be sought or enforced against the Agency unless:

(a) The party seeking such order or decree shall first have requested the Agency in writing to take the action sought in such order or decree of specific performance, and thirty (30) days shall have elapsed from the date of receipt of such request, and the Agency shall have refused to comply with such request (or if compliance therewith would reasonably be expected to take longer than thirty (30) days, shall have failed to institute and diligently pursue action to cause compliance with such request) or failed to respond within such notice period; and

(b) If the Agency refuses to comply with such request and the Agency's refusal to comply is based on its reasonable expectation that it will incur fees and expenses, the party seeking such order or decree shall have placed in an account with the Agency an amount or undertaking sufficient to cover such reasonable fees and expenses; and

(c) If the Agency refuses to comply with such request and the Agency's refusal to comply is based on its reasonable expectation that it or any of its members, officers, agents, or employees shall be subject to potential liability, the party seeking such order or decree shall (1) agree to indemnify and hold harmless the Agency and its members, officers, agents, and employees against any liability incurred as a result of its compliance with such demand; and (2) if requested by the Agency, furnish to the Agency satisfactory security to protect the Agency and its members, officers, agents, and employees against all liability expected to be incurred as a result of compliance with such request.

Any failure to provide notice, indemnity, or security to the Agency pursuant to this Section 4.9 shall not alter the full force and effect of any Event of Default under the Agency Lease.

(d) For purposes of this Section 4.9, the Company shall not be deemed to constitute an employee, agent or servant of the Agency or a person under the Agency's control or supervision.

4.10 MERGER OF AGENCY.

(a) Nothing contained in this Company Lease shall prevent the consolidation of the Agency with, or merger of the Agency into, or assignment by the Agency of its rights and interests hereunder to any other body corporate and politic and public instrumentality of the State of New York, or political subdivision thereof, which has the legal authority to perform the obligations of the Agency hereunder, provided that upon any such consolidation, merger, or assignment, the due and punctual performance and observance of all the agreements and conditions of this Company Lease to be kept and performed by the Agency shall be expressly assumed in

writing by the public instrumentality or political subdivision resulting from such consolidation or surviving such merger or to which the Agency's rights and interests hereunder shall be assigned.

(b) As of the date of any such consolidation, merger, or assignment, the Agency shall give notice thereof in reasonable detail to the Company. The Agency shall promptly furnish to the Company such additional information with respect to any such consolidation, merger, or assignment as the Company reasonably may request.

4.11 EXECUTION OF COUNTERPARTS.

This Company Lease may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

4.12 EVENT OF DEFAULT.

A default in the performance or the observance of any covenants, conditions, or agreements on the part of the Company in this Company Lease or the Project Agreement.

4.13 REMEDIES.

Whenever any Event of Default shall have occurred and be continuing, the Agency may, to the extent permitted by law, take any one or more of the following remedial steps:

- 1) Terminate the Company Lease; or
- 2) Take any other action at law or in equity, which may appear necessary or desirable to collect any amounts then due, or thereafter to become due, hereunder.

4.14 AMENDMENTS, CHANGES AND MODIFICATIONS.

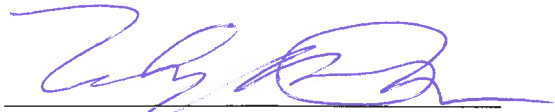
This Company Lease may not be amended, changed, modified, altered, or terminated except by an instrument in writing signed by the parties hereto.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the Company and the Agency have duly executed this Company Lease, as of the day and year first above written.

OAK KNITTING MILL COMMONS LLC

By: OKM MM LLC

By: 

Timothy M. Lynn
Manager

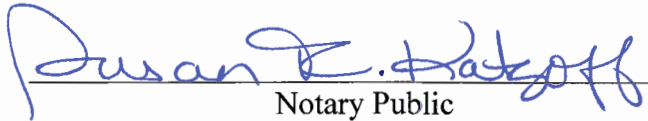
**CITY OF SYRACUSE INDUSTRIAL
DEVELOPMENT AGENCY**

By: 

William M. Ryan, Chairman

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

On the 26 day of September, 2017, before me, the undersigned, personally appeared **Timothy M. Lynn**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual or the person upon behalf of which the individual acted, executed the instrument.

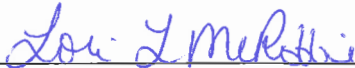


Notary Public

SUSAN R. KATZOFF
Notary Public, State of New York
Qual. in Onondaga Co. No. 02KA6120102
Commission Expires on December 13, 2020

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

On the 26th day of September, 2017, before me, the undersigned, personally appeared **William M. Ryan**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual or the person upon behalf of which the individual acted, executed the instrument.



Notary Public

LORI L. McROBBIE
Notary Public, State of New York
Qualified in Onondaga Co. No. 01MC5055591
Commission Expires on Feb. 12, 2018

EXHIBIT A

Legal Description

ALL THAT TRACT OR PARCEL OF LAND, situate in the City of Syracuse, County of Onondaga and State of New York, being part of Block "C" in said city, being part of lands conveyed to Expressway Properties, LLC by deed recorded in Book 4100 of Deeds at page 50 in the Onondaga County Clerk's Office, bounded and described as follows:

Beginning at the intersection of the easterly boundary of North Clinton Street with the northerly boundary of West Division Street; running thence N 28° 04' 00" W along said easterly boundary of North Clinton Street, a distance of 32.49 feet to the southerly most corner of Lot 1 of Resubdivision of Block "C" Salina Marsh Lot according to a map of said tract filed in the Onondaga County Clerk's Office February 17, 1966 as Map No. 4781; thence northerly and northeasterly along the easterly and southeasterly boundaries of said Lot 1 Resubdivision of Block "C" Salina Marsh Lot, respectively, the following courses and distances: 1) northerly and northeasterly following a curve to the right, having a radius of 320.00 feet, an arc distance of 198.50 feet to an angle point; 2) N 30° 56' 40" W, 19.2 feet; 3) N 59° 24' 13" E, 157.72 feet to the common westerly boundary of Genant Drive and N.Y.S. Route No. 81; thence S 26° 30' 50" E along said common westerly boundary of Genant Drive and N.Y.S. Route No. 81, a distance of 178.78 feet to the aforementioned northerly boundary of West Division Street; thence S 59° 22' 10" W along said northerly boundary of West Division Street a distance of 294.85 feet to the point of beginning.

3

Lisa Dell, County Clerk
401 Montgomery Street
Room 200
Syracuse, NY 13202
(315) 435-2226

Onondaga County Clerk Recording Cover Sheet

Received From :
CHICAGO -JOE

Return To :
WLADIS LAW FIRM
PICK UP BOX

Method Returned : MAIL

First PARTY 1

OAK KNITTING MILL COMMONS LLC

First PARTY 2

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY

Index Type : Land Records

Instr Number : 2017-00035368

Book : Page :

Type of Instrument : Deed

Type of Transaction : Deed Misc

Recording Fee: \$70.50

Recording Pages : 5

The Property affected by this instrument is situated in No Tax District, in the County of Onondaga, New York

Real Estate Transfer Tax

RETT # : 2650

Deed Amount : \$0.00

RETT Amount : \$0.00

Total Fees : \$70.50

State of New York

County of Onondaga

I hereby certify that the within and foregoing was recorded in the Clerk's office for Onondaga County, New York

On (Recorded Date) : 10/04/2017

At (Recorded Time) : 11:41:06 AM



Doc ID - 0252569300005

Lisa Dell

Lisa Dell, County Clerk



This sheet constitutes the Clerks endorsement required by Section 319 of Real Property Law of the State of New York

Entered By: RSWEENIE Printed On : 10/04/2017 At : 11:53:48AM

**MEMORANDUM OF
COMPANY LEASE AGREEMENT**

NAME AND ADDRESS OF LESSOR: Oak Knitting Mill Commons LLC
100 Madison Street, Suite 1905
Syracuse, New York 13202

NAME AND ADDRESS OF LESSEE: City of Syracuse Industrial Development Agency
201 East Washington Street, 7th Floor
Syracuse, New York 13202

DESCRIPTION OF LEASED PREMISES:

All that tract or parcel of land situate in the City of Syracuse, County of Onondaga and State of New York, being more particularly described in **Exhibit "A"** annexed hereto, together with the improvements thereon.

DATE OF EXECUTION OF COMPANY LEASE AGREEMENT:

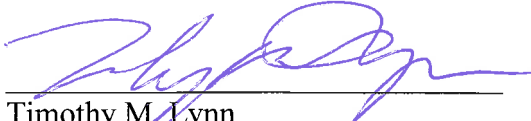
As of September 1, 2017.

TERM OF COMPANY LEASE AGREEMENT:

The term of the Company Lease Agreement shall commence as of September 1, 2017 and continue in full force and effect until the earlier of: (1) June 30, 2033; or (2) an earlier termination in accordance with the terms of the Agency Lease Agreement.

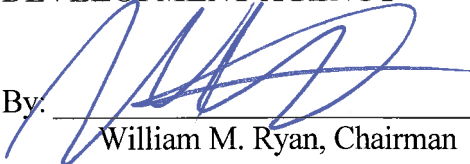
IN WITNESS WHEREOF, the parties hereto have respectively executed this memorandum as of the 1st day of September, 2017.

OAK KNITTING MILL COMMONS LLC
By: OKM MM LLC

By: 

Timothy M. Lynn
Manager

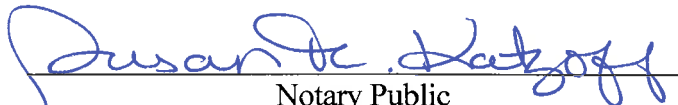
**CITY OF SYRACUSE INDUSTRIAL
DEVELOPMENT AGENCY**

By: 

William M. Ryan, Chairman

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

On the 26 day of September, 2017, before me, the undersigned, personally appeared **Timothy M. Lynn**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her capacity, and that by her signature on the instrument, the individual or the person upon behalf of which the individual acted, executed the instrument.

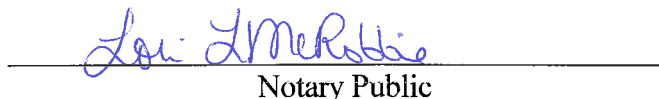


Notary Public

SUSAN R. KATZOFF
Notary Public, State of New York
Qual. in Onondaga Co. No. 02KA6120102
Commission Expires on December 13, 2020

STATE OF NEW YORK)
) ss.:
COUNTY OF ONONDAGA)

On this 26th day of September, 2017, before me, the undersigned, personally appeared **William M. Ryan**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual or the person upon behalf of which the individual acted, executed the instrument.



Notary Public

LORI L. McROBBIE
Notary Public, State of New York
Qualified in Onondaga Co. No. 01MC5055591
Commission Expires on Feb. 12, 2018



Combined Real Estate Transfer Tax Return, Credit Line Mortgage Certificate, and Certification of Exemption from the Payment of Estimated Personal Income Tax

Recording office time stamp

See Form TP-584-I, Instructions for Form TP-584, before completing this form. Print or type.

Schedule A – Information relating to conveyance

Grantor/Transferor <input type="checkbox"/> Individual <input type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Estate/Trust <input type="checkbox"/> Single member LLC <input checked="" type="checkbox"/> Other	Name (if individual, last, first, middle initial) (<input type="checkbox"/> check if more than one grantor) Oak Knitting Mill Commons LLC	Social security number
	Mailing address 100 Madison Street, Suite 1905	Social security number
	City State ZIP code Syracuse NY 13202	Federal EIN 47-4729676
	Single member's name if grantor is a single member LLC (see instructions)	Single member EIN or SSN
Grantee/Transferee <input type="checkbox"/> Individual <input type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Estate/Trust <input type="checkbox"/> Single member LLC <input checked="" type="checkbox"/> Other	Name (if individual, last, first, middle initial) (<input type="checkbox"/> check if more than one grantee) City of Syracuse Industrial Development Agency	Social security number
	Mailing address 201 East Washington Street, 7th Floor	Social security number
	City State ZIP code Syracuse NY 13202	Federal EIN 52-1380308
	Single member's name if grantee is a single member LLC (see instructions)	Single member EIN or SSN

Location and description of property conveyed

Tax map designation – Section, block & lot (include dots and dashes)	SWIS code (six digits)	Street address	City, town, or village	County
118.-04-02.0	311500	102 West Division Street	Syracuse	Onondaga

Type of property conveyed (check applicable box)

1 <input type="checkbox"/> One- to three-family house 2 <input type="checkbox"/> Residential cooperative 3 <input type="checkbox"/> Residential condominium 4 <input type="checkbox"/> Vacant land	5 <input checked="" type="checkbox"/> Commercial/Industrial 6 <input type="checkbox"/> Apartment building 7 <input type="checkbox"/> Office building 8 <input type="checkbox"/> Other _____	Date of conveyance <table border="1" style="display: inline-table; border-collapse: collapse;"> <tr> <td style="width: 20px; text-align: center;">09</td> <td style="width: 20px; text-align: center;">01</td> <td style="width: 20px; text-align: center;">2017</td> </tr> <tr> <td style="font-size: 8px; text-align: center;">month</td> <td style="font-size: 8px; text-align: center;">day</td> <td style="font-size: 8px; text-align: center;">year</td> </tr> </table>	09	01	2017	month	day	year	Percentage of real property conveyed which is residential real property _____ 0% (see instructions)
09	01	2017							
month	day	year							

Condition of conveyance (check all that apply)

a. <input type="checkbox"/> Conveyance of fee interest b. <input type="checkbox"/> Acquisition of a controlling interest (state percentage acquired _____%) c. <input type="checkbox"/> Transfer of a controlling interest (state percentage transferred _____%) d. <input type="checkbox"/> Conveyance to cooperative housing corporation e. <input type="checkbox"/> Conveyance pursuant to or in lieu of foreclosure or enforcement of security interest (attach Form TP-584.1, Schedule E)	f. <input type="checkbox"/> Conveyance which consists of a mere change of identity or form of ownership or organization (attach Form TP-584.1, Schedule F) g. <input type="checkbox"/> Conveyance for which credit for tax previously paid will be claimed (attach Form TP-584.1, Schedule G) h. <input type="checkbox"/> Conveyance of cooperative apartment(s) i. <input type="checkbox"/> Syndication j. <input type="checkbox"/> Conveyance of air rights or development rights k. <input type="checkbox"/> Contract assignment	l. <input type="checkbox"/> Option assignment or surrender m. <input type="checkbox"/> Leasehold assignment or surrender n. <input checked="" type="checkbox"/> Leasehold grant o. <input type="checkbox"/> Conveyance of an easement p. <input checked="" type="checkbox"/> Conveyance for which exemption from transfer tax claimed (complete Schedule B, Part III) q. <input type="checkbox"/> Conveyance of property partly within and partly outside the state r. <input type="checkbox"/> Conveyance pursuant to divorce or separation s. <input type="checkbox"/> Other (describe) _____
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For recording officer's use	Amount received Schedule B., Part I \$ _____ Schedule B., Part II \$ _____	Date received	Transaction number
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Schedule B – Real estate transfer tax return (Tax Law, Article 31)

Part I – Computation of tax due

1	Enter amount of consideration for the conveyance (if you are claiming a total exemption from tax, check the exemption claimed box, enter consideration and proceed to Part III) <input checked="" type="checkbox"/> Exemption claimed	1.	0	00
2	Continuing lien deduction (see instructions if property is taken subject to mortgage or lien)	2.	0	00
3	Taxable consideration (subtract line 2 from line 1)	3.	0	00
4	Tax: \$2 for each \$500, or fractional part thereof, of consideration on line 3	4.	0	00
5	Amount of credit claimed for tax previously paid (see instructions and attach Form TP-584.1, Schedule G)	5.	0	00
6	Total tax due* (subtract line 5 from line 4)	6.	0	00

Part II – Computation of additional tax due on the conveyance of residential real property for \$1 million or more

1	Enter amount of consideration for conveyance (from Part I, line 1)	1.		
2	Taxable consideration (multiply line 1 by the percentage of the premises which is residential real property, as shown in Schedule A) ...	2.		
3	Total additional transfer tax due* (multiply line 2 by 1% (.01))	3.		

Part III – Explanation of exemption claimed on Part I, line 1 (check any boxes that apply)

The conveyance of real property is exempt from the real estate transfer tax for the following reason:

- a. Conveyance is to the United Nations, the United States of America, the state of New York, or any of their instrumentalities, agencies, or political subdivisions (or any public corporation, including a public corporation created pursuant to agreement or compact with another state or Canada) a
- b. Conveyance is to secure a debt or other obligation..... b
- c. Conveyance is without additional consideration to confirm, correct, modify, or supplement a prior conveyance..... c
- d. Conveyance of real property is without consideration and not in connection with a sale, including conveyances conveying realty as bona fide gifts d
- e. Conveyance is given in connection with a tax sale..... e
- f. Conveyance is a mere change of identity or form of ownership or organization where there is no change in beneficial ownership. (This exemption cannot be claimed for a conveyance to a cooperative housing corporation of real property comprising the cooperative dwelling or dwellings.) Attach Form TP-584.1, Schedule F..... f
- g. Conveyance consists of deed of partition..... g
- h. Conveyance is given pursuant to the federal Bankruptcy Act h
- i. Conveyance consists of the execution of a contract to sell real property, without the use or occupancy of such property, or the granting of an option to purchase real property, without the use or occupancy of such property i
- j. Conveyance of an option or contract to purchase real property with the use or occupancy of such property where the consideration is less than \$200,000 and such property was used solely by the grantor as the grantor's personal residence and consists of a one-, two-, or three-family house, an individual residential condominium unit, or the sale of stock in a cooperative housing corporation in connection with the grant or transfer of a proprietary leasehold covering an individual residential cooperative apartment..... j
- k. Conveyance is not a conveyance within the meaning of Tax Law, Article 31, section 1401(e) (attach documents supporting such claim) k

*The total tax (from Part I, line 6 and Part II, line 3 above) is due within 15 days from the date conveyance. Please make check(s) payable to the county clerk where the recording is to take place. If the recording is to take place in the New York City boroughs of Manhattan, Bronx, Brooklyn, or Queens, make check(s) payable to the **NYC Department of Finance**. If a recording is not required, send this return and your check(s) made payable to the **NYS Department of Taxation and Finance**, directly to the NYS Tax Department, RETT Return Processing, PO Box 5045, Albany NY 12205-5045.

Schedule C – Credit Line Mortgage Certificate (Tax Law, Article 11)

Complete the following only if the interest being transferred is a fee simple interest.

I (we) certify that: (check the appropriate box)

1. The real property being sold or transferred is not subject to an outstanding credit line mortgage.
2. The real property being sold or transferred is subject to an outstanding credit line mortgage. However, an exemption from the tax is claimed for the following reason:
 - The transfer of real property is a transfer of a fee simple interest to a person or persons who held a fee simple interest in the real property (whether as a joint tenant, a tenant in common or otherwise) immediately before the transfer.
 - The transfer of real property is (A) to a person or persons related by blood, marriage or adoption to the original obligor or to one or more of the original obligors or (B) to a person or entity where 50% or more of the beneficial interest in such real property after the transfer is held by the transferor or such related person or persons (as in the case of a transfer to a trustee for the benefit of a minor or the transfer to a trust for the benefit of the transferor).
 - The transfer of real property is a transfer to a trustee in bankruptcy, a receiver, assignee, or other officer of a court.
 - The maximum principal amount secured by the credit line mortgage is \$3,000,000 or more, and the real property being sold or transferred is **not** principally improved nor will it be improved by a one- to six-family owner-occupied residence or dwelling.

Please note: for purposes of determining whether the maximum principal amount secured is \$3,000,000 or more as described above, the amounts secured by two or more credit line mortgages may be aggregated under certain circumstances. See TSB-M-96(6)-R for more information regarding these aggregation requirements.


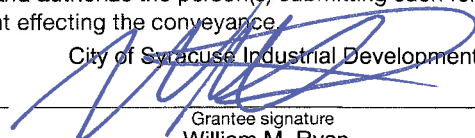
- Other (attach detailed explanation).
3. The real property being transferred is presently subject to an outstanding credit line mortgage. However, no tax is due for the following reason:
 - A certificate of discharge of the credit line mortgage is being offered at the time of recording the deed.
 - A check has been drawn payable for transmission to the credit line mortgagee or his agent for the balance due, and a satisfaction of such mortgage will be recorded as soon as it is available.
 4. The real property being transferred is subject to an outstanding credit line mortgage recorded in _____ (insert liber and page or reel or other identification of the mortgage). The maximum principal amount of debt or obligation secured by the mortgage is _____. No exemption from tax is claimed and the tax of _____ is being paid herewith. (Make check payable to county clerk where deed will be recorded or, if the recording is to take place in New York City but not in Richmond County, make check payable to the **NYC Department of Finance**.)

Signature (both the grantor(s) and grantee(s) must sign)

The undersigned certify that the above information contained in schedules A, B, and C, including any return, certification, schedule, or attachment, is to the best of his/her knowledge, true and complete, and authorize the person(s) submitting such form on their behalf to receive a copy for purposes of recording the deed or other instrument effecting the conveyance.

Oak Knitting Mill Commons LLC, By OKM MM LLC

City of Syracuse Industrial Development Agency

 _____ Grantor signature Timothy M. Lynn	Manager _____ Title	 _____ Grantee signature William M. Ryan	Chairman _____ Title
Grantor signature	Title	Grantee signature	Title

Reminder: Did you complete all of the required information in Schedules A, B, and C? Are you required to complete Schedule D? If you checked e, f, or g in Schedule A, did you complete Form TP-584.1? Have you attached your check(s) made payable to the county clerk where recording will take place or, if the recording is in the New York City boroughs of Manhattan, Bronx, Brooklyn, or Queens, to the **NYC Department of Finance**? If no recording is required, send your check(s), made payable to the **Department of Taxation and Finance**, directly to the NYS Tax Department, RETT Return Processing, PO Box 5045, Albany NY 12205-5045.

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BILL OF SALE TO AGENCY

OAK KNITTING MILL COMMONS LLC, a limited liability company organized under the laws of the State of New York with an office to conduct business at 100 Madison Street, Suite 1905, Syracuse, New York 13202 (the "**Company**"), for the consideration of One Dollar (\$1.00), cash in hand paid, and other good and valuable consideration received by the Company from the City of Syracuse Industrial Development Agency, a public benefit corporation organized and existing pursuant to the laws of the State of New York (the "**Agency**"), having its office at 201 East Washington Street, 7th Floor, Syracuse, New York 13202, the receipt of which is hereby acknowledged by the Company, hereby sells, transfers, and delivers unto the Agency, its successors and assigns, all those materials, machinery, equipment, fixtures and furnishings now owned or hereafter acquired by the Company in connection with the Project Facility, as described in the Agency Lease entered between the Agency and the Company dated as of September 1, 2017 (the "**Agency Lease**"), and as listed on "**Exhibit A**" attached hereto.


TO HAVE AND HOLD the same unto the Agency, its successors and assigns, forever.

The Company hereby represents and warrants that it is the true and lawful owner of the personal property being conveyed hereby, that all of the foregoing are free and clear of all liens, security interests, and encumbrances, except for Permitted Encumbrances, as defined in the Agency Lease, and that the Company has the right to sell the same as aforesaid; and the Company covenants that it will warrant and defend title to the same for the benefit of the Agency and its successors and assigns against the claims and demands of all persons.

IN WITNESS WHEREOF, the Company has caused this instrument to be executed by its duly authorized representative on the date indicated beneath the signature of such representative and dated as of the 1st day of September, 2017.

OAK KNITTING MILL COMMONS LLC

By: OKM MM LLC

By: 

Timothy M. Lynn
Manager

EXHIBIT "A"

DESCRIPTION OF THE EQUIPMENT

All articles of personal property, all machinery, apparatus, equipment, appliances, floor coverings, furniture, furnishings, supplies, materials, fittings and fixtures of every kind and nature whatsoever and all appurtenances acquired by **OAK KNITTING MILL COMMONS LLC** (the "**Company**") and now or hereafter attached to, contained in or used or acquired in connection with the Project Facility (as defined in the Agency Lease) or placed on any part thereof, though not attached thereto, including, but not limited to, pipes, screens, fixtures, furniture, heating, lighting, plumbing, ventilation, air conditioning, compacting and elevator plants, call systems, stoves, rugs, movable partitions, cleaning equipment, maintenance equipment, shelving, racks, flagpoles, signs, waste containers, drapes, blinds and accessories, sprinkler systems and other fire prevention and extinguishing apparatus and materials, motors, machinery; and together with any and all products of any of the above, all substitutions, replacements, additions or accessions therefor, and any and all cash proceeds or non-cash proceeds realized from the sale, transfer or conversion of any of the above.

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CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY

AND

OAK KNITTING MILL COMMONS LLC

AGENCY LEASE AGREEMENT

DATED AS OF SEPTEMBER 1, 2017

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EXHIBIT “F”	FORM OF SUB-AGENT AGREEMENT
EXHIBIT “G”	RECAPTURE POLICY

AGENCY LEASE AGREEMENT

THIS AGENCY LEASE AGREEMENT, dated as of September 1, 2017 (the “*Agency Lease*”), by and between the **CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY**, a body corporate and politic and a public instrumentality of the State of New York, having its office at 201 East Washington Street, 7th Floor, Syracuse, New York 13202 (the “*Agency*”), and **OAK KNITTING MILL COMMONS LLC**, a limited liability company duly organized, validly existing and in good standing under the laws of the State of New York, with offices at 100 Madison Street, Suite 1905, Syracuse, New York 13202 (the “*Company*”).

WITNESSETH:

WHEREAS, the Agency is authorized and empowered by Title I of Article 18-A of the General Municipal Law of the State of New York (the “*State*”), as amended, together with Chapter 641 of the Laws of 1979 of the State of New York, as amended from time to time (collectively, the “*Act*”), to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial, research and recreation facilities, including industrial pollution control facilities, railroad facilities and certain horse racing facilities, for the purpose of promoting, attracting, encouraging and developing recreation and economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State, to improve their recreation opportunities, prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act, among other things, to: (i) make contracts and leases, and to execute such documents as necessary or convenient, with a public or private person, firm, partnership, or corporation; (ii) to acquire, construct, reconstruct, lease, improve, maintain, equip or furnish one or more projects (as defined in the Act); and (iii) to sell, lease and otherwise dispose of any such property; and

WHEREAS, the Agency, by resolution adopted on December 20, 2016, agreed, at the request of the Company to undertake a project (the “*Project*”) consisting of: (A)(i) the acquisition of an interest in approximately 1 acre of real property improved by an existing four story approximately 68,000 square foot building (the “*Building*”) located at 102 West Division Street, in the City of Syracuse, New York (the “*Land*”); (ii) the renovation of the building to house approximately 18 two-bedroom and 20 one-bedroom market-rate apartment units on floors 2-4, a fitness center and community room; approximately 5,000 square feet of commercial space on the first floor; and approximately fifty-two (52) parking spaces, all located on the Land (collectively, the “*Facility*”); (iii) the acquisition and installation in and at the Land and Facility of furniture, fixtures and equipment (the “*Equipment*” and together with the Land and the Facility, the “*Project Facility*”); (B) the granting of certain financial assistance in the form of exemptions from real property tax, State and local sales and use tax and mortgage recording tax (as limited by Section 874 of the General Municipal Law) (collectively the “*Financial Assistance*”); (C) the

appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, reconstruction, renovation, equipping and completion of the Project Facility; and (D) the lease of the Land and Facility by the Agency pursuant to a lease agreement and the acquisition of an interest in the Equipment pursuant to a bill of sale from the Company to the Agency; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement; and

WHEREAS, the Agency proposes to assist the Company's acquisition, construction and equipping of the Project Facility and grant the Financial Assistance to the Project by, among other things: (1) appointing the Company and/or its designee as its agent with respect to completing the Project; (2) accepting a leasehold interest in the Land and the Facility from the Company and a fee interest in the Equipment pursuant to a bill of sale from the Company; and (2) subleasing the Project Facility to the Company pursuant to this Agency Lease; and

WHEREAS, the Company is the current owner of the Land and the Facility and has leased the Land and the Facility to the Agency pursuant to the Company Lease Agreement dated as of September 1, 2017 (the "**Company Lease**"); and

WHEREAS, the Company has conveyed title to the Equipment to the Agency pursuant to the Bill of Sale dated as of September 1, 2017 (the "**Bill of Sale**"); and

WHEREAS, the Agency now proposes to sublease the Project Facility to the Company pursuant to the terms and conditions herein set forth; and

WHEREAS, all things necessary to constitute this Agency Lease a valid and binding agreement by and between the parties hereto in accordance with the terms hereof have been done and performed, and the creation, execution, and delivery of this Agency Lease have, in all respects, been duly authorized.

NOW, THEREFORE, for and in consideration of the premises and the mutual covenants hereinafter contained, the parties hereto hereby formally covenant, agree and bind themselves as follows, to wit:

ARTICLE I RECITALS AND DEFINITIONS

1.0 RECITALS.

The foregoing recitals are incorporated herein by reference as if fully set forth hereinbelow.

1.1 DEFINITIONS.

For all purposes of this Agency Lease and any agreement supplemental thereto, all defined terms indicated by the capitalization of the first letter of such term shall have the meanings specified in the Table of Definitions attached hereto as **Exhibit "C"** except as otherwise expressly defined herein or the context hereof otherwise requires.

1.2 INTERPRETATION.

In this Agency Lease, unless the context otherwise requires:

(a) The terms “hereby,” “hereof,” “herein,” “hereunder,” and any similar terms as used in this Agency Lease refer to this Agency Lease; the term “heretofore” shall mean before and the term “hereafter” shall mean after the date of this Agency Lease;

(b) Words of masculine gender shall mean and include correlative words of feminine and neuter genders, and words importing the singular number shall mean and include the plural number and vice versa; and

(c) Any certificates, letters, or opinions required to be given pursuant to this Agency Lease shall mean a signed document attesting to or acknowledging the circumstances, representations, opinions of law, or other matters therein stated or set forth or setting forth matters to be determined pursuant to this Agency Lease.

ARTICLE II REPRESENTATIONS AND COVENANTS

2.1 REPRESENTATIONS OF THE AGENCY.

The Agency makes the following representations to the Company as the basis for the undertakings on its part herein contained:

(a) The Agency is duly established under the provisions of the Act and has the power to enter into this Agency Lease and to carry out its obligations hereunder. Based upon the representations of the Company as to the utilization of the Project Facility, the Project Facility will constitute a “project,” as such quoted term is defined in the Act. By proper official action, the Agency has been duly authorized to execute, deliver, and perform this Agency Lease and the other Agency Documents.

(b) Neither the execution and delivery of this Agency Lease, the consummation of the transactions contemplated thereby, nor the fulfillment of or compliance with the provisions of this Agency Lease and the other Agency Documents by the Agency will conflict with or result in a breach by the Agency of any of the terms, conditions, or provisions of the Act, the By-Laws of the Agency, or any order, judgment, restriction, agreement, or instrument to which the Agency is a party or by which it is bound or will constitute a default by the Agency under any of the foregoing.

(c) This Agency Lease and the other Agency Documents constitute, or upon their execution and delivery in accordance with the terms thereof will constitute, valid and legally binding obligations of the Agency, enforceable in accordance with their respective terms.

2.2 REPRESENTATIONS AND COVENANTS OF THE COMPANY.

The Company acknowledges, represents, warrants and covenants to the Agency as follows:

(a) The Company is a limited liability company, duly organized, validly existing and in good standing under the laws of the State of New York, has the power to enter into this Agency Lease and the other Company Documents and to carry out its obligations hereunder and thereunder, and has duly authorized the execution, delivery, and performance of this Agency Lease and the other Company Documents.

(b) This Agency Lease and the other Company Documents constitute, or upon their execution and delivery in accordance with the terms thereof will constitute, valid and legally binding obligations of the Company, enforceable in accordance with their respective terms.

(c) The Company is the present fee owner of the Project Facility and shall remain the fee owner of the Project Facility for the term of this Agency Lease unless otherwise consented to in writing by the Agency.

(d) This Project is not primarily used for retail as set forth in the Act.

(e) Neither the execution and delivery of this Agency Lease and the other Company Documents, the consummation of the transactions contemplated thereby, nor the fulfillment of or compliance with the provisions thereof will:

(1) Result in a breach of, or conflict with any term or provision in, the Company's Articles of Organization and Operating Agreement; or

(2) Require consent under (which has not been heretofore received) or result in a breach of or default under any credit agreement, indenture, purchase agreement, mortgage, deed of trust, commitment, guaranty or other agreement or instrument to which the Company is a party or by which the Company or any of its property may be bound or affected; or

(3) Conflict with or violate any existing law, rule, regulation, judgment, order, writ, injunction, or decree of any Governmental Authority or court (domestic or foreign) having jurisdiction over the Company or any of the property of the Company.

(f) The providing of Financial Assistance to the Project by the Agency:

(1) Has been an important consideration in the Company's decision to acquire, reconstruct, renovate and equip the Project Facility in the City of Syracuse;

(2) Will not result in the removal of an industrial or manufacturing plant or commercial activity of any Project Facility 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 any user,

occupant, or proposed user or occupant of the Project Facility located within the State, except as permitted by the Act; and

(3) Will help eliminate blight and create job opportunities, prosperity, and standard of living and help prevent economic deterioration.

(g) So long as the Agency holds a leasehold interest in the Project Facility, the Project Facility is and will continue to be a “project” (as such quoted term is defined in the Act), and the Company will not take any action (or omit to take any action required by the Company Documents or which the Agency, together with Agency’s counsel, advise the Company in writing should be taken), or allow any action to be taken, which action (or omission) would in any way cause the Project Facility not to constitute a “project” (as such quoted term is defined in the Act).

(h) The Company shall cause all notices as required by law to be given and shall comply or cause compliance with all laws, ordinances, municipal rules, and regulations and requirements of all Governmental Authorities applying to or affecting the construction, equipping and operation of the Project Facility (the applicability of such laws, ordinances, rules, and regulations to be determined both as if the Agency were the owner of the Project Facility and as if the Company, were the owner of the Project Facility), and the Company will defend and save the Agency and its officers, members, agents (other than the Company), and employees harmless from all fines and penalties due to failure to comply therewith.

(i) The Project will not have a significant effect on the environment” (within the meaning of such term as used in SEQRA) and the Company hereby covenants to comply with all mitigating measures, requirements and conditions, if any, enumerated in the SEQR Resolution under SEQRA applicable to the acquisition, construction and installation of the Project Facility and in any other approvals issued by any other Governmental Authority with respect to the Project. No material changes with respect to any aspect of the Project Facility have arisen from the date of the issuance of such negative declaration which would cause the determination contained therein to be untrue.

(j) The Company understands and agrees that it is the preference of the Agency that the Company provide opportunities for the purchase of goods and services from: (i) business enterprises located in the City; (ii) certified minority and or women-owned business enterprises; and (iii) business enterprises that employ residents of the City. The Company further understands and acknowledges that consideration will be given by the Agency to the Company’s efforts to comply, and compliance, with this objective at any time an extension of benefits is sought or involvement by the Agency with the Project is requested by the Company.

(k) The Agency’s undertaking of the Project and the provision of Financial Assistance for the Project will not have a significant impact on the environment within the meaning of SEQRA.

(l) The acquisition, renovation and equipping of the Project Facility will promote employment opportunities and help prevent economic deterioration in the City by the creation and/or preservation of both full and part-time jobs.

(m) The Company has, or will have as of the first date of construction and equipping, all then necessary permits, licenses, and governmental approvals and consents (collectively, “**Approvals**”) for the construction and equipping of the Project Facility and has or will have such Approvals timely for each phase of, and throughout the, renovation and equipping of the Project Facility.

(n) The Company will not sublease the whole or any portion of the Project Facility for an unlawful purpose.

(o) No part of the Project Facility will be located outside of the City.

(p) The Company shall perform, or cause to be performed, for and on behalf of the Agency, each and every obligation of the Agency (which is within the control of the Company) under and pursuant to this Agency Lease, the Company Lease and the other Company Documents and shall defend, indemnify, and hold harmless the Agency and its members, officers, agents (other than the Company), servants and employees from and against every expense, liability, or claim arising out of the failure of the Company to fulfill its obligations under the provisions of this Section 2.2.

(q) The Company agrees that except as is otherwise provided by collective bargaining contracts or agreements applicable to the Project, new employment opportunities created as a result of the Project shall be listed with the New York State Department of Labor Community Services Division, and with the administrative entity of the service delivery area created by the Federal Job Training Partnership Act (P.L. No. 97-300) in which the Project is located. The Company further agrees that except as is otherwise provided by collective bargaining contracts or agreements applicable to the Project, it will first consider persons eligible to participate in the Federal Job Training Partnership (P.L. No. 97-300) programs who shall be referred by administrative entities of service delivery areas created pursuant to such act or by the Community Services Division of the Department of Labor for such new employment opportunities.

(p) The Company shall provide to the Agency any and all documentation or information requested by the Agency so that the Agency can comply with all of its reporting requirements under the Act.

(q) As a condition precedent to receiving or benefiting from any State sales and use tax exemption benefits, the Company acknowledges and agrees to all terms and conditions of Section 875(3) of the Act. Section 875(3) of the Act is herein incorporated by reference. As part of such conditions precedent:

(1) The Company shall not take any State or local Sales and Use Tax exemptions to which it is not entitled, which are in excess of the amount authorized by the Agency in reliance on the Company's Application or which are for property or services not authorized.

(2) The Company shall comply with all material terms and conditions to use property or services in the manner required by the Agency Documents.

(3) The Company shall cooperate with the Agency in the Agency's efforts to recover, recapture, receive or otherwise obtain from the Company any Recapture Amount (as defined in Section 8.12(g) hereof), and shall, upon the Agency's request, immediately pay to the Agency any Recapture Amount, together with any interest or penalties thereon imposed by the Agency or by operation of law or by judicial order or otherwise, as provided in Section 8.12(g) hereof. The Company acknowledges and agrees that the failure of the Company to promptly pay such Recapture Amount to the Agency will be grounds for the State Commissioner of Taxation and Finance to collect sales and use taxes from the Company under Article 28 of the State Tax Law, together with interest and penalties.

(r) The amount of State and local sales and use tax benefits comprising the Financial Assistance approved by the Agency shall not exceed **\$389,834**. The Company shall not request, obtain nor claim State and local sales and use tax exemptions in excess of this amount.

(s) The Company hereby acknowledges that the exemption from mortgage recording tax authorized by the Agency as part of the Financial Assistance is limited by Section 874 of the Act.

ARTICLE III CONVEYANCE OF LEASEHOLD INTEREST IN PROJECT FACILITY

3.1 AGREEMENT TO CONVEY LEASEHOLD INTEREST TO COMPANY.

The Company has conveyed to the Agency, pursuant to the Company Lease, a leasehold interest in the Land and Facility, as more fully described in **Exhibit "A"** attached hereto, any improvements now or hereafter constructed and installed thereon, subject to Permitted Encumbrances and all of its right, title and interest in the Equipment via a Bill of Sale, as more fully described in **Exhibit "B"** attached hereto. Under this Agency Lease, the Agency will convey, or will cause to be conveyed, to the Company, a subleasehold interest in the Project Facility subject to Permitted Encumbrances and exclusive of the Agency's Unassigned Rights.

3.2 USE OF PROJECT FACILITY.

Subsequent to the Closing Date, the Company shall be entitled to use the Project Facility in any manner not otherwise prohibited by this Agency Lease, the Company Lease and other Company Documents, provided that such use causes the Project Facility to qualify or continue to qualify as a "project" under the Act.

**ARTICLE IV
RECONSTRUCTION, RENOVATION, CONSTRUCTION AND EQUIPPING
OF THE PROJECT**

**4.1 RECONSTRUCTION, RENOVATION, CONSTRUCTION AND
EQUIPPING OF THE PROJECT FACILITY.**

(a) The Company shall promptly renovate, construct and equip the Project Facility, all in accordance with the Plans and Specifications. Unless a written waiver is first obtained from the Agency, in accordance with the Agency's Local Access Policy, the Company and its Additional Agents (as defined herein), shall utilize local labor, contractors and suppliers for the renovation and equipping of the Project Facility. For purposes of this Agency Lease, and in particular this Section 4.1, the term "*local*" shall mean Onondaga, Oswego, Oneida, Madison, Cayuga and Cortland Counties. Failure to comply with the local labor requirements of this Section 4.1 (collectively, "*Local Labor Requirements*") may result in the revocation or recapture of all benefits provided/approved to the Project by the Agency. The Company further agrees to complete and supply the Agency, quarterly, starting the first quarter following the date hereof, the "Contract Status Report" the form of which is attached hereto at **Exhibit "D"**. Failure to comply with any portion of Article 4 may result in the loss of all benefits provided to or for the benefit of the Project in the Agency's sole discretion.

(b) The Agency hereby confirms the appointment of the Company as its true and lawful agent to perform the following in compliance with the terms, purposes, and intent of this Agency Lease, the Act and the other Company Documents, and the Company hereby accepts such appointment:

(1) To renovate, construct, equip and complete the Project Facility and to acquire the Equipment in accordance with the terms hereof;

(2) To make, execute, acknowledge, and deliver any contracts, orders, receipts, writings, and instructions with any other Persons and, in general, to do all things which may be requisite or proper, all for the renovation, equipping and completion of the Project Facility with the same powers and with the same validity as the Agency could do if acting in its own behalf, provided that the Agency shall have no liability for the payment of any sums due thereunder;

(3) To pay all fees, costs and expenses incurred in the renovation, equipping and completion of the Project Facility from funds made available therefore from the funds of the Company; and

(4) To ask, demand, sue for, levy, recover, and receive all such sums of money, debts, dues, and other demands whatsoever which may be due, owing, and payable to the Agency under the terms of any contract, order, receipt, or writing in connection with the renovation, equipping and completion of the Project Facility and to enforce the provisions of any contract, agreement, obligation, bond, or other performance security.

(c) The Agency shall enter into, and accept the assignment of, such contracts as the Company may request in order to effectuate the purposes of this Section 4.1, provided, however, that the Agency shall have no liability for the payment of any sums due thereunder.

(d) The Company has given, or will give or cause to be given, all notices and have complied, or will comply or cause compliance with, all laws, ordinances, rules, regulations, and requirements of all Governmental Authorities applying to or affecting the conduct of work on the Project Facility (the applicability of such laws, ordinances, rules, and regulations to be determined both as if the Agency were the owner of the Project Facility and as if the Company were the owner of the Project Facility), and the Company will defend, indemnify, and save the Agency and its officers, members, agents, servants, and employees harmless from all fines and penalties due to failure to comply therewith. All permits and licenses necessary for the prosecution of work on the Project Facility shall be procured promptly by the Company.

(e) The Company understands and agrees that it is the preference of the Agency that the Company provide opportunities for the purchase of goods and services relative to the Project from: (i) business enterprises located in the City; (ii) certified minority and/or women-owned business enterprises; and (iii) business enterprises that employ residents of the City. Consideration will be given by the Agency to the Company's efforts to comply, and compliance with, this objective at any time an extension of benefits is requested, or further involvement by the Agency with the Project, is requested by the Company.

4.2 COMPLETION OF PROJECT FACILITY.

(a) The Company will proceed with due diligence to acquire, renovate, equip and complete the Project Facility. Completion of the acquisition, renovation and equipping of the Project Facility shall be evidenced by a certificate signed by an Authorized Representative of the Company and approved by the Agency, stating:

- (1) The date of such completion;
- (2) That all labor, services, materials, and supplies used therefor and all costs and expenses in connection therewith have been paid;
- (3) That the Company has good and valid title to all Property constituting the Project Facility subject to the interest of the Agency therein and to this Agency Lease, the Company Lease and the Bill of Sale; and
- (4) That the Project Facility is ready for occupancy, use and operation for its intended purposes.

(b) Notwithstanding the foregoing, such certificate may state that (1) it is given without prejudice to any rights of the Company against third parties which exist at the date of such certificate or which may subsequently come into being; (2) it is given only for the purposes of this Section 4.2; and (3) no Person other than the Agency may benefit therefrom.

(c) Such certificate shall be accompanied by (1) copy of a certificate of occupancy, if required, and any and all permissions, licenses, or consents required of Governmental Authorities for the occupancy, operation, and use of the Project Facility for its intended purposes; and (2) Lien releases from the Company's contractor and any subcontractors under a contract with a price in excess of \$100,000.

4.3 COSTS OF COMPLETION PAID BY COMPANY.

(a) The Company agrees to complete the Project and to pay in full all costs of the renovation, equipping and completion of the Project Facility.

(b) No payment by the Company pursuant to this Section 4.3 shall entitle the Company to any diminution or abatement of any amounts payable by the Company under this Agency Lease.

4.4 REMEDIES TO BE PURSUED AGAINST CONTRACTORS, SUBCONTRACTORS, MATERIALMEN AND THEIR SURETIES.

In the event of a default by any materialman or Additional Agent (as defined herein) under any contract made by them in connection with renovation, equipping and completion of the Project Facility or in the event of a breach of warranty or other liability with respect to any materials, workmanship, or performance guaranty, the Company shall proceed, either separately or in conjunction with others, to exhaust the remedies of the Company against the materialman or Additional Agent so in default and against each surety for the performance of such contract. The Company may prosecute or defend any action or proceeding or take any other action involving any such materialman or Additional Agent or surety which the Company deems reasonably necessary. The Company shall advise the Agency of any actions or proceedings taken hereunder. No such suit shall relieve the Company of any of its obligations under this Agency Lease and the other Company Documents.

4.5 COOPERATION IN EXECUTION OF ADDITIONAL MORTGAGES AND MODIFICATIONS OF MORTGAGES.

The Agency agrees, upon written request of an Authorized Representative of the Company and subject to the provisions of the Act, to use its commercially reasonable efforts to execute and deliver one or more Mortgages and such additional instruments and documents may be requested by the Company and approved by counsel to the Agency and as may be required in connection with the Company's financing or refinancing for the costs of renovation and equipping of the Project Facility, provided that:

(a) No Event of Default under this Agency Lease, the Company Lease, the PILOT Agreement, the Project Agreement or the Mortgage shall have occurred and be continuing; and

(b) The execution and delivery of such documents by the Agency (i) is permitted by law in effect at the time; and (ii) will serve the public purposes of the Act; and

(c) The Company will be responsible for and shall pay, from the proceeds thereof or otherwise, the Agency's fee and the costs and expenses of the Agency incidental to such additional financing, refinancing or modification thereof, including without limitation the reasonable attorneys' fees of the Agency; and

(d) The documents to be signed by the Agency shall contain the provisions set forth in Sections 8.2 and 11.11 hereof, and shall not impose any duties or obligations upon the Agency except as may be acceptable to the Agency.

(e) Any and all Mortgages, shall, by its terms, be subordinate to the Agency's right to receive payments under the PILOT Agreement.

ARTICLE V

AGREEMENT TO LEASE PROJECT FACILITY; RENTAL PAYMENTS

5.1 AGREEMENT TO LEASE PROJECT FACILITY.

In consideration of the Company's covenant herein to make rental payments, and the other covenants of the Company contained herein, including the covenant to make additional rent and other payments required hereby, the Agency hereby agrees to lease to the Company, and the Company hereby agrees to lease from the Agency, the Project Facility for and during the term provided herein and upon and subject to the terms and conditions herein set forth and subject to Permitted Encumbrances.

The Agency's acceptance of the leasehold interest in and to the Land and Facility pursuant to the Company Lease, and its acquisition of an interest in the Equipment pursuant to the Bill of Sale, and the holding of said interests were effected and performed solely at the request of the Company pursuant to the requirements of the Act. The Agency hereby transfers and conveys all of its beneficial and equitable interests, if any, in the Project Facility to the Company, except for its Unassigned Rights. As a result, the parties hereby acknowledge and agree that subject to the terms and conditions of this Agency Lease, the Company has all of the equitable and beneficial ownership and other interest in the Project Facility (except for the Unassigned Rights), and will have all the equitable and beneficial ownership and other interest in the Project Facility (except for the Unassigned Rights), such that the Company, and not the Agency, shall have an:

- (i) unconditional obligation to bear the economic risk of depreciation and diminution in value of the Project Facility due to obsolescence or exhaustion, and shall bear the risk of loss if the Project Facility is destroyed or damaged;
- (ii) unconditional obligation to keep the Project Facility in good condition and repair;

(iii) unconditional and exclusive right to the possession of the Project Facility, and shall have sole control of and responsibility for the Project Facility;

(iv) unconditional obligation to maintain insurance coverage on, and such reserves with respect to, the Project Facility as may be required by the Company, the Agency and the Mortgagee with respect to the Project;

(v) unconditional obligation to pay all taxes levied on, or payments in lieu thereof, and assessments made with respect to, the Project Facility;

(vi) subject to the Unassigned Rights, unconditional and exclusive right to receive rental and any other income and other benefits of the Project Facility and from the operation of the Project;

(vii) unconditional obligation to pay for all of the capital investment in the Project Facility;

(viii) unconditional obligation to bear all expenses and burdens of the Project Facility and to pay for all maintenance and operating costs in connection with the Project Facility; and

(ix) unconditional and exclusive right to include all income earned from the operation of the Project Facility and claim all deductions and credits generated with respect to the Project Facility on its annual federal, state and local tax returns.

5.2 TERM OF LEASE; EARLY TERMINATION; SURVIVAL.

(a) The term of this Agency Lease shall commence on the date hereof and continue in full force and effect until the earlier of: (1) June 30, 2033; or (2) the early termination of this Agency Lease as provided herein.

(b) The Company hereby irrevocably designates the Agency as its attorney-in-fact, coupled with an interest, for the purpose of executing, delivering and recording terminations of the Agency Lease, the Company Lease, preparing a bill of sale together with any other documents therewith and to take such other and further actions reasonably necessary to confirm the termination of the Agency's interest in the Project.

(c) The Company shall have the option, at any time during the term of this Agency Lease, to terminate this Agency Lease. In the event that the Company shall exercise its option to terminate this Agency Lease pursuant to this Section 5.2(c), the Company shall file with the Agency a certificate stating the Company's intention to do so pursuant to this Section 5.2(c) and to comply with the requirements set forth in Section 5.2(d) hereof.

(d) As a condition to the effectiveness of the Company's exercise of its right to early termination, the following payments shall be made:

(1) **To the Agency:** an amount certified by the Agency as sufficient to pay all unpaid fees and expenses of the Agency incurred under this Agency Lease, the Company Lease and the PILOT Agreement (including, but not limited to those in connection with the early termination of this Agency Lease); and

(2) **To the Appropriate Person:** an amount sufficient to pay all other fees, expenses or charges, if any, then due and payable under this Agency Lease and the other Agency Documents.

(e) The certificate required to be filed pursuant to Section 5.2(c), setting forth the provision thereof permitting early termination of this Agency Lease shall also specify the date upon which the payments pursuant to subdivision (d) of this Section 5.2 shall be made, which date shall not be less than thirty (30) nor more than sixty (60) days from the date such certificate is filed with the Agency.

(f) Contemporaneously with the termination of this Agency Lease in accordance with Sections 5.1 or 5.2 hereof, the Agency shall transfer, and the Company shall accept, all of the Agency's right, title and interest in the Project Facility, including the Equipment, for a purchase price of One Dollar (\$1.00) plus the payment of all other sums due hereunder and all legal fees and costs associated therewith. Contemporaneously with the termination of this Agency Lease, the Company Lease and the PILOT Agreement shall terminate.

(g) The Agency shall, upon payment by the Company of the amounts pursuant hereto and to Sections 5.2(d) above and Section 5.3, deliver to the Company all documents furnished to the Agency by the Company, or prepared by the Agency at the sole expense of the Company, and reasonably necessary to evidence termination of the Company Lease and the Agency Lease, including, but not limited to, lease terminations and a bill of sale from the Agency with respect to its interest in the Equipment, without representation or warranty, subject to the following: (1) any Liens to which such Project Facility was subject when conveyed to the Agency, (2) any Liens created at the request of the Company or to the creation of which the Company consented or in the creation of which the Company acquiesced, (3) any Permitted Encumbrances, and (4) any Liens resulting from the failure of the Company to perform or observe any of the agreements on its part contained in this Agency Lease.

(h) The obligation of the Agency under this Section 5.2 to convey the Project Facility to the Company will be subject to: (i) there being no Event of Default existing hereunder or under any payment in lieu of tax agreement now or hereafter entered into with respect to all or any portion of the Project Facility or under any other Company Documents, or any other event which would, but for the passage of time or the giving of notice, or both, be such an Event of Default; and (ii) the Company's payment of all expenses, fees and taxes, if any, applicable to or arising from such transfer.

5.3 RENTAL PAYMENTS AND OTHER AMOUNTS PAYABLE.

(a) The Company shall pay basic rental payments for the Project Facility consisting of: (i) to the Agency in an amount sufficient to pay the sums due under the PILOT Agreement at the times and in the manner provides for therein, and an amount sufficient to pay any and all other amounts due hereunder; and (ii) to the Mortgagee, an amount equal to the debt service and amounts becoming due and payable under the Mortgage and the indebtedness secured thereby on the due date thereof.

(b) The Company shall pay to the Agency, as additional rent, within ten (10) days after the receipt of a demand therefor from the Agency, any annual administrative fees of the Agency, the sum of the reasonable fees, costs and expenses of the Agency and the officers, members, agents, and employees thereof incurred by the reason of the Agency's lease or sublease of the Project Facility or in connection with the carrying out of the Agency's duties and obligations under this Agency Lease, the Company Lease or any of the other Agency Documents and any other fee or expense of the Agency with respect to the Project Facility, or any of the other Agency Documents, the payment of which is not otherwise provided for under this Agency Lease, including, without limitation, reasonable fees and disbursements of Agency counsel, including fees and expenses incurred in connection with the Agency's enforcement of any rights hereunder or incurred after the occurrence and during the continuance of an Event of Default, in connection with any waiver, consent, modification or amendment to this Agency Lease or any other Agency Document that may be requested by the Company, or, in connection with any action by the Agency at the request of or on behalf of the Company hereunder or under any other Agency Document. Any additional rent not received within ten (10) business days after demand shall accrue interest after the expiration of such ten days at a rate of ten percent (10%) per annum or the highest rate permitted by law, whichever is less.

(c) The administrative fee payable by the Company to the Agency in conjunction with this Project and the Agency's granting of Financial Assistance and all outstanding counsel fees and costs shall be paid at closing.

(d) The Company agrees to make the above-mentioned payments, without any further notice, in lawful money of the United States of America as, at the time of payment, shall be legal tender for the payment of public and private debts. In the event that the Company shall fail to make or cause to be made any of the payments required under this Agency Lease, the item or installment not so paid shall continue as an obligation of the Company until such item or installment is paid in full.

5.4 NATURE OF OBLIGATIONS OF COMPANY HEREUNDER.

(a) The obligations of the Company to make the payments required by this Agency Lease and to perform and observe any and all of the other covenants and agreements on its part contained herein are general obligations of the Company and are absolute and unconditional irrespective of any defense or any rights of set-off, recoupment, or counterclaim it may otherwise have against the Agency. The Company agrees that it will not suspend, discontinue, or abate any payment required by, or fail to observe any of its other covenants or

agreements contained in this Agency Lease for any cause whatsoever, including, without limiting the generality of the foregoing, failure to complete the renovation and equipping of the Project Facility, any defect in the title, design, operation, merchantability, fitness, or condition of the Project Facility, or any part thereof, or in the suitability of the Project Facility, or any part thereof, for the Company's purposes or needs, or failure of consideration for, destruction of or damage to, or Condemnation of title to, or the use of all or any part of the Project Facility, any change in the tax or other laws of the United States of America or of the State of New York, or any political subdivision thereof, or any failure of the Agency to perform and observe any agreement, whether express or implied, or any duty, liability or obligation arising out of or in connection with this Agency Lease or the Company Lease.

(b) Nothing contained in this Section 5.4 shall be construed to release the Agency from the performance of any of the agreements on its part contained in this Agency Lease or the Company Lease, and in the event the Agency should fail to perform any such agreement, the Company may institute such action against the Agency as the Company may deem necessary to compel performance (subject to the provisions of Section 11.11).

ARTICLE VI MAINTENANCE, MODIFICATIONS, TAXES AND INSURANCE

6.1 MAINTENANCE AND MODIFICATIONS OF PROJECT FACILITY.

The Company shall:

(a) Keep the Project Facility in good condition and repair and preserve the same against waste, loss and damage, ordinary wear and tear excepted;

(b) Make all necessary repairs and replacements to the Project Facility or any part thereof (whether ordinary or extraordinary, structural, or non-structural, foreseen or unforeseen) which is damaged, destroyed, or condemned; and

(c) Operate the Project Facility in a sound and economic manner in general accordance with the Project pro-forma statements Company previously provided to the Agency.

6.2 TAXES, ASSESSMENTS AND UTILITY CHARGES.

(a) The Company shall pay as the same respectively become due:

(1) Any and all taxes and governmental charges of any kind, whatsoever which may at any time be lawfully assessed or levied against or with respect to the Project Facility;

(2) All utility and other charges, including "service charges," incurred or imposed for the operation, maintenance, use, occupancy, upkeep, and improvement of the Project Facility, the non-payment of which would create, or entitle the obligee to impose, a Lien on the Project Facility;

(3) All assessments and charges of any kind whatsoever lawfully made by any Governmental Authority for public improvements; and

(4) Any and all payments of taxes, if applicable, or all payments in lieu of taxes, if any, required to be made to the Agency under the terms of the PILOT agreement or any other agreement with respect thereto.

(b) Subject to the terms of the PILOT Agreement, the Company may in good faith actively contest any such taxes, assessments, and other charges, provided that (1) the Company shall have first notified the Agency of such contest; (2) no Event of Default under this Agency Lease or any of the other Company Documents shall have occurred and be continuing; and (3) the Company shall have set aside adequate reserves for any such taxes, assessments and other charges. If the Company demonstrates to the reasonable satisfaction of the Agency and certifies to the Agency by delivery of a written certificate, that the non-payment of any such items will not endanger any part of the Project Facility or subject the Project Facility, or any part thereof, to loss or forfeiture, the Company may permit the taxes, assessments, and other charges so contested to remain unpaid during the period of such contest and any appeal therefrom. Otherwise, such taxes, assessments, or charges shall be paid promptly by the Company or secured by the Company's posting a bond in form and substance satisfactory to the Agency.

6.3 INSURANCE REQUIRED.

During the term of this Agency Lease, the Company shall maintain or cause to be maintained insurance with respect to the Project Facility against such risks and for such amounts as are customarily insured against by businesses of like size and type and as required of the Agency, paying (as the same becomes due and payable) all premiums with respect thereto, including:

(a) Insurance against loss or damage by fire, lightning, and other casualties customarily insured against (with a uniform standard extended coverage endorsement), such insurance to be in an amount not less than the full replacement value of the completed Project Facility, exclusive of footings and foundations, as determined by a recognized appraiser or insurer selected by the Company.

(b) Workers' compensation insurance, disability benefits' insurance, and each other form of insurance which the Company is required by law to provide covering loss resulting from injury, sickness, disability, or death of employees of the Company who are located at or assigned to the Project Facility;

(c) A policy of commercial general liability insurance with a limit of liability of not less than \$1,000,000 per occurrence on an "occurrence" basis and \$2,000,000 in the aggregate for bodily injury, including death, and property damage, including but not limited to, contractual liability under this Agency Lease and personal injury, with blanket excess liability coverage in an amount not less than \$2,000,000, covering the Project Facility and Equipment and the Company's and the Agency's use or occupancy thereof against all claims on account of

bodily injury or death and property damage occurring upon, in or about the Project Facility or in connection with the ownership, maintenance, use and/or occupancy of the Project Facility and all appurtenant areas.

6.4 ADDITIONAL PROVISIONS RESPECTING INSURANCE.

All insurance required by Section 6.3 shall be with insurance companies of recognized financial standing selected by the Company and licensed to write such insurance in the State of New York. Such insurance may be written with deductible amounts comparable to those on similar policies carried by other Persons engaged in businesses similar in size, character, and other respects to those in which the Company are engaged. All policies evidencing such insurance except the Workers' Compensation policy shall name the Company as insured and the Agency as an additional insured, as its interests may appear, and shall provide that such coverage with respect to the Agency be primary and non-contributory with any insurance secured by the Agency and require at least thirty (30) days' prior written notice to the Agency of cancellation, reduction in policy limits, or material change in coverage thereof.

Prior to the Closing Date, the Company shall deliver to the Agency, satisfactory to the Agency in form and substance: (i) certificates evidencing all insurance required hereby; (ii) the additional insured endorsement(s) applicable to the Agency; (iii) the final insurance binder addressed to the Company covering the Project Facility; and (iv) evidence that the insurance so required is on a primary and non-contributory basis. In addition, the Company shall provide, if so requested by the Agency, a final and complete copy of each insurance policy within thirty (30) days of the Closing Date.

The Company shall deliver or cause to be delivered to the Agency on or before the first business day of each January thereafter each of the items set forth in the immediately preceding paragraph, dated not earlier than the immediately preceding month, reciting that there is in full force and effect, with a term covering at least the next succeeding calendar year, insurance in the amounts and of the types required by Sections 6.3 and 6.4. The Company shall furnish to the Agency evidence that the policy has been renewed or replaced or is no longer required by this Agency Lease each year throughout the term of this Agency Lease.

All premiums with respect to the insurance required by Section 6.3 shall be paid by the Company, provided, however, that, if the premiums are not timely paid, the Agency may pay such premiums and the Company shall pay immediately upon demand all sums so expended by the Agency, together with interest at a rate of ten percent (10%) per annum or the highest rate permitted by law, whichever is less.

6.5 APPLICATION OF NET PROCEEDS OF INSURANCE.

The Net Proceeds of the insurance carried pursuant to the provisions of Section 6.3 shall be applied as follows:

(a) The Net Proceeds of the insurance required by subsection 6.3(a) shall be paid and applied as provided in Section 7.1 hereof; and

(b) The Net Proceeds of the insurance required by subsections 6.3(b) and 6.3(c) shall be applied toward extinguishment or satisfaction of the liability with respect to which such insurance proceeds may be paid.

6.6 PAYMENTS IN LIEU OF REAL ESTATE TAXES.

The Company and the Agency have entered into a PILOT Agreement with respect to payments in lieu or real estate taxes for the Project Facility.

ARTICLE VII DAMAGE, DESTRUCTION, AND CONDEMNATION

7.1 DAMAGE OR DESTRUCTION.

(a) If the Mortgage shall be in effect or the Mortgagee shall have any interest in the Project Facility arising under or related to the Mortgage, whether by foreclosure or otherwise and the Project Facility shall be damaged or destroyed, in whole or in part, then insurance proceeds shall be paid in accordance with the relevant provisions of the Mortgage regarding the distribution of such insurance proceeds, provided that there shall be no abatement or reduction in amounts payable to the Agency hereunder. If the Mortgage shall not be in effect and the Mortgagee shall have no interest in the Project Facility and the Project Facility shall be damaged or destroyed, in whole or in part:

(1) There shall be no abatement or reduction in the amounts payable by the Company under this Agency Lease or otherwise (whether or not the Project Facility is replaced, repaired, rebuilt, or restored); and

(2) The Company shall promptly give notice thereof to the Agency;
and

(3) Except as otherwise provided in subsections 7.1(b) and 7.1(c) hereof, upon receipt of the insurance proceeds, the Company shall promptly replace, repair, rebuild, or restore the Project Facility to substantially the same condition as existed prior to such damage or destruction, with such changes, alterations, and modifications as may be desired by the Company and consented to in writing by the Agency, provided that such changes, alterations, or modifications do not change the nature of the Project Facility, such that it does not constitute a "project" (as such quoted term is defined in the Act); and in the event such Net Proceeds are not sufficient to pay in full the costs of such replacement, repair, rebuilding, or restoration, the Company shall nonetheless complete such work and shall pay from its own moneys that portion of the costs thereof in excess of such Net Proceeds.

(b) If the Mortgage shall not be in effect and the Mortgagee shall have no interest in the Project Facility, then notwithstanding anything to the contrary contained in subsection 7.1(a), the Company shall not be obligated to replace, repair, rebuild, or restore the

Project Facility, and the Net Proceeds of any insurance settlement shall not be applied as provided in subsection 7.1(a) if the Company shall notify the Agency that, in the Company's sole judgment, the Company does not deem it practical or desirable to replace, repair, rebuild, or restore the Project Facility. In such event, the lesser of (1) the total amount of the Net Proceeds collected under any and all policies of insurance covering the damage to or destruction of the Project Facility, or (2) any other sums payable to the Agency pursuant to this Agency Lease and the other Agency and Company Documents, shall be applied to the repayment of all amounts due to the Agency under this Agency Lease, the Company Lease, the PILOT Agreement and other Agency Documents. If the Net Proceeds collected under any and all policies of insurance are less than the amount necessary to repay any and all amounts payable to the Agency, the Company shall pay the difference between such amounts and the Net Proceeds of all such insurance settlements so that any and all amounts payable under this Agency Lease, the Company Lease, the PILOT Agreement and the other Agency Documents to the Agency shall be paid in full. If all amounts due under this Agency Lease, the Company Lease, the Mortgage, the PILOT Agreement and the other Agency Documents are paid in full, all such Net Proceeds, or the balance thereof, shall be paid to the Company for its purposes.

(c) The Company and the Mortgagee may adjust all claims under any policies of insurance required by subsections 6.3(a) and 6.3(c) hereof with the prior written consent of the Agency, which consent shall not be unreasonably withheld.

7.2 CONDEMNATION.

(a) If the Mortgage shall be in effect or the Mortgagee shall have any interest in the Project Facility arising under or related to the Mortgage, whether by foreclosure or otherwise and title to, or the use of, all, substantially all or less than substantially all of the Project Facility shall be taken by Condemnation, then Condemnation proceeds shall be paid in accordance with the relevant provisions of the Mortgage regarding the distribution of such Condemnation proceeds, provided that there shall be no abatement or reduction in amounts payable to the Agency hereunder. If the Mortgage shall not be in effect and the Mortgagee shall have no interest in the Project Facility and if title to, or the use of, less than substantially all of the Project Facility shall be taken by Condemnation:

(1) There shall be no abatement or reduction in the amounts payable by the Company under this Agency Lease or otherwise (whether or not the Project Facility is restored); and

(2) The Company shall promptly give notice thereof to the Agency;
and

(3) Except as otherwise provided in subsections 7.2(b) and 7.2(c) hereof, upon receipt of the Condemnation proceeds, the Company shall promptly restore the Project Facility (excluding any part of the Project Facility taken by Condemnation) to substantially the condition and value as an operating entity as existed prior to such Condemnation; and the Company shall nonetheless complete such restoration and shall pay from its own moneys that portion of the costs thereof in excess of such Net Proceeds.

(b) If the Mortgage shall not be in effect and the Mortgagee shall have no interest in the Project Facility and if title to, or the use of, less than substantially all of the Project Facility shall be taken by Condemnation, then notwithstanding anything to the contrary contained in subsection 7.2(a), the Company shall not be obligated to restore the Project Facility, and the Net Proceeds of any Condemnation award shall not be applied as provided in subsection 7.2(a) if the Company shall notify the Agency that, in the Company's sole judgment, the Company does not deem it practical or desirable to restore the Project Facility. In such event, the lesser of (1) the Net Proceeds of any Condemnation award, or (2) the amount necessary to pay the Agency pursuant to this Agency Lease, the Company Lease, the PILOT Agreement and the other Agency Documents, shall be applied to payment of all amounts due to the Agency under this Agency Lease, the Company Lease and other Agency Documents. If the Net Proceeds of any Condemnation award are less than the amount necessary to pay any and all amounts payable to the Agency, the Company shall pay the difference between such amounts and the Net Proceeds of such Condemnation award so that any and all amounts payable under this Agency Lease, the Company Lease and other Agency Documents to the Agency shall be paid in full. If all amounts due under this Agency Lease, the Company Lease, the PILOT Agreement, the Mortgage and the other Agency Documents have been paid in full, all such Net Proceeds or the balance thereof shall be paid to the Company for its purposes.

(c) The Company and the Mortgagee with the prior written consent of the Agency (which consent shall not be unreasonably withheld), shall have sole control of any Condemnation proceeding with respect to the Project Facility, or any part thereof, and may negotiate the settlement of any such proceeding.

7.3 ADDITIONS TO PROJECT FACILITY.

All replacements, repairs, rebuilding, or restoration made pursuant to Sections 7.1 or 7.2 hereof, whether or not requiring the expenditure of the Company's own moneys, shall automatically become part of the Project Facility as if the same were specifically described herein.

ARTICLE VIII SPECIAL COVENANTS

8.1 NO WARRANTY OF CONDITION OR SUITABILITY BY THE AGENCY; ACCEPTANCE "AS IS."

THE AGENCY MAKES NO WARRANTY, EITHER EXPRESS OR IMPLIED, AS TO THE CONDITION, TITLE, DESIGN, OPERATION, MERCHANTABILITY, OR FITNESS OF THE PROJECT FACILITY, OR ANY PART THEREOF, OR AS TO THE SUITABILITY OF THE PROJECT FACILITY OR ANY PART THEREOF FOR THE COMPANY'S PURPOSES OR NEEDS. NO WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE OR MERCHANTABILITY IS MADE. IN THE EVENT OF ANY DEFECT OR DEFICIENCY OF ANY NATURE, WHETHER PATENT OR LATENT, THE

AGENCY SHALL NOT HAVE ANY RESPONSIBILITY OR LIABILITY WITH RESPECT THERETO.

8.2 HOLD HARMLESS PROVISIONS.

(a) The Company hereby releases the Agency and its members, officers, agents and employees from, agrees that the Agency and its members, officers, agents and employees shall not be liable for, and agrees to indemnify, defend, and hold the Agency and its members, officers, agents and employees harmless from and against any and all claims arising as a result of the Agency's undertaking the Project, including, but not limited to:

(1) Liability for loss or damage to Project Facility or bodily injury to or death of any and all persons that may be occasioned by any cause whatsoever pertaining to the Project Facility, or arising by reason of or in connection with the occupation or the use thereof, or the presence on, in, or about the Project Facility;

(2) Liability arising from or expense incurred by the Agency's acquisition of a leasehold interest in the Project Facility and the subleasing of the Project Facility, including, without limiting the generality of the foregoing, all liabilities or claims arising as a result of the Agency's obligations under this Agency Lease, the Company Lease, the Mortgage or any other documents executed by the Agency at the direction of the Company in conjunction with the Project Facility;

(3) All claims arising from the exercise by the Company, and or its Additional Agents (as defined herein) of the authority conferred upon it and performance of the obligations assumed under Section 4.1 hereof;

(4) Any and all claims arising from the non-disclosure of information, if any, requested by the Company in accordance with Section 11.14 hereof;

(5) All causes of action and attorneys' fees and other expenses incurred in connection with any suits or actions which may arise as a result of any of the foregoing, provided that any such losses, damages, liabilities, or expenses of the Agency are not incurred or do not result from the intentional wrongdoing of the Agency or any of its members, officers, agents or employees.

To the fullest extent permitted by law, the foregoing indemnities shall apply notwithstanding the fault or negligence (other than gross negligence or willful misconduct) on the part of the Agency or any of its officers, members, agents, servants or employees and irrespective of any breach of statutory obligation or any rule of comparative or apportional liability.

(b) In the event of any claim against the Agency or its members, officers, agents, or employees by any employee of the Company, or any materialman or Additional Agent of the Company, or anyone directly or indirectly employed by any of them, or any one for whose acts any of them may be liable, the obligations of the Company hereunder shall not be limited in

any way by any limitation on the amount or type of damages, compensation, or benefits payable by or for the Company or such contractor under workers' compensation laws, disability benefit laws, or other employee benefit laws.

(c) To effectuate the provisions of this Section 8.2, the Company agrees to provide for and insure, in the liability policies required by Section 6.3, its liabilities assumed pursuant to this Section 8.2.

(d) Notwithstanding any other provisions of this Agency Lease, the obligations of the Company pursuant to this Section 8.2 shall remain in full force and effect after the termination of this Agency Lease and the Company Lease until the expiration of the period stated in the applicable statute of limitations during which a claim, cause of action, or prosecution relating to the matters herein described may be brought, and the payment in full or the satisfaction of such claim, cause of action, or prosecution, and the payment of all expenses and charges incurred by the Agency, or its officers, members, agents or employees relating thereto.

(e) For purposes of this Section 8.2 and Section 11.11 hereof, the Company shall not be deemed to constitute an employee, agent or servant of the Agency or a person under the Agency's control or supervision.

8.3 RIGHT OF ACCESS TO PROJECT FACILITY.

During the term of this Agency Lease, the Company agrees that the Agency and its duly authorized agents shall have the right to enter upon and to examine and inspect the Project Facility upon reasonable notice to the Company and with the least disturbance of Project Facility tenants as reasonably possible.

8.4 MAINTENANCE OF EXISTENCE.

During the term of this Agency Lease, the Company will maintain its existence and will not dissolve or otherwise dispose of all or substantially all of its assets.

8.5 AGREEMENT TO PROVIDE INFORMATION.

During the term of this Agency Lease, and no less frequently than annually, the Company agrees, whenever reasonably requested by the Agency or the Agency's auditor, to provide and certify, or cause to be certified, such information concerning the Project and/or the Company, its finances, and for itself and each of its Additional Agents, information regarding job creation¹, Local Labor Requirements, exemptions from State and local sales and use tax, real property and mortgage recording taxes and other topics as the Agency from time to time reasonably considers necessary or appropriate including, but not limited to those reports, in

¹ To the extent the Project includes commercial space and/or tenants for which the Company calculated job creation as part of its projections in its Application, the Company is obligated, through its lease or other rental agreement with those commercial tenants, to require that such tenants report to the Company, in accordance with the terms of Section 8.5 hereof, the number of full and part time jobs created and maintained by each such tenant for inclusion in the Company's reporting to or at the request of the Agency.

substantially the form as set forth in **Exhibit "E"** attached hereto, and such other information necessary as to enable the Agency to monitor and/or make any reports required by law or governmental regulation, including but not limited to §875 of the Act. Notwithstanding anything in this Section 8.5 to the contrary, the Company shall provide the Contract Status Report in accordance with Section 4.1 hereof.

8.6 BOOKS OF RECORD AND ACCOUNT; FINANCIAL STATEMENTS.

During the term of this Agency Lease, the Company agrees to maintain proper accounts, records, and books, in which full and correct entries shall be made in accordance with generally accepted accounting principles, of all business and affairs of the Company.

8.7 COMPLIANCE WITH ORDERS, ORDINANCES, ETC.

(a) The Company agrees that it will, during any period in which the amounts due under this Agency Lease remain unpaid, promptly comply with all statutes, codes, laws, acts, ordinances, orders, judgments, decrees, injunctions, rules, regulations, permits, licenses, authorizations, directions, and requirements of all Governmental Authorities, foreseen or unforeseen, ordinary or extraordinary, which now or at any time hereafter affect the Company's obligations hereunder or be applicable to the Project Facility, or any part thereof, or to any use, manner of use, or condition of the Project Facility, or any part thereof, the applicability of the same to be determined both as if the Agency were the owner of the Project Facility and as if the Company were the owner of the Project Facility.

(b) Notwithstanding the provisions of subsection 8.7(a), the Company may, in good faith, actively contest the validity or the applicability of any requirement of the nature referred to in said subsection 8.7(a), provided that the Company shall have first notified the Agency of such contest, no Event of Default shall be continuing under this Agency Lease, or any of the other Company Documents; and such contest and failure to comply with such requirement shall not subject the Project Facility to loss or forfeiture. In such event, the Company may fail to comply with the requirement or requirements so contested during the period of such contest and any appeal therefrom unless the Agency or its members, officers, agents, or employees may be liable for prosecution for failure to comply therewith, in which event the Company shall promptly take such action with respect thereto as shall be satisfactory to the Agency.

8.8 DISCHARGE OF LIENS AND ENCUMBRANCES.

During the term of this Agency Lease, the Company hereby covenants that, except for Permitted Encumbrances, the Company agrees not to create, or suffer to be created, any Lien on the Project Facility, or any part thereof without the prior written consent of the Agency. The Company shall promptly notify the Agency of any Permitted Encumbrances created, or suffered to be created, on the Project Facility.

8.9 PERFORMANCE BY AGENCY OF COMPANY'S OBLIGATIONS.

Should the Company fail to make any payment or to do any act as herein provided, the Agency may, but need not, upon ten (10) days' prior written notice to or demand on the Company and without releasing the Company from any obligation herein, make or do the same, including, without limitation, appearing in and defending any action purporting to affect the rights or powers of the Company, or the Agency and paying all expenses, including, without limitation, reasonable attorneys' fees; and the Company shall pay immediately upon demand all sums so expended by the Agency under the authority hereof, together with the interest thereon at a rate of ten percent (10%) per annum or the highest rate permitted by law, whichever is greater.

8.10 DEPRECIATION DEDUCTIONS AND TAX CREDITS.

The parties agree that as between them, the Company shall be entitled to all depreciation deductions and accelerated cost recovery system deductions with respect to any portion of the Project Facility pursuant to Sections 167 and 168 of the Code and to any investment credit pursuant to Section 38 of the Code with respect to any portion of the Project Facility which constitutes "Section 38 Property" and to all other State and/or federal income tax deductions and credits which may be available with respect to the Project Facility.

8.11 EMPLOYMENT OPPORTUNITIES.

The Company shall insure that all employees and applicants for employment with regard to the Project are afforded equal employment opportunities without discrimination.

8.12 SALES AND USE TAX EXEMPTION.

(a) Pursuant to Section 874 of the Act, the parties understand that the Agency is exempt from certain State and local sales use taxes imposed by the State and local governments in the State, and that the Project may be exempted from those taxes due to the involvement of the Agency in the Project. The Agency makes no representations or warranties that any property is exempt from the payment of State or local sales or use taxes. Any exemption from the payment of State or local sales or use taxes resulting from the involvement of the Agency with the Project shall be subject to Section 875 of the Act and shall be limited to purchases of services and tangible personal property conveyed to the Agency or utilized by the Agency or by the Company as agent of the Agency as a part of the Project prior to the Completion Date, or incorporated within the Project Facility prior to the Completion Date. No operating expenses of the Project Facility, and no other purchases of services or property shall be subject to an exemption from the payment of State sales or use tax. It is the intention of the parties hereto that the Company will receive a State and local sales and use tax exemption with respect to the Project, said sales tax exemption to be evidenced by a letter to be issued by the Agency on the date of the execution of this Agency Lease. The Company acknowledges that as an agent of the Agency, it must complete and provide to each vendor Form ST-123 for purchases. The failure to furnish a completed Form ST-123 (IDA Agent or Project Operator Exempt Purchase Certificate) with each purchase will result in loss of the exemption for that purchase.

(b) The Company may use and appoint a Project operator, contractors, agents, subagents, subcontractors, contractors and subcontractors of such agents and subagents (collectively, "**Additional Agents**") in furtherance of the completion of the Project. However, for each Additional Agent, the Company must first: (i) cause the each such appointed Additional Agent to execute and deliver a sub-agent agreement, in the form attached hereto at **Exhibit "F"**, and provide a fully executed copy to the Agency; and (ii) submit a completed Form ST-60 to the Agency for execution and filing with the New York State Department of Taxation and Finance.

(c) The Company acknowledges and agrees that an Additional Agent must be appointed as an agent of the Agency in order to avail itself of the Agency's sales and use tax exemption for purchases or rentals of equipment, tools and supplies with respect to the Project Facility.

(d) Pursuant to Section 874(8) of the Act, the Company agrees to annually file and cause each Additional Agent or other operator of the Project Facility to file annually, with the New York State Department of Taxation and Finance, and provide the Agency with a copy of same, on a form and in such manner as is prescribed by the New York State Commissioner of Taxation and Finance (the "**Annual Sales Tax Report**"), a statement of the value of all sales and use tax exemptions claimed by the Company and all other Additional Agents under the authority granted to the Company pursuant to Section 4.1(b) of this Agency Lease. Pursuant to Section 874(8) of the Act, the penalty for failure to file the Annual Sales Tax Report shall be removal of authority to act as agent of the Agency. Therefore, if the Company shall fail to comply with the requirements of this subsection (d), irrespective of any notice and cure period afforded, the Company and each Additional Agent shall immediately cease to be the agent of the Agency in connection with the Project. The Company is responsible for obtaining from the New York State Department of Taxation and Finance the current version of such Annual Sales Tax Report.

(e) The Company agrees to furnish to the Agency a copy of each such Annual Sales Tax Report submitted to the New York State Department of Taxation and Finance by the Company pursuant to Section 874(8) of the Act for itself and any Additional Agent.

(f) Pursuant to Section 874(9) of the Act, the Agency agrees to file within thirty (30) days of the Closing Date with the New York State Department of Taxation and Finance, on a form and in such manner as is prescribed by the New York State Commissioner of Taxation and Finance (the "**Thirty-Day Sales Tax Report**"), a statement identifying the Company, or 30 days from the appointment of any Additional Agent appointed in accordance with the terms herein, as agent of the Agency, setting forth the taxpayer identification number of the Company, giving a brief description of the goods and/or services intended to be exempted from sales taxes as a result of such appointment as agent, indicating the estimated value of the goods and/or services to which such appointment as agent relates, indicating the date when such designation as agent became effective and indicating the date upon which such designation as agent shall cease.

(g) Pursuant to Section 875(3) of the Act, and in conjunction with Agency policy, the Agency shall and in some circumstances may, recover, recapture, receive or

otherwise obtain from the Company the portion of the Financial Assistance (the “*Recapture Amount*”) consisting of State and local sales and use tax exemption in accordance with the Agency’s Recapture Policy, a copy of which is attached hereto at **Exhibit “G”**, and the Project Agreement.

8.13. IDENTIFICATION OF THE EQUIPMENT.

All Equipment which is or may become part of the Project Facility pursuant to the provisions of this Lease Agreement shall be properly identified by the Company by such appropriate records, including computerized records, as may be approved by the Agency.

ARTICLE IX ASSIGNMENTS; TRANSFERS; MERGER OF AGENCY

9.1 ASSIGNMENT OF AGENCY LEASE.

This Agency Lease may not be assigned by the Company, in whole or in part, nor all or any part of the Project Facility subleased, nor any part of the Project Facility sold, leased, transferred, conveyed or otherwise disposed of without the prior written consent of the Agency, which consent shall be in the Agency’s sole and absolute discretion; provided however, that the Company may enter into leases for individual rental units that are part of the Project Facility without the consent of the Agency. Any assignment or sublease of this Agency Lease shall not effect a release of the Company from its obligations hereunder or under the PILOT Agreement.

9.2 TRANSFERS OF INTERESTS.

Company shall not assign or otherwise transfer or allow an assignment or transfer, of a controlling interest in the Company, whether by operation of law or otherwise (including, without limitation, by way of a merger, consolidation or a change of control whereby the current existing equity holders of the Company, as of the date of the application to the Agency, would own, in the aggregate, less than a majority of the total combined voting power of all classes of equity interest of the Company or any surviving entity), without the prior written consent of Agency, which consent shall be in the Agency’s sole and absolute discretion; provided however, that membership interests in the Company may be transferred by the equity holders of the Company prior to the Closing Date to “Investor Members” (as defined below) and from such Investor Members back to the original equity holders of the company, as such original equity holders are reflected in the Application, without the prior consent of the Agency. An Investor Member is an investor (other than an original equity holder) who receives a membership interest in the Company in exchange for capital to fund the Project and an allocation of state and/or federal historic tax credits.

9.3 MERGER OF AGENCY.

(a) Nothing contained in this Agency Lease shall prevent the consolidation of the Agency with, or merger of the Agency into, or assignment by the Agency of its rights and interests hereunder to any other body corporate and politic and public instrumentality of the State of New York, or political subdivision thereof, which has the legal authority to perform the obligations of the Agency hereunder, provided that upon any such consolidation, merger, or assignment, the due and punctual performance and observance of all the agreements and conditions of this Agency Lease to be kept and performed by the Agency shall be expressly assumed in writing by the public instrumentality or political subdivision resulting from such consolidation or surviving such merger or to which the Agency's rights and interests hereunder shall be assigned.

(b) Promptly following the effective date of any such consolidation, merger, or assignment, the Agency shall give notice thereof in reasonable detail to the Company. The Agency shall promptly furnish to the Company such additional information with respect to any such consolidation, merger, or assignment as the Company reasonably may request.

ARTICLE X EVENTS OF DEFAULT AND REMEDIES

10.1 EVENTS OF DEFAULT DEFINED.

The following shall be "Events of Default" under this Agency Lease, and the terms "Event of Default" or "Default" shall mean, whenever they are used in this Agency Lease, any one or more of the following events:

(a) A default by the Company in the due and punctual payment of the amounts specified to be paid pursuant to subsection 5.3 or 8.12(g); or

(b) Failure by the Company to maintain the insurance required by Section 6.3;
or

(c) A default in the performance or the observance of any other of the covenants, conditions, or agreements on the part of the Company in this Agency Lease and the continuance thereof for a period of thirty (30) days after written notice is given by the Agency or, if such covenant, condition, or agreement is capable of cure but cannot reasonably be cured within such thirty-day period, the failure of the Company to commence to cure within such thirty-day period and to prosecute the same with due diligence and cure the same within an additional thirty (30) days; or

(d) A transfer in contravention of Article 9 hereof;

(e) The occurrence of an "Event of Default" under the Mortgage, the PILOT Agreement, the Company Lease, the Project Agreement or any of the other Company Documents which is not timely cured as provided therein; or

(f) The Company shall generally not pay its debts as such debts become due or is unable to pay its debts as they become due.

(g) The Company shall conceal, remove, or permit to be concealed or removed any part of its Property with intent to hinder, delay, or defraud its creditors, or any one of them, or shall make or suffer a transfer of any of its Property which is fraudulent under any bankruptcy, fraudulent conveyance, or similar law, or shall make any transfer of its Property to or for the benefit of a creditor at a time when other creditors similarly situated have not been paid, or shall suffer or permit, while insolvent, any creditor to obtain a Lien upon any of its Property through legal proceedings or distraint which is not vacated within thirty (30) days from the date thereof; or

(h) By order of a court of competent jurisdiction, a trustee, receiver, or liquidator of the Project Facility, or any part thereof, or of the Company shall be appointed and such order shall not be discharged or dismissed within sixty (60) days after such appointment; or

(i) The filing by the Company of a voluntary petition under Title 11 of the United States Code or any other federal or state bankruptcy statute; the failure by the Company within sixty (60) days to lift any execution, garnishment, or attachment of such consequence as will impair the Company's ability to carry out its obligations hereunder; the commencement of a case under Title 11 of the United States Code against the Company as the debtor, or commencement under any other federal or state bankruptcy statute of a case, action, or proceeding against the Company, and continuation of such case, action, or proceeding without dismissal for a period of sixty (60) days; the entry of an order for relief by a court of competent jurisdiction under Title 11 of the United States Code or any other federal or state bankruptcy statute with respect to the debts of the Company; or in connection with any insolvency or bankruptcy case, action, or proceeding, appointment by final order, judgment, or decree of a court of competent jurisdiction of a receiver or trustee of the whole or a substantial portion of the Property of the Company unless such order, judgment, or decree is vacated, dismissed, or dissolved within sixty (60) days of its issuance.

(j) The imposition of a Lien on the Project Facility other than a Permitted Encumbrance.

10.2 REMEDIES ON DEFAULT.

(a) Whenever any Event of Default shall have occurred and be continuing, the Agency may, to the extent permitted by law, take any one or more of the following remedial steps:

- 1) Terminate this Agency Lease;
- 2) Terminate the Company Lease; or
- 3) Terminate the PILOT Agreement;

4) Take any other action at law or in equity which may appear necessary or desirable to collect any amounts then due, or thereafter to become due, hereunder or under the Company Lease, the Project Agreement, or the PILOT Agreement, and/or to enforce the Company's obligations and duties under the Company Documents and the Agency's rights under the Agency Documents, including but not limited to, specific performance; or

5) Seek to recover the recapture amount set forth in Article 8 hereof as well as any and all other components of Financial Assistance provided to the Company in accordance with the Agency's Recapture Policy.

(b) No action taken pursuant to this Section 10.2 shall relieve the Company from its obligations to make all payments required by Sections 5.3(b) and 8.2 hereof.

10.3 REMEDIES CUMULATIVE.

No remedy herein conferred upon or reserved to the Agency is intended to be exclusive of any other available remedy, but each and every such remedy shall be cumulative and in addition to every other remedy given under this Agency Lease, the Company Lease and the other Company Documents or the PILOT Agreement now or hereafter existing at law or in equity to collect any amounts then due, or thereafter to become due, hereunder and thereunder and to enforce the Agency's right to terminate this Agency Lease, the PILOT Agreement and the Company Lease. No delay or omission to exercise any right or power accruing upon any Default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Agency to exercise any remedy reserved to it in this Article 10, it shall not be necessary to give any notice, other than such notice as may be herein expressly required in this Agency Lease.

10.4 AGREEMENT TO PAY ATTORNEYS' FEES AND EXPENSES.

In the event the Company should Default under any of the provisions of this Agency Lease, or a dispute arises hereunder, and the Agency should employ attorneys or incur other expenses to preserve or enforce its rights hereunder or for the collection of amounts payable hereunder or the enforcement of performance or observance of any obligations or agreements on the part of the Company herein contained, the Company shall, on demand therefor, pay to the Agency the reasonable fees and costs of such attorneys and such other expenses so incurred.

10.5 NO ADDITIONAL WAIVER IMPLIED BY ONE WAIVER.

In the event any agreement contained herein should be breached by either party and thereafter such breach be waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

**ARTICLE XI
MISCELLANEOUS**

11.1 NOTICES.

All notices, certificates, and other communications hereunder shall be in writing, shall be sufficiently given, and shall be deemed given when (a) sent to the applicable address stated below by registered or certified mail, return receipt requested, and actually received by the intended recipient or by overnight courier or such other means as shall provide the sender with documentary evidence of such delivery, or (b) delivery is refused by the addressee as evidenced by the affidavit of the Person who attempted to effect such delivery. The addresses to which notices, certificates, and other communications hereunder shall be delivered are as follows:

(a) If to the Agency, to:

City of Syracuse Industrial Development Agency
201 East Washington Street, 7th Floor
Syracuse, New York 13202
Attn: Chairman

With a copy to:

Corporation Counsel
City of Syracuse
233 East Washington Street
Syracuse, New York 13202

(b) If to the Company, to:

Oak Knitting Mill Commons LLC
100 Madison Street, Suite 1905
Syracuse, New York 13202
Attn: Timothy Lynn, Managing Member

With a copy to:

Lynn, D'Elia, Temes & Stanczyk LLC
100 Madison Street, Suite 1905
Syracuse, New York 13202
Attn: Anthony J. D'Elia, Esq.

The Agency and the Company, may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates, and other communications shall be sent.

11.2 BINDING EFFECT.

This Agency Lease shall inure to the benefit of and shall be binding upon the Agency and the Company and, as permitted by this Agency Lease, upon their respective heirs, successors and assigns.

11.3 SEVERABILITY.

If any one or more of the covenants or agreements provided herein on the part of the Agency or the Company to be performed shall for any reason be held, or shall in fact be, inoperative, unenforceable, or contrary to law in any particular circumstance; such circumstance shall not render the provision in question inoperative or unenforceable in any other circumstance. Further, if any one or more of the sentences, clauses, paragraphs, or sections herein is contrary to law, then such covenant(s) or agreement(s) shall be deemed severable of remaining covenants and agreements hereof and shall in no way affect the validity of the other provisions of this Agency Lease.

11.4 AMENDMENTS, CHANGES AND MODIFICATIONS.

This Agency Lease may not be amended, changed, modified, altered, or terminated except by an instrument in writing signed by the parties hereto.

11.5 EXECUTION OF COUNTERPARTS.

This Agency Lease may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

11.6 APPLICABLE LAW.

This Agency Lease shall be governed exclusively by the applicable laws of the State of New York.

11.7 WAIVER OF TRIAL BY JURY.

THE COMPANY AND THE AGENCY WAIVE THE RIGHT TO TRIAL BY JURY OF ANY DISPUTE ARISING UNDER THIS AGENCY LEASE, AND THIS PROVISION SHALL SURVIVE THE TERMINATION OF THIS AGENCY LEASE.

11.8 SUBORDINATION.

This Agency Lease shall be subject and subordinate to the Company Lease and the Mortgage and all Permitted Encumbrances in all respects.

11.9 SURVIVAL OF OBLIGATIONS.

(a) The obligations of the Company to repay, defend and/or provide the indemnity required by Section 8.2 and 8.12 hereof shall survive the termination of this Agency

Lease and all such payments and obligations after such termination shall be made upon demand of the party to whom such payment and/or obligation is due.

(b) The obligations of the Company to repay, defend and/or provide the indemnity required by Sections 8.2 and 8.12 shall survive the termination of this Agency Lease until the expiration of the period stated in the applicable statute of limitations during which a claim, cause of action, or prosecution may be brought, and the payment in full or the satisfaction of such claim, cause of action, or prosecution, and the payment of all expenses and charges incurred by the Agency or its officers, members, agents (other than the Company) or employees relating thereto.

(c) The obligations of the Company required by Article 4 and Sections 2.2 8.4 and 11.14 hereof shall similarly survive the termination of this Agency Lease.

11.10 TABLE OF CONTENTS AND SECTION HEADINGS NOT CONTROLLING.

The Table of Contents and the Section headings in this Agency Lease have been prepared for convenience of reference only and shall not control, affect the meaning of, or be taken as an interpretation of any provision of this Agency Lease.

11.11 NO RECOURSE; SPECIAL OBLIGATION.

The obligations and agreements of the Agency contained herein and in the other Agency Documents and in any other instrument or document executed in connection herewith or therewith, and any instrument or document supplemental hereto or thereto, shall be deemed the obligations and agreements of the Agency and not of any member, officer, agent or employee of the Agency in his individual capacity; and the members, officers, agents and employees of the Agency shall not be liable personally hereon or thereon or be subject to any personal liability or accountability based upon or in respect hereof or thereof or of any transaction contemplated hereby or thereby. The obligations and agreements of the Agency contained herein or therein shall not constitute or give rise to an obligation of the State New York or of the City of Syracuse, and neither the State of New York nor the City of Syracuse shall be liable hereon or thereon. Further, such obligations and agreements shall not constitute or give rise to a general obligation of the Agency, but rather shall constitute limited obligations of the Agency, payable solely from the revenues of the Agency derived, and to be derived from, the lease, sale, or other disposition of the Project Facility, other than revenues derived from or constituting Unassigned Rights. No order or decree of specific performance with respect to any of the obligations of the Agency hereunder or thereunder shall be sought or enforced against the Agency unless:

(a) The party seeking such order or decree shall first have requested the Agency in writing to take the action sought in such order or decree of specific performance, and thirty (30) days shall have elapsed from the date of receipt of such request, and the Agency shall have refused to comply with such request (or if compliance therewith would reasonably be expected to take longer than thirty (30) days, shall have failed to institute and diligently pursue action to cause compliance with such request) or failed to respond within such notice period; and

(b) If the Agency refuses to comply with such request and the Agency's refusal to comply is based on its reasonable expectation that it will incur fees and expenses, the party seeking such order or decree shall have placed in an account with the Agency an amount or undertaking sufficient to cover such reasonable fees and expenses; and

(c) If the Agency refuses to comply with such request and the Agency's refusal to comply is based on its reasonable expectation that it or any of its members, officers, agents or employees shall be subject to potential liability, the party seeking such order or decree shall (1) agree to indemnify and hold harmless the Agency and its members, officers, agents and employees against any liability incurred as a result of its compliance with such demand; and (2) if requested by the Agency, furnish to the Agency satisfactory security to protect the Agency and its members, officers, agents and employees against all liability expected to be incurred as a result of compliance with such request.

(d) For purposes of this Section 11.11, neither the Company nor any Additional Agent shall be deemed to constitute an employee, agent or servant of the Agency or a person under the Agency's control or supervision.

Any failure to provide notice, indemnity, or security to the Agency pursuant to this Section 11.11 shall not alter the full force and effect of any Event of Default under this Agency Lease.

11.12 OBLIGATION TO SELL AND PURCHASE THE EQUIPMENT.

(a) Contemporaneously with the termination of this Agency Lease in accordance with Section 5.2 hereof, the Agency shall sell and the Company shall purchase all the Agency's right, title and interest in and to all of the Equipment for a purchase price equal to the sum of One Dollar (\$1.00), plus payment of all sums due and payable to the Agency or any other Person pursuant to this Agency Lease and the other Company Documents. The Company hereby irrevocably designates the Agency as its attorney-in-fact, coupled with an interest, for the purpose of executing and delivering the bill of sale together with any other documents therewith, including lease terminations in accordance with Section 5.2 hereof, and to take such other and further actions reasonably necessary to confirm the termination of the Agency's interest in the Equipment.

(b) The sale and conveyance of the Agency's right, title and interest in and to the Equipment shall be effected by the execution and delivery by the Agency to the Company of a bill of sale to Company. The Company hereby agrees to pay all expenses and taxes, if any, applicable to or arising from such transfer of title.

(c) The Company agrees to prepare the bill of sale to Company and all schedules thereto, together with all necessary documentation, and to forward same to the Agency at least thirty (30) days prior to the date that title to the Equipment is to be conveyed to the Company.

11.13 ENTIRE AGREEMENT.

This Agency Lease and the Company Lease contain the entire agreement between the parties and all prior negotiations and agreements are merged therein.

11.14 DISCLOSURE.

Section 875(7) of the New York General Municipal Law (“GML”) requires that the Agency post on its website all resolutions and agreements relating to the Company’s appointment as an agent of the Agency or otherwise related to the Project; and Article 6 of the New York Public Officers Law declares that all records in the possession of the Agency (with certain limited exceptions) are open to public inspection and copying. If the Company feels that there are elements of the Project or information about the Company in the Agency’s possession which are in the nature of trade secrets or information, the nature of which is such that if disclosed to the public or otherwise widely disseminated would cause substantial injury to the Company’s competitive position, the Company must identify such elements in writing, supply same to the Agency on or before the Closing Date, and request that such elements be kept confidential in accordance with Article 6 of the Public Officers Law. Failure to do so will result in the posting by the Agency of all information in accordance with Section 875 of the GML.

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IN WITNESS WHEREOF, the Agency and the Company have caused this Agency Lease to be executed in their respective names by their duly authorized representatives as of the day and year first written above.

**CITY OF SYRACUSE INDUSTRIAL
DEVELOPMENT AGENCY**

By: 

William M. Ryan, Chairman

OAK KNITTING MILL COMMONS LLC
By: OKM MM LLC

By: 

Timothy M. Lynn
Manager

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

On the 26th day of September in the year 2017 before me, the undersigned, personally appeared **William M. Ryan**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual or the person upon behalf of which the individual acted, executed the instrument.

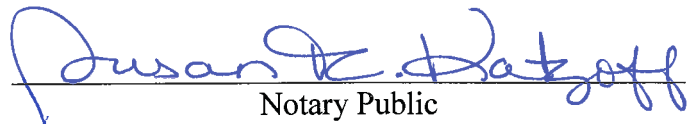


Notary Public

LORI L. McROBBIE
Notary Public, State of New York
Qualified in Onondaga Co. No. 01MC5055591
Commission Expires on Feb. 12, 2018

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

On the 26 day of September in the year 2017 before me, the undersigned, personally appeared **Timothy M. Lynn**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual or the person upon behalf of which the individual acted, executed the instrument.



Notary Public

SUSAN R. KATZOFF
Notary Public, State of New York
Qual. in Onondaga Co. No. 02KA6120102
Commission Expires on December 13, 2020

EXHIBIT "A"

REAL PROPERTY DESCRIPTION

EXHIBIT A

Legal Description

ALL THAT TRACT OR PARCEL OF LAND, situate in the City of Syracuse, County of Onondaga and State of New York, being part of Block "C" in said city, being part of lands conveyed to Expressway Properties, LLC by deed recorded in Book 4100 of Deeds at page 50 in the Onondaga County Clerk's Office, bounded and described as follows:

Beginning at the intersection of the easterly boundary of North Clinton Street with the northerly boundary of West Division Street; running thence N 28° 04' 00" W along said easterly boundary of North Clinton Street, a distance of 32.49 feet to the southerly most corner of Lot 1 of Resubdivision of Block "C" Salina Marsh Lot according to a map of said tract filed in the Onondaga County Clerk's Office February 17, 1966 as Map No. 4781; thence northerly and northeasterly along the easterly and southeasterly boundaries of said Lot 1 Resubdivision of Block "C" Salina Marsh Lot, respectively, the following courses and distances: 1) northerly and northeasterly following a curve to the right, having a radius of 320.00 feet, an arc distance of 198.50 feet to an angle point; 2) N 30° 56' 40" W, 19.2 feet; 3) N 59° 24' 13" E, 157.72 feet to the common westerly boundary of Genant Drive and N.Y.S. Route No. 81; thence S 26° 30' 50" E along said common westerly boundary of Genant Drive and N.Y.S. Route No. 81, a distance of 178.78 feet to the aforementioned northerly boundary of West Division Street; thence S 59° 22' 10" W along said northerly boundary of West Division Street a distance of 294.85 feet to the point of beginning.

EXHIBIT "B"

DESCRIPTION OF EQUIPMENT

All articles of personal property, all machinery, apparatus, equipment, appliances, floor coverings, furniture, furnishings, supplies, materials, fittings and fixtures of every kind and nature whatsoever and all appurtenances acquired by **OAK KNITTING MILL COMMONS LLC** (the "*Company*") and now or hereafter attached to, contained in or used or acquired in connection with the Project Facility (as defined in the Agency Lease or placed on any part thereof, though not attached thereto, including, but not limited to, pipes, screens, fixtures, furniture, heating, lighting, plumbing, ventilation, air conditioning, compacting and elevator plants, call systems, stoves, ranges, refrigerators, freezers, rugs, movable partitions, cleaning equipment, maintenance equipment, restaurant supplies and equipment, shelving, racks, flagpoles, signs, waste containers, outdoor benches, drapes, blinds and accessories, sprinkler systems and other fire prevention and extinguishing apparatus and materials, motors, machinery; and together with any and all products of any of the above, all substitutions, replacements, additions or accessions therefor, and any and all cash proceeds or non-cash proceeds realized from the sale, transfer or conversion of any of the above.

EXHIBIT "C"

TABLE OF DEFINITIONS

The following terms shall have the meanings set forth below, unless the context or use clearly indicate another or different meaning and the singular form of such defined words and terms shall include the plural and vice versa:

Act: means the New York State Industrial Development Agency Act (N.Y. Gen. Municipal Law §§ 850 et seq.) as amended, together with Section 926 of the N.Y. General Municipal Law, as amended from time to time.

Additional Agents: means a Project operator, contractors, agents, subagents, subcontractors, contractors and subcontractors of such agents and subagents appointed by the Company in furtherance of the completion of the Project in accordance with the terms of the Agency Lease.

Agency: means the City of Syracuse Industrial Development Agency and its successors and assigns.

Agency Documents: means the Project Agreement, the Agency Lease, the Company Lease, the Mortgage, the PILOT Agreement and any other documents executed by the Agency in connection with the Project or the Financial Assistance granted in connection therewith.

Agency Lease: means the Project Agreement, the Agency Lease Agreement dated as of September 1, 2017, by and between the Agency and the Company, as the same may be amended or supplemented from time to time.

Application: means the application submitted by the Company to the Agency dated October 6, 2016, requesting the Agency undertake the Project, as same may be amended or supplemented from time to time.

Authorized Representative: means for the Agency, the Chairman or Vice Chairman of the Agency; for the Company, its Member or Managing Member or any officer designated in a certificate signed by an Authorized Representative of such Company and, for either the Agency or the Company, any additional persons designated to act on behalf of the Agency or the Company by written certificate furnished by the designating party containing the specimen signature of each designated person.

Bill of Sale: means that certain Bill of Sale from the Company to the Agency dated as of September 1, 2017 in connection with the Equipment.

City: means the City of Syracuse.

Closing Date: means September 26, 2017.

Closing Memorandum: means the closing memorandum of the Agency relating to the Project.

Company: means Oak Knitting Mill Commons LLC, a limited liability company, organized and existing under the laws of the State of New York having an address at 100 Madison Street, Suite 1905, Syracuse, New York 13202, and its permitted successors and assigns.

Company Documents: means the Company Lease, the Agency Lease, the Project Agreement, the PILOT Agreement, the Mortgage, the Environmental Compliance and Indemnification Agreement, the Bill of Sale, the Company Certification and any other documents executed by the Company in connection with the Project or the Financial Assistance granted in connection therewith.

Company Lease: means the Company Lease Agreement dated as of September 1, 2017 from the Company to the Agency, pursuant to which the Company leased the Project Facility to the Agency, as the same may be amended or supplemented from time to time.

Condemnation: means the taking of title to, or the use of, Property under the exercise of the power of eminent domain by any governmental entity or other Person acting under governmental authority.

County: means the County of Onondaga in the State of New York.

Environmental Compliance and Indemnification Agreement: means the Environmental Compliance and Indemnification Agreement dated as of September 1, 2017 by the Company to the Agency.

Equipment: means all materials, machinery, furnishings, fixtures and equipment installed or used at the Project Facility, as of the Closing Date and thereafter acquired for or installed in, or upon, the Project Facility, as more fully described in Exhibit "B" to the Agency Lease.

Facility: means the buildings and other improvements located or to be constructed on the Land.

Financial Assistance: has the meaning given to such term in Section 854(14) of the Act.

Governmental Authority: means any federal, state, municipal, or other governmental department, commission, board, bureau, agency, or instrumentality, domestic or foreign.

Land: means the improved real property located at 102 West Division Street in the City of Syracuse, County of Onondaga, State of New York, more particularly described on **Exhibit "A"** attached to the Agency Lease.

Lien: means any interest in Property securing an obligation owed to a Person, whether such interest is based on the common law, statute or contract, and including, but not limited to, a security interest arising from a mortgage, encumbrance, pledge, conditional sale, or trust receipt or a lease, consignment or bailment for security purposes. The term "Lien" includes reservations, exceptions, encroachments, projections, easements, rights of way, covenants, conditions, restrictions, leases, and other similar title exceptions and encumbrances, including, but not limited to mechanics, materialmen, warehousemen, and carriers liens and other similar encumbrances effecting real property. For purposes hereof, a Person shall be deemed to be the owner of any property which it has acquired or holds subject to a conditional sale agreement or other arrangement pursuant to which title to the property has been retained by or vested in some other person for security purposes.

Mortgage: means one or more mortgages from the Agency and the Company to the Mortgagee and recorded in the Onondaga County Clerk's office subsequent to the filing and recording of the Memorandum of Agency Lease, securing construction and/or permanent financing for the Project Facility, executed in accordance with Section 4.5 of the Agency Lease, and securing the Note.

Mortgagee: means a lender, its successors and assigns, providing financing pursuant to the Note and Mortgage, relative to the costs of construction and/or equipping of the Project Facility.

Net Proceeds: means so much of the gross proceeds with respect to which that term is used as remain after payment of all expenses, costs and taxes (including attorneys' fees) incurred in obtaining such gross proceeds.

Note: means one or more notes given by the Company to the Mortgagee in connection with the Mortgage for construction or permanent financing relative to the Project Facility.

Permitted Encumbrances: means (A) utility, access and other easements and rights of way, and restrictions, encroachments and exceptions, that benefit or do not materially impair the utility or the value of the Property affected thereby for the purposes for which it is intended, (B) artisans', mechanics', materialmen's, warehousemen's, carriers', landlords', bankers', workmen's compensation, unemployment compensation and social security, and other similar Liens to the extent permitted by the Agency Lease, including the lien of the Mortgage, (C) Liens for taxes (1) to the extent permitted by the Agency Lease or (2) at the time not delinquent, (D) any Lien on the Project Facility obtained through any Agency Document or Company Document or the Mortgage, (E) Liens of judgments or awards in respect of which an appeal or proceeding for review shall be pending (or is pending within ten days after entry) and a stay of execution shall have been obtained (or is obtained within ten days after entry), or in connection with any claim or proceeding, (F) Liens on any Property hereafter acquired by the Company or any subsidiary which liens are created contemporaneously with such acquisition to secure or provide

for the payment or financing of any part of the purchase price thereof, (G) Liens consisting solely of restrictions under any applicable laws or any negative covenants in any applicable agreements (but only to the extent that such restrictions and covenants do not prohibit the execution, delivery and performance by the Company of the Agency Lease and the Mortgage, and (H) existing mortgages or encumbrances on the Project Facility as of the Closing Date or thereafter incurred with the consent of the Mortgagee and the Agency.

Person: means an individual, partnership, corporation, limited liability company, trust, or unincorporated organization, and any government or agency or political subdivision or branch thereof.

PILOT Agreement : means the Payment in Lieu of Taxes Agreement dated as of September 1, 2017 among the City, the Agency and the Company, as amended or supplemented from time to time.

Plans and Specifications: means the representations, plans and specifications, if any, and presented by the Company to the Agency in its application and any presentation relating to the renovation and equipping of the Project Facility; and any plans and specifications approved by the Mortgagee.

Project: shall have the meaning ascribed thereto in the third **WHEREAS** clause of this Agency Lease.

Project Agreement: means the Project Agreement dated as of September 1, 2017 between the Company and the Agency setting forth rights and obligations of the parties with respect to the Financial Assistance.

Project Facility: means the Land, the Facility and the Equipment.

Property: means any interest in any kind of property or asset, whether real, personal, or mixed, or tangible or intangible.

Resolution or Resolutions: means the Agency's resolutions adopted on December 20, 2016 authorizing the undertaking of the Project and the execution and delivery of certain documents by the Agency in connection therewith.

Sales and Use Tax or State Sales and Use Taxes: means, when used with respect to State sales and use taxes, sales and compensating use taxes and fees imposed by article twenty-eight or twenty-eight-A of the State tax law but excluding such taxes imposed in a city by section eleven hundred seven or eleven hundred eight of such article twenty-eight.

SEQRA: means the State Environmental Quality Review Act constituting Article 8 of the State Environmental Conservation Law and the regulations promulgated thereunder, as amended.

State: means the State of New York.

Unassigned Rights: means:

- (i) the right of the Agency in its own behalf to receive all opinions of counsel, reports, financial statements, certificates, insurance policies, binders or certificates, or other notices or communications, if any, required to be delivered to the Agency under the Agency Lease;
- (ii) the right of the Agency to grant or withhold any consents or approvals required of the Agency under the Agency Lease;
- (iii) the right of the Agency to enforce or otherwise exercise in its own behalf all agreements of the Company with respect to ensuring that the Project Facility shall always constitute a qualified “project” as defined in and as contemplated by the Act;
- (iv) the right of the Agency to require and enforce any right of defense and any indemnity from any Person;
- (v) the right of the Agency in its own behalf (or on behalf of the appropriate taxing authorities) to enforce, receive amounts payable under or otherwise exercise its rights under Sections 2.2(f), 2.2(h), 2.2(m), 2.2(q), 4.1, 4.5, 5.3, 5.4, 6.2, 6.3, 6.4, 8.2, 8.3, 8.5, 8.7, 8.9, 8.12, 10.2, 10.4, 11.9, 11.11 and 11.12 of the Agency Lease and Sections 2.6(g), 4.8 and 4.9 of the Company Lease; and
- (vi) the right of the Agency in its own behalf to declare an Event of Default and enforce its remedies under Article X of the Agency Lease or with respect to any of the Agency’s Unassigned Rights.

EXHIBIT "D"

FORM OF CONTRACT STATUS REPORT

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY

Appendix II -- Contract Status Report

To be submitted with a request for an extension of the Tax Exempt Certificate

It is a goal of SIDA to promote the use of local labor, contractors and suppliers for projects that receive agency support in the form of tax exemptions and/or bond financing. As part of its request to extend the valid date of the Agency's tax-exempt certificate for the _____ project, _____ (the Company) certifies that the following information regarding the construction and purchase activities undertaken for the project as of _____ (date) is true and correct.

Item	Bid Awarded to: (Name and Address)	Date and Value of Contract	Number of Jobs	
			Total	Local*
1. Site work/Demolition				
2. Foundation and footings				
3. Building				
4. Masonry				
5. Metals				
6. Wood/casework				
7. Thermal and moisture proof				
8. Doors, windows, glazing				
9. Finishes				
10. Electrical				
11. HVAC				
12. Plumbing				
13. Specialties				
14. Machinery and Equipment				
15. Furniture and Fixtures				
16. Utilities				
17. Paving				
18. Landscaping				
19. Other (identify)				

*The number of local jobs means those jobs held by people who live in the five counties in Central New York. This number is subject to verification.

Signature: _____ Name (printed): _____

Title: _____ Date: _____

EXHIBIT "E"

FORM OF ANNUAL REPORTING REQUIREMENTS

SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY
201 East Washington Street, 7th Floor, Syracuse, New York 13202

Date

COMPANY
COMPANY ADDRESS

Dear _____:

Our auditors, _____, CPAs are conducting an audit of our financial statements for the year ended December 31, _____. In connection with that audit, we request that you furnish certain information directly to our auditor with regard to the following security issued by/through the City of Syracuse Industrial Development Agency:

Sale - Leaseback Financing

Project: _____

Date of Financing:

Principal Amount Financed:

Maturity Date:

Original Interest Rate:

Please provide the following information as of December 31, [year]:

Name of Lender

Debt Retired in [year] Yes/No

Debt Refinanced in [year] Yes/No

(If Yes, please update information in Paragraph 1 above)

Debt in Default as of [date] Yes/No

Current Interest Rate(s)

Rate range, if Variable

Principal balance outstanding as of [date]

Principal payments made during [year]

Payments in Lieu of Taxes (PILOT)

paid in [year]

Total cost of goods/services purchased: \$ _____

New York State Sales Tax Exemptions Claimed [year]

New York Local Sales Tax Exemptions Claimed: [year]

New York State Mortgage Recording

Tax Exemption: [year]

Form of Syracuse Industrial Development Agency — Project Jobs Data [year]

From:

To: _____, CPAs

Re:

The following jobs information is furnished to you with regard to the above cited project:

Full Time Equivalent (FTE) Jobs Created and Retained – [year]

- # of Current FTE Employees as of [closing date]
- # of FTE Jobs Created during [year]
- # of FTE Jobs Retained during [year]
- # of FTE Construction Jobs Created during [year]

Comments:

Signature

Print Name

Title

Date

EXHIBIT "F"

FORM OF SUB-AGENT AGREEMENT

THIS SUB-AGENT APPOINTMENT AGREEMENT (the "*Agreement*"), dated as of _____, 20__, is by and between OAK KNITTING MILL COMMONS LLC (the "*Company*"), with a mailing address of 100 Madison Street, Suite 1905, Syracuse, New York 13202 (the "*Company*"), and [NAME OF SUB-AGENT], a _____ of the State of New York, having an office for the transaction of business at _____ (the "*Sub-Agent*").

WITNESSETH:

WHEREAS, the City of Syracuse Industrial Development Agency (the "*Agency*") was created by Chapter 641 of the Laws of 1979 of the State of New York pursuant to Title I of Article 18-A of the General Municipal Law of the State of New York (collectively, the "*Act*") as a body corporate and politic and as a public benefit corporation of the State of New York (the "*State*"); and

WHEREAS, by resolution of its members adopted on December 201, 2016 (the "*Resolution*"), the Agency agreed to undertake a project for the benefit of the Company (the "*Project*") consisting of: (A)(i) the acquisition of an interest in approximately 1 acre of real property improved by an existing four story approximately 68,000 square foot building (the "*Building*") located at 102 West Division Street, in the City of Syracuse, New York (the "*Land*"); (ii) the renovation of the building to house approximately 18 two-bedroom and 20 one-bedroom market-rate apartment units on floors 2-4, a fitness center and community room; approximately 5,000 square feet of commercial space on the first floor; and approximately fifty-two (52) parking spaces, all located on the Land (collectively, the "*Facility*"); (iii) the acquisition and installation in and at the Land and Facility of furniture, fixtures and equipment (the "*Equipment*" and together with the Land and the Facility, the "*Project Facility*"); (B) the granting of certain financial assistance in the form of exemptions from real property tax, State and local sales and use tax and mortgage recording tax (as limited by Section 874 of the General Municipal Law) (collectively the "*Financial Assistance*"); (C) the appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, reconstruction, renovation, equipping and completion of the Project Facility; and (D) the lease of the Land and Facility by the Agency pursuant to a lease agreement and the acquisition of an interest in the Equipment pursuant to a bill of sale from the Company to the Agency; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement; and

WHEREAS, under the Resolution and in the Agency Lease Agreement by and between the Company and the Agency dated as of September 1, 2017 (the "*Agency Lease*") the Agency appointed the Company as its agent for purposes of completing the Project and delegated to the Company the authority to appoint as agents of the Agency a Project operator, contractors, agents, subagents, subcontractors, contractors and subcontractors of such agents and subagents (the "*Additional Agents*" or "*Sub-Agents*"), for the purpose of completing the Project and benefitting

from the State and local sales and use tax exemption that forms a portion of the Financial Assistance all in accordance with the terms of the Resolution and the Agency Lease; and

WHEREAS, the Company and the Agency entered into a an Agency Agreement dated as of June 2, 2015 (the “*Agency Agreement*”),

NOW, THEREFORE, the parties hereto hereby agree as follows:

1. The Company hereby appoints the Sub-Agent as an Additional Agent of the Agency for the purpose of assisting the Company and the Agency in the completion of the Project and benefitting from the State and local sales and use tax exemption relative to expenditures made in furtherance thereof. The Sub-Agent is only an agent of the Agency for the aforementioned purposes. The Sub-Agent hereby agrees to limit its activities as agent for the Agency under the authority of this Agreement to acts reasonably related to the completion of the Project Facility.

2. The Sub-Agent covenants, agrees and acknowledges:

a. to make all records and information regarding State and local sales and use tax exemption benefits claimed by it in connection with the Project available to the Company and the Agency upon request. The Sub-Agent agrees to comply with all procedures and policies established by the State Department of Taxation and Finance, or any similar entity, regarding the documenting or reporting of any State and local sales and use tax exemption benefits, including providing to the Company all information of the Sub-Agent necessary for the Company to complete the State Department of Taxation and Finance’s “Annual Report of Sales and Use Tax Exemptions” (Form ST-340).

b. to be bound by and comply with the terms and conditions of the Agency’s policies, the Resolution and Section 875(3) of the Act (as if such section were fully set forth herein). Without limiting the scope of the foregoing, the Sub-Agent acknowledges and agrees to be bound by the Agency’s Suspension, Discontinuation and Recapture of Benefits Policy (the “*Recapture Policy*”), a copy of which is attached hereto as **Schedule “A”**.

c. that the failure of the Sub-Agent to promptly pay such Recapture Amount to the Agency will be grounds for the Agency, the State Commissioner of Taxation and Finance or such other entity, to collect sales and use taxes from the Sub-Agent under Article 28 of the Tax Law, or other applicable law, policy or contract, together with interest and penalties. In addition to the foregoing, the Sub-Agent acknowledges and agrees that for purposes of exemption from State sales and use taxation, “sales and use taxation” shall mean sales and compensating use taxes and fees imposed by article twenty-eight or twenty-eight-A of the Tax Law but excluding such taxes imposed in a city by section eleven hundred seven or eleven hundred eight of such article twenty-eight.

d. that all purchases made by the Sub-Agent in connection with the Project shall be made using Form ST-123 (IDA Agent or Project Operator Exempt Purchase Certificate), a copy of which is attached hereto as **Exhibit “A”**). It shall be the responsibility of the Sub-

Agent (and not the Company or the Agency) to complete Form ST-123. The failure to furnish a completed Form ST-123 with each purchase will result in loss of the exemption for that purchase.

e. that it shall identify the Project on each bill and invoice for such purchases and further indicate on such bills or invoices that the Sub-Agent is making purchases of tangible personal property or services for use in the Project as agent of the Agency. For purposes of indicating who the purchaser is, the Sub-Agent acknowledges and agrees that the bill of invoice should state, "I, [NAME OF SUB-AGENT], certify that I am a duly appointed agent of the City of Syracuse Industrial Development Agency and that I am purchasing the tangible personal property or services for use in the following Agency project and that such purchases qualify as exempt from sales and use taxes under my Sub-Agent Appointment Agreement." The Sub-Agent further acknowledges and agrees that the following information shall be used by the Sub-Agent to identify the Project on each bill and invoice: Oak Knitting Mill Commons Project, 102 West Division Street, Syracuse, New York 13202, IDA Project No.: 31021704.

f. that for purposes of any exemption from the State sales and use taxation as part of any Financial Assistance requested, "sales and use taxation" shall mean sales and compensating use taxes and fees imposed by article twenty-eight or twenty-eight A of the State tax law but excluding such taxes imposed in a city by section eleven hundred seven or eleven hundred eight of such article twenty-eight.

g. that the Sub-Agent shall indemnify and hold the Agency harmless from all losses, expenses, claims, damages and liabilities arising out of or based on labor, services, materials and supplies, including equipment, ordered or used in connection with the Project Facility (including any expenses incurred by the Agency in defending any claims, suits or actions which may arise as a result of any of the foregoing), for such claims or liabilities that arise as a result of the Sub-Agent acting as agent for the Agency pursuant to this Agreement or otherwise.

The Sub-Agent shall indemnify and hold the Agency, its members, officers, employees and agents and anyone for whose acts or omissions the Agency or any one of them may be liable, harmless from all claims and liabilities for loss or damage to property or any injury to or death of any person that may be occasioned subsequent to the date hereof by any cause whatsoever in relation only to Sub-Agent's work on or for the Project Facility, including any expenses incurred by the Agency in defending any claims, suits or actions which may arise as a result of the foregoing.

The foregoing defenses and indemnities shall survive expiration or termination of this Agreement and shall apply whether or not the claim, liability, cause of action or expense is caused or alleged to be caused, in whole or in part, by the activities, acts, fault or negligence of the Agency, its members, officers, employees and agents, anyone under the direction and control of any of them, or anyone for whose acts or omissions the Agency or any of them may be liable, and whether or not based upon the breach of a statutory duty or obligation or any theory or rule of comparative or apportioned liability, subject only to any specific prohibition relating to the scope of indemnities imposed by statutory law.

h. that as agent for the Agency or otherwise, the Sub-Agent will comply at the Sub-Agent's sole cost and expense with all the requirements of all federal, state and local laws, rules and regulations of whatever kind and howsoever denominated applicable to the Sub-Agent with respect to the Project Facility.

i. that Section 875(7) of the Act requires the Agency to post on its website all resolutions and agreements relating to the Sub-Agent's appointment as an agent of the Agency or otherwise related to the Project, including this Agreement, and that Public Officers Law Article 6 declares that all records in the possession of the Agency (with certain limited exceptions) are open to public inspection and copying. If the Sub-Agent feels that there is information about the Sub-Agent in the Agency's possession which are in the nature of trade secrets or information, the nature of which is such that if disclosed to the public or otherwise widely disseminated would cause substantial injury to the Sub-Agent's competitive position, the Sub-Agent must identify such elements in writing, supply same to the Agency prior to or contemporaneously with the execution hereof and request that such elements be kept confidential in accordance with Public Officers Law Article 6. Failure to do so will result in the posting by the Agency of all information in accordance with Section 875 of the Act.

j. The Sub-Agent agrees Local contractors and suppliers will be used for the construction and equipping of the Project unless a waiver is first received from the Agency in writing. Such waiver shall be in the Agency's sole discretion. The Sub-Agent agrees that such Local contractors shall be provided the opportunity to bid on contracts related to the Project. Local shall mean, for the purposes of this Agreement, Onondaga, Oswego, Madison, Cayuga, Cortland and Oneida Counties. Failure to comply with the local labor requirements of this Section (j) (collectively, the "**Local Labor Requirements**") may result in the revocation or recapture of benefits provided/approved to the Project by the Agency.

k. that the Sub-Agent must timely provide the Company with the necessary information to permit the Company, pursuant to General Municipal Law §874(8), to timely file an Annual Statement with the New York State Department of Taxation and Finance on "Annual Report of Sales and Use Tax Exemptions" (Form ST-340) regarding the value of sales and use tax exemptions the Additional Agent claimed pursuant to the agency conferred on it by the Company with respect to this Project on an annual basis.

l. that the failure to comply with the foregoing will result in the loss of the exemption.

m. that if the Sub-Agent is the general contractor for the Project, then at all times following the execution of this Agreement, and during the term thereof, the Sub-Agent shall maintain or cause to be maintained the following insurance policies with an insurance company licensed in the State that has an A.M. Best rating of not less than A-:

(a) Insurance against loss or damage by fire, lightning, and other casualties customarily insured against (with a uniform standard extended coverage endorsement), such insurance to be in an amount not less than the full replacement value of the completed Project

Facility, exclusive of footings and foundations, as determined by a recognized appraiser or insurer selected by the general contractor.

(b) Workers' compensation insurance, disability benefits' insurance, and each other form of insurance which the general contractor is required by law to provide covering loss resulting from injury, sickness, disability, or death of employees of the general contractor who are located at or assigned to the Project Facility;

(c) A policy of commercial general liability insurance with a limit of liability of not less than \$1,000,000 per occurrence on an "occurrence" basis and \$2,000,000 in the aggregate for bodily injury, including death, and property damage, including but not limited to, contractual liability under this Agency Lease and personal injury, with blanket excess liability coverage in an amount not less than \$2,000,000, covering the Project Facility and Equipment and the Company's and the Agency's use or occupancy thereof against all claims on account of bodily injury or death and property damage occurring upon, in or about the Project Facility or in connection with the ownership, maintenance, use and/or occupancy of the Project Facility and all appurtenant areas.

In addition, all insurance required by this section shall be with insurance companies of recognized financial standing selected by the general contractor and licensed to write such insurance in the State of New York. Such insurance may be written with deductible amounts comparable to those on similar policies carried by other Persons engaged in businesses similar in size, character, and other respects to those in which the general contractor is engaged. All policies evidencing such insurance except the Workers' Compensation policy shall name the general contractor as insured and the Agency as an additional insured, as its interests may appear, and shall provide that such coverage with respect to the Agency be primary and non-contributory with any insurance secured by the Agency and require at least thirty (30) days' prior written notice to the Agency of cancellation, reduction in policy limits, or material change in coverage thereof.

Prior to the effective date of this Agreement, the general contractor shall deliver to the Agency, satisfactory to the Agency in form and substance: (i) Certificates evidencing all insurance required hereby; (ii) the additional insured endorsement(s) applicable to the Agency; (iii) the final insurance binder addressed to the general contractor covering the Project Facility; and (iv) evidence that the insurance so required is on a primary and non-contributory basis. In addition, the general contractor shall provide, if so requested by the Agency, a final and complete copy of each insurance policy within thirty (30) days of the execution of this Agreement.

The general contractor shall deliver or cause to be delivered to the Agency on or before the first business day of each January thereafter each of the items set forth in the immediately preceding paragraphs, dated not earlier than the immediately preceding month, reciting that there is in full force and effect, with a term covering at least the next succeeding calendar year, insurance in the amounts and of the types required hereby for so long as the general contractor is performing, supervising or causing work to be done on or at the Project Facility. The general contractor shall furnish to the Agency evidence that the policy has been renewed or replaced or is no longer required by this Agreement in each such year.

n. that every controversy, dispute or claim arising out of or relating to this Agreement shall be governed by the laws of the State of New York, without regard to its conflicts-of-laws provisions that if applied might require the application of the laws of another jurisdiction; and that the Sub-Agent irrevocably and expressly submits to the exclusive personal jurisdiction of the Supreme Court of the State of New York and the United States District Court for the Northern District of New York, to the exclusion of all other courts, for the purposes of litigating every controversy, dispute or claim arising out of or relating to this Agreement.

3. Failure of the Sub-Agent to comply with any of the provisions of this Agreement shall result in the immediate nullification of the appointment of the Sub-Agent and the immediate termination of this Agreement and may result in the loss of the Company's State and local sales and use tax exemption with respect to the Project at the sole discretion of the Agency. In addition, such failure may result in the recapture of the State and local sales and use taxes avoided.

4. The Company acknowledges that the assumption of certain obligations by the Sub-Agent in accordance with this Agreement does not relieve the Company of its obligations under any provisions of the Agency Lease or of any other agreement entered into by the Company in connection with the Project.

5. The Company and the Sub-Agent agree that the Agency is a third-party beneficiary of this Agreement.

6. This Agreement shall be in effect until the earlier of: (i) the completion of the work on the Project by the Sub-Agent; or (ii) the Sub-Agent's loss of status as an agent of the Agency as set forth herein. Notwithstanding the foregoing, the provisions of Sections 2(b), 2(c), 2(f), 2(g), 2(j), and 2(l) shall survive the termination of this Agreement.

IN WITNESS WHEREOF, the Company and the Sub-Agent have caused this Agreement to be executed in their respective names by their respective duty authorized officers, all as of the day and year first above written.

OAK KNITTING MILL COMMONS LLC

By: _____
Timothy M. Lynn, Managing Member

[NAME OF SUB-AGENT]

By: _____
Name:
Title:

EXHIBIT "A"
to Sub-Agent Agreement

FORM ST-123



**IDA Agent or Project Operator
Exempt Purchase Certificate**
Effective for projects beginning on or after June 1, 2014

This certificate is not valid unless all entries have been completed.

Note: To be completed by the purchaser and given to the seller. Do not use this form to purchase motor fuel or diesel motor fuel exempt from tax. See Form FT-123, *IDA Agent or Project Operator Exempt Purchase Certificate for Fuel*.

Name of seller			Name of agent or project operator		
Street address			Street address		
City, town, or village	State	ZIP code	City, town, or village	State	ZIP code
Agent or project operator sales tax ID number (see instructions)					

Mark an **X** in one: Single-purchase certificate Blanket-purchase certificate (valid only for the project listed below)

To the seller:

You must identify the project on each bill and invoice for such purchases and indicate on the bill or invoice that the IDA or agent or project operator of the IDA was the purchaser.

Project information

I certify that I am a duly appointed agent or project operator of the named IDA and that I am purchasing the tangible personal property or services for use in the following IDA project and that such purchases qualify as exempt from sales and use taxes under my agreement with the IDA.

Name of IDA		
Name of project	IDA project number (see instructions)	
Street address of project site		
City, town, or village	State	ZIP code
Enter the date that you were appointed agent or project operator (mm/dd/yyyy) _____ / ____ / ____	Enter the date that agent or project operator status ends (mm/dd/yyyy) _____ / ____ / ____	

Exempt purchases

(Mark an **X** in boxes that apply)

- A. Tangible personal property or services (other than utility services and motor vehicles or tangible personal property installed in a qualifying motor vehicle) used to complete the project, but not to operate the completed project
- B. Certain utility services (gas, propane in containers of 100 pounds or more, electricity, refrigeration, or steam) used to complete the project, but not to operate the completed project
- C. Motor vehicle or tangible personal property installed in a qualifying motor vehicle

Certification: I certify that the above statements are true, complete, and correct, and that no material information has been omitted. I make these statements and issue this exemption certificate with the knowledge that this document provides evidence that state and local sales or use taxes do not apply to a transaction or transactions for which I tendered this document and that willfully issuing this document with the intent to evade any such tax may constitute a felony or other crime under New York State Law, punishable by a substantial fine and a possible jail sentence. I understand that this document is required to be filed with, and delivered to, the vendor as agent for the Tax Department for the purposes of Tax Law section 1839 and is deemed a document required to be filed with the Tax Department for the purpose of prosecution of offenses. I also understand that the Tax Department is authorized to investigate the validity of tax exclusions or exemptions claimed and the accuracy of any information entered on this document.

Signature of purchaser or purchaser's representative (include title and relationship)	Date
Type or print the name, title, and relationship that appear in the signature box	

Instructions

To the purchaser

You may use Form ST-123 if you:

- have been appointed as an agent or project operator by an industrial development agency (IDA) and
- the purchases qualify for exemption from sales and use tax as described in the IDA contract.

You may use Form ST-123 as a single-purchase certificate or as a blanket certificate covering the first and subsequent purchases qualifying for the project listed.

Agent or project operator sales tax ID number If you are registered with the Tax Department for sales tax purposes, you must enter your sales tax identification number on this certificate. If you are not required to be registered, enter *N/A*.

Industrial development agencies and authorities (IDAs) are public benefit corporations under General Municipal Law Article 18-A and the Public Authorities Law, for the purpose of promoting, developing, encouraging, and assisting in the acquisition, construction, reconstruction, improvement, maintenance, equipping, and furnishing of industrial, manufacturing, warehousing, commercial, research, and recreational facilities in New York State.

IDAs are exempt from the payment of sales and use tax on their purchases, in accordance with Tax Law section 1116(a)(1). However, IDAs do not normally make direct purchases for projects. Commonly, IDAs instead appoint a business enterprise or developer, contractor, or subcontractor as its agent or project operator. Such purchases made by the agent or project operator, acting within the authority granted by the IDA, are deemed to be made by the IDA and therefore exempt from tax.

Example 1: IDA agreement with its agent or project operator states that contractor X may make all purchases of materials and equipment necessary for completion of the project, as agent for the IDA. Contractor X rents a backhoe and a bulldozer for site preparation, purchases concrete and lumber to construct a building, and purchases machinery to be installed in the building. All these purchases by contractor X as agent of the IDA are exempt from tax.

Example 2: IDA agreement with its agent or project operator states that contractor X may make all purchases of materials and equipment to be incorporated into the project, as agent for the IDA. Contractor X makes the same purchases as in Example 1. Since the concrete, lumber, and machinery will actually be incorporated into the project, contractor X may purchase these items exempt from tax. However, rental of the backhoe and bulldozer is not exempt since these transactions are normally taxable and the IDA agreement does not authorize contractor X to make such rentals as agent of the IDA.

A contractor or subcontractor not appointed as agent or project operator of an IDA must present suppliers with Form ST-120.1, *Contractor Exempt Purchase Certificate*, when making purchases that are ordinarily exempt from tax in accordance with Tax Law sections 1115(a)(15) and 1115(a)(16). For more information, see Form ST-120.1.

Exempt purchases

To qualify, the purchases must be made within the authority granted by the IDA and used to complete the project (not to operate the completed project).

- Mark box A to indicate you are purchasing tangible personal property and services (other than utility services and motor vehicles or tangible personal property installed in a qualifying motor vehicle) exempt from tax.
- Mark box B to indicate you are purchasing certain consumer utility services used in completing the project exempt from tax. This includes gas, electricity, refrigeration, and steam; and gas, electric, refrigeration, and steam services.
- Mark box C to indicate you are purchasing a motor vehicle or tangible personal property related to a qualifying motor vehicle exempt from tax.

Misuse of this certificate

Misuse of this exemption certificate may subject you to serious civil and criminal sanctions in addition to the payment of any tax and interest due. These include:

- A penalty equal to 100% of the tax due;
- A \$50 penalty for each fraudulent exemption certificate issued;
- Criminal felony prosecution, punishable by a substantial fine and a possible jail sentence; and
- Revocation of your Certificate of Authority; if you are required to be registered as a vendor. See TSB-M-09(17)S, *Amendments that Encourage Compliance with the Tax Law and Enhance the Tax Department's Enforcement Ability*, for more information.

To the seller

When making purchases as agent or project operator of an IDA, the purchaser must provide you with this exemption certificate with all entries completed to establish the right to the exemption. You must identify the project on each bill and invoice for such purchases and indicate on the bill or invoice that the IDA or agent or project operator of the IDA was the purchaser.

As a New York State registered vendor, you may accept an exemption certificate in lieu of collecting tax and be protected from liability for the tax if the certificate is valid. The certificate will be considered valid if it is:

- accepted in good faith;
- in your possession within 90 days of the transaction; and
- properly completed (all required entries were made).

An exemption certificate is accepted in good faith when you have no knowledge that the exemption certificate is false or is fraudulently given, and you exercise reasonable ordinary due care. If you do not receive a properly completed certificate within 90 days after the delivery of the property or service, you will share with the purchaser the burden of proving the sale was exempt.

You must also maintain a method of associating an invoice (or other source document) for an exempt sale with the exemption certificate you have on file from the purchaser. You must keep this certificate at least three years after the due date of your sales tax return to which it relates, or the date the return was filed, if later.

Privacy notification

New York State Law requires all government agencies that maintain a system of records to provide notification of the legal authority for any request, the principal purpose(s) for which the information is to be collected, and where it will be maintained. To view this information, visit our Web site, or, if you do not have Internet access, call and request Publication 64, *Privacy Notification*. See *Need help?* for the Web address and telephone number.

Need help?



Visit our Web site at www.tax.ny.gov

- get information and manage your taxes online
- check for new online services and features



Sales Tax Information Center: (518) 485-2889

To order forms and publications: (518) 457-5431



Text Telephone (TTY) Hotline
(for persons with hearing and speech disabilities using a TTY): (518) 485-6082

SCHEDULE "A"
to Sub-Agent Agreement

RECAPTURE POLICY

City of Syracuse
Industrial Development Agency
201 East Washington Street, 7th Floor
Syracuse, NY 13202
Tel (315) 473-3275 Fax (315) 435-3669

RECAPTURE POLICY

I. STATEMENT OF PURPOSE

The City of Syracuse Industrial Development Agency (the “Agency”) has adopted this Recapture Policy (the “*Recapture Policy*”) in accordance with Sections 874(10) and 874(11) of the New York State General Municipal Law. This Recapture Policy shall be consistent with and in compliance with the provisions of Chapter 1030 of Laws of 1969 of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the “*Enabling Act*”) and Chapter 641 of the Laws of 1979 of the State of New York, as amended from time to time (said Chapter and the Enabling Act being hereinafter collectively referred to as the “*Act*”), and any other applicable law.

II. MANDATORY RECAPTURE OF THE NEW YORK STATE PORTION OF SALES AND USE TAX

The Agency shall recapture from project applicants New York State sales and use tax benefits, in accordance with the provisions of the General Municipal Law, from projects that utilized State sales and use tax exemptions:

- a) To which the project was not entitled;
- b) In excess of the amounts authorized by the Agency;
- c) For property or services not authorized by the Agency; and/or
- d) For a project that has failed to comply with a material term or condition to use the property or services in the manner required by any of the project documents between the company and the Agency.

The approving resolution(s) and project documents granting financial assistance in the form of State sales and use tax exemption benefits shall include the terms and conditions of the foregoing recapture provision. Within thirty (30) days of the recapture, the recapture amount shall be remitted to the New York State Department of Taxation and Finance. Such remittances shall include interest, at the legal rate, imposed by the Agency. The failure to pay over such amounts to the Agency shall be grounds for the New York State Tax Commissioner to assess and

determine State sales and use taxes due from the company under article twenty-eight of the New York State Tax Law, together with any relevant penalties and interest due on such amounts.

In order to determine if one of the foregoing events have occurred (a “*State Mandated Recapture Event*”) and to effectuate this recapture of New York State sales and use tax benefits the Agency shall:

- a) Keep records of the New York State and local sales tax exemptions provided to each project, with such records available to the New York State Tax Commissioner upon request.
- b) Report within thirty days of providing any financial assistance in the form of a sales and use tax exemption, the project, the estimated amount of the exemption and other information as may be required by the New York State Tax Commissioner (Form ST-60).
- c) The Agency shall file an annual report with the New York State Tax Commissioner detailing its terms and conditions and its activities in recapturing any unauthorized New York State sales and use tax exemptions.

III. SUSPENSION, DISCONTINUATION, RECAPTURE AND TERMINATION OF OTHER FORMS OF FINANCIAL ASSISTANCE

With respect to all other financial assistance provided to a project (other than the State portion of sales and use tax exemptions) the Agency shall have the right to suspend, discontinue, recapture or terminate financial assistance to any company for a project to the extent that:

- a) for projects that utilized local sales and use tax exemptions, the project was not entitled to such exemptions, such exemptions were in excess of the amounts authorized by the Agency, and/or such exemptions were for property or services not authorized by the Agency (each, a “*Local Sales Tax Benefit Violation*”);
- b) the company, upon completion of the project, fails to reach and maintain at least 85 percent of its employment requirements for job creation and/or retention (“*Job Deficit*”);
- c) the total investment actually made with respect to the project at the project’s completion date is less than 85 percent of its investment requirement (“*Investment Deficit*”);
- d) the company fails to provide annually to the Agency certain information to confirm that the project is achieving the investment, job retention, job creation, and other objectives of the Project (“*Reporting Failure*”); or

- e) there otherwise occurs any event of default under any project document (each, an “Event of Default”) or a material violation of the terms and conditions of any project document (a “*Material Violation*”).

IV. ANNUAL ASSESSMENT

The Agency shall evaluate, annually as of December 31, or at any time information is brought to the Agency’s attention, whether a State Mandated Recapture Event, a Local Sales Tax Benefit Violation, Job Deficit, Investment Deficit, Reporting Failure Event of Default or Material Violation (each a “*Noncompliance Event*”) has occurred. Notwithstanding the foregoing, the Agency may determine whether an Event of Default has occurred pursuant to any project document in accordance with the terms of the project document.

At the time of any Noncompliance Event (other than a State Mandated Recapture Event), the Agency shall determine by resolution whether to exercise its right to suspend, discontinue, recapture or terminate all or any portion of the financial assistance provided to a project, and shall consider the following in making its determination:

- a) Whether the company has proceeded in good faith.
- b) Whether the project has not performed as required due to economic issues, changes in market conditions or adverse events beyond the control of the company.
- c) Whether the enforcement by the Agency of its right to suspend, discontinue, recapture or terminate all or any portion of financial assistance would create a more adverse situation for the company, such as the company going out of business or declaring bankruptcy, which would not occur if the Agency’s rights were not exercised.
- d) Whether the enforcement by the Agency of its right to suspend, discontinue, recapture or terminate all or any portion of financial assistance would create an adverse situation for the residents of the City of Syracuse.
- e) The assessment prepared in accordance with the Agency’s Annual Assessment Policy.
- f) Such other criteria as the Agency shall determine is a relevant factor in connection with any decision regarding the exercise of its right to suspend, discontinue, recapture or terminate all or any portion of financial assistance.

The Agency shall document its evaluation of the above criteria in writing and based upon its evaluation, the Agency shall determine whether to suspend, discontinue, recapture or terminate all or any portion of the financial assistance (the “*Determination*”). The Determination shall provide terms, if any, by which a company may remedy any Noncompliance Event (other than a State Mandated Recapture Event) upon which the Determination was based. The

company must submit written documentation to the Agency of compliance with all terms and conditions of the Determination in order for the Agency to consider whether to resume financial assistance to the company (which will be at the Agency's sole discretion).

The project agreement entered into between the Agency and the company (the "*Project Agreement*") shall include the terms and conditions of the foregoing provisions. The Agency shall also include in the Project Agreement a requirement that the company comply with the Agency's right to suspend, discontinue, recapture or terminate the financial assistance and that the company shall repay all or a portion of the financial assistance granted by the Agency to the company pursuant to any Determination.

Any such amount constituting local tax exemptions shall be redistributed to the appropriate affected tax jurisdictions, unless agreed to otherwise by any local taxing jurisdiction.

IV. RECAPTURE PERIOD

Except as otherwise provided by the General Municipal Law, the recapture period will be the longer of: (1) the term of the Lease Agreement; or (2) five years following the project's completion date. A project will remain "active" for purposes of Section 874(12) of General Municipal Law and the Agency's Annual Assessment Policy during the term of the Project Agreement.

Adopted: June 21, 2016

EXHIBIT "G"
RECAPTURE POLICY

City of Syracuse
Industrial Development Agency
201 East Washington Street, 7th Floor
Syracuse, NY 13202
Tel (315) 473-3275 Fax (315) 435-3669

RECAPTURE POLICY

I. STATEMENT OF PURPOSE

The City of Syracuse Industrial Development Agency (the “Agency”) has adopted this Recapture Policy (the “*Recapture Policy*”) in accordance with Sections 874(10) and 874(11) of the New York State General Municipal Law. This Recapture Policy shall be consistent with and in compliance with the provisions of Chapter 1030 of Laws of 1969 of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the “*Enabling Act*”) and Chapter 641 of the Laws of 1979 of the State of New York, as amended from time to time (said Chapter and the Enabling Act being hereinafter collectively referred to as the “*Act*”), and any other applicable law.

II. MANDATORY RECAPTURE OF THE NEW YORK STATE PORTION OF SALES AND USE TAX

The Agency shall recapture from project applicants New York State sales and use tax benefits, in accordance with the provisions of the General Municipal Law, from projects that utilized State sales and use tax exemptions:

- e) To which the project was not entitled;
- f) In excess of the amounts authorized by the Agency;
- g) For property or services not authorized by the Agency; and/or
- h) For a project that has failed to comply with a material term or condition to use the property or services in the manner required by any of the project documents between the company and the Agency.

The approving resolution(s) and project documents granting financial assistance in the form of State sales and use tax exemption benefits shall include the terms and conditions of the foregoing recapture provision. Within thirty (30) days of the recapture, the recapture amount shall be remitted to the New York State Department of Taxation and Finance. Such remittances shall include interest, at the legal rate, imposed by the Agency. The failure to pay over such amounts to the Agency shall be grounds for the New York State Tax Commissioner to assess and

determine State sales and use taxes due from the company under article twenty-eight of the New York State Tax Law, together with any relevant penalties and interest due on such amounts.

In order to determine if one of the foregoing events have occurred (a “*State Mandated Recapture Event*”) and to effectuate this recapture of New York State sales and use tax benefits the Agency shall:

- d) Keep records of the New York State and local sales tax exemptions provided to each project, with such records available to the New York State Tax Commissioner upon request.
- e) Report within thirty days of providing any financial assistance in the form of a sales and use tax exemption, the project, the estimated amount of the exemption and other information as may be required by the New York State Tax Commissioner (Form ST-60).
- f) The Agency shall file an annual report with the New York State Tax Commissioner detailing its terms and conditions and its activities in recapturing any unauthorized New York State sales and use tax exemptions.

III. SUSPENSION, DISCONTINUATION, RECAPTURE AND TERMINATION OF OTHER FORMS OF FINANCIAL ASSISTANCE

With respect to all other financial assistance provided to a project (other than the State portion of sales and use tax exemptions) the Agency shall have the right to suspend, discontinue, recapture or terminate financial assistance to any company for a project to the extent that:

- f) for projects that utilized local sales and use tax exemptions, the project was not entitled to such exemptions, such exemptions were in excess of the amounts authorized by the Agency, and/or such exemptions were for property or services not authorized by the Agency (each, a “*Local Sales Tax Benefit Violation*”);
- g) the company, upon completion of the project, fails to reach and maintain at least 85 percent of its employment requirements for job creation and/or retention (“*Job Deficit*”);
- h) the total investment actually made with respect to the project at the project’s completion date is less than 85 percent of its investment requirement (“*Investment Deficit*”);
- i) the company fails to provide annually to the Agency certain information to confirm that the project is achieving the investment, job retention, job creation, and other objectives of the Project (“*Reporting Failure*”); or

- j) there otherwise occurs any event of default under any project document (each, an “Event of Default”) or a material violation of the terms and conditions of any project document (a “*Material Violation*”).

IV. ANNUAL ASSESSMENT

The Agency shall evaluate, annually as of December 31, or at any time information is brought to the Agency’s attention, whether a State Mandated Recapture Event, a Local Sales Tax Benefit Violation, Job Deficit, Investment Deficit, Reporting Failure Event of Default or Material Violation (each a “*Noncompliance Event*”) has occurred. Notwithstanding the foregoing, the Agency may determine whether an Event of Default has occurred pursuant to any project document in accordance with the terms of the project document.

At the time of any Noncompliance Event (other than a State Mandated Recapture Event), the Agency shall determine by resolution whether to exercise its right to suspend, discontinue, recapture or terminate all or any portion of the financial assistance provided to a project, and shall consider the following in making its determination:

- g) Whether the company has proceeded in good faith.
- h) Whether the project has not performed as required due to economic issues, changes in market conditions or adverse events beyond the control of the company.
- i) Whether the enforcement by the Agency of its right to suspend, discontinue, recapture or terminate all or any portion of financial assistance would create a more adverse situation for the company, such as the company going out of business or declaring bankruptcy, which would not occur if the Agency’s rights were not exercised.
- j) Whether the enforcement by the Agency of its right to suspend, discontinue, recapture or terminate all or any portion of financial assistance would create an adverse situation for the residents of the City of Syracuse.
- k) The assessment prepared in accordance with the Agency’s Annual Assessment Policy.
- l) Such other criteria as the Agency shall determine is a relevant factor in connection with any decision regarding the exercise of its right to suspend, discontinue, recapture or terminate all or any portion of financial assistance.

The Agency shall document its evaluation of the above criteria in writing and based upon its evaluation, the Agency shall determine whether to suspend, discontinue, recapture or terminate all or any portion of the financial assistance (the “*Determination*”). The Determination shall provide terms, if any, by which a company may remedy any Noncompliance Event (other than a State Mandated Recapture Event) upon which the Determination was based. The

company must submit written documentation to the Agency of compliance with all terms and conditions of the Determination in order for the Agency to consider whether to resume financial assistance to the company (which will be at the Agency's sole discretion).

The project agreement entered into between the Agency and the company (the "*Project Agreement*") shall include the terms and conditions of the foregoing provisions. The Agency shall also include in the Project Agreement a requirement that the company comply with the Agency's right to suspend, discontinue, recapture or terminate the financial assistance and that the company shall repay all or a portion of the financial assistance granted by the Agency to the company pursuant to any Determination.

Any such amount constituting local tax exemptions shall be redistributed to the appropriate affected tax jurisdictions, unless agreed to otherwise by any local taxing jurisdiction.

IV. RECAPTURE PERIOD

Except as otherwise provided by the General Municipal Law, the recapture period will be the longer of: (1) the term of the Lease Agreement; or (2) five years following the project's completion date. A project will remain "active" for purposes of Section 874(12) of General Municipal Law and the Agency's Annual Assessment Policy during the term of the Project Agreement.

Adopted: June 21, 2016

6

Lisa Dell, County Clerk
401 Montgomery Street
Room 200
Syracuse, NY 13202
(315) 435-2226

Onondaga County Clerk Recording Cover Sheet

Received From :
CHICAGO -JOE

Return To :
WLADIS LAW FIRM
PICK UP BOX

Method Returned : MAIL

First PARTY 1

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY

First PARTY 2

OAK KNITTING MILL COMMONS LLC

Index Type : Land Records

Instr Number : 2017-00035369

Book : Page :

Type of Instrument : Deed

Type of Transaction : Deed Misc

Recording Fee: \$70.50

Recording Pages : 5

The Property affected by this instrument is situated in No Tax District, in the County of Onondaga, New York

Real Estate Transfer Tax

RETT # : 2651

Deed Amount : \$0.00

RETT Amount : \$0.00

Total Fees : \$70.50

State of New York

County of Onondaga

I hereby certify that the within and foregoing was recorded in the Clerk's office for Onondaga County, New York

On (Recorded Date) : 10/04/2017

At (Recorded Time) : 11:42:04 AM



Doc ID - 0252569400005

Lisa Dell

Lisa Dell, County Clerk



This sheet constitutes the Clerks endorsement required by Section 319 of Real Property Law of the State of New York

Entered By: RSWEENIE Printed On : 10/04/2017 At : 11:53:49AM

**MEMORANDUM OF
AGENCY LEASE AGREEMENT**

NAME AND ADDRESS OF LESSOR: City of Syracuse Industrial Development Agency
201 East Washington Street, 7th Floor
Syracuse, New York 13202

NAME AND ADDRESS OF LESSEE: Oak Knitting Mill Commons LLC
100 Madison Street, Suite 1905
Syracuse, New York 13202

DESCRIPTION OF LEASED PREMISES:

All that tract or parcel of land situate in the City of Syracuse, County of Onondaga and State of New York, being more particularly described in **Exhibit "A"** annexed hereto, together with the improvements thereon.

DATE OF EXECUTION OF AGENCY LEASE AGREEMENT:

As of September 1, 2017

TERM OF AGENCY LEASE AGREEMENT:

The term of the Agency Lease Agreement shall commence as of September 1, 2017 and continue in full force and effect until the earlier of: (1) June 30, 2033; or (2) an earlier termination in accordance with the terms of the Agency Lease Agreement.

IN WITNESS WHEREOF, the parties hereto have respectively executed this memorandum as of the 1st day of September, 2017.

**CITY OF SYRACUSE INDUSTRIAL
DEVELOPMENT AGENCY**

By:




William M. Ryan, Chairman

OAK KNITTING MILL COMMONS LLC

By: OKM MM LLC

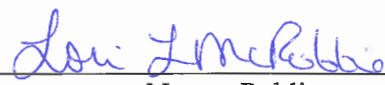
By:



Timothy M. Lynn
Manager

STATE OF NEW YORK)
) ss.:
COUNTY OF ONONDAGA)


On this 26th day of September, 2017, before me, the undersigned, personally appeared, **William M. Ryan**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual or the person upon behalf of which the individual acted, executed the instrument.



Notary Public
LORI L. McROBBIE
Notary Public, State of New York
Qualified in Onondaga Co. No. 01MC5055591
Commission Expires on Feb. 12, 2018

STATE OF NEW YORK)
) ss.:
COUNTY OF ONONDAGA)

On this 26 day of September, 2017, before me, the undersigned, personally appeared, **Timothy M. Lynn**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual or the person upon behalf of which the individual acted, executed the instrument.



Notary Public
SUSAN R. KATZOFF
Notary Public, State of New York
Qual. in Onondaga Co. No. 02KA6120102
Commission Expires on December 13, 2020



Combined Real Estate Transfer Tax Return, Credit Line Mortgage Certificate, and Certification of Exemption from the Payment of Estimated Personal Income Tax

Recording office time stamp

See Form TP-584-1, Instructions for Form TP-584, before completing this form. Print or type.

Schedule A – Information relating to conveyance

Grantor/Transferor <input type="checkbox"/> Individual <input type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Estate/Trust <input type="checkbox"/> Single member LLC <input checked="" type="checkbox"/> Other	Name (if individual, last, first, middle initial) (<input type="checkbox"/> check if more than one grantor) City of Syracuse Industrial Development Agency Mailing address 201 East Washington Street, 7th Floor City State ZIP code Syracuse NY 13202 Single member's name if grantor is a single member LLC (see instructions)	Social security number Social security number Federal EIN 52-1380308 Single member EIN or SSN
Grantee/Transferee <input type="checkbox"/> Individual <input type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Estate/Trust <input type="checkbox"/> Single member LLC <input checked="" type="checkbox"/> Other	Name (if individual, last, first, middle initial) (<input type="checkbox"/> check if more than one grantee) Oak Knitting Mill Commons LLC Mailing address 100 Madison Street, Suite 1905 City State ZIP code Syracuse NY 13202 Single member's name if grantee is a single member LLC (see instructions)	Social security number Social security number Federal EIN 47-4729676 Single member EIN or SSN

Location and description of property conveyed

Tax map designation – Section, block & lot (include dots and dashes)	SWIS code (six digits)	Street address	City, town, or village	County
118.-04-02.0	311500	102 West Division Street	Syracuse	Onondaga

Type of property conveyed (check applicable box)

1 <input type="checkbox"/> One- to three-family house 2 <input type="checkbox"/> Residential cooperative 3 <input type="checkbox"/> Residential condominium 4 <input type="checkbox"/> Vacant land	5 <input checked="" type="checkbox"/> Commercial/Industrial 6 <input type="checkbox"/> Apartment building 7 <input type="checkbox"/> Office building 8 <input type="checkbox"/> Other _____	Date of conveyance <table style="border: 1px solid black; width: 100%; text-align: center;"> <tr> <td style="width: 33%;">09</td> <td style="width: 33%;">01</td> <td style="width: 33%;">2017</td> </tr> <tr> <td>month</td> <td>day</td> <td>year</td> </tr> </table>	09	01	2017	month	day	year	Percentage of real property conveyed which is residential real property _____ 0% (see instructions)
09	01	2017							
month	day	year							

Condition of conveyance (check all that apply)

- | | | |
|--|--|---|
| a. <input type="checkbox"/> Conveyance of fee interest

b. <input type="checkbox"/> Acquisition of a controlling interest (state percentage acquired _____%)

c. <input type="checkbox"/> Transfer of a controlling interest (state percentage transferred _____%)

d. <input type="checkbox"/> Conveyance to cooperative housing corporation

e. <input type="checkbox"/> Conveyance pursuant to or in lieu of foreclosure or enforcement of security interest (attach Form TP-584.1, Schedule E) | f. <input type="checkbox"/> Conveyance which consists of a mere change of identity or form of ownership or organization (attach Form TP-584.1, Schedule F)

g. <input type="checkbox"/> Conveyance for which credit for tax previously paid will be claimed (attach Form TP-584.1, Schedule G)

h. <input type="checkbox"/> Conveyance of cooperative apartment(s)

i. <input type="checkbox"/> Syndication

j. <input type="checkbox"/> Conveyance of air rights or development rights

k. <input type="checkbox"/> Contract assignment | l. <input type="checkbox"/> Option assignment or surrender

m. <input type="checkbox"/> Leasehold assignment or surrender

n. <input checked="" type="checkbox"/> Leasehold grant

o. <input type="checkbox"/> Conveyance of an easement

p. <input type="checkbox"/> Conveyance for which exemption from transfer tax claimed (complete Schedule B, Part III)

q. <input type="checkbox"/> Conveyance of property partly within and partly outside the state

r. <input type="checkbox"/> Conveyance pursuant to divorce or separation

s. <input type="checkbox"/> Other (describe) _____ |
|--|--|---|

For recording officer's use	Amount received Schedule B., Part I \$ _____ Schedule B., Part II \$ _____	Date received	Transaction number
-----------------------------	--	---------------	--------------------

Schedule B – Real estate transfer tax return (Tax Law, Article 31)

Part I – Computation of tax due

1	Enter amount of consideration for the conveyance (if you are claiming a total exemption from tax, check the exemption claimed box, enter consideration and proceed to Part III) <input checked="" type="checkbox"/> Exemption claimed	1.	0 00
2	Continuing lien deduction (see instructions if property is taken subject to mortgage or lien)	2.	0 00
3	Taxable consideration (subtract line 2 from line 1)	3.	0 00
4	Tax: \$2 for each \$500, or fractional part thereof, of consideration on line 3	4.	0 00
5	Amount of credit claimed for tax previously paid (see instructions and attach Form TP-584.1, Schedule G)	5.	0 00
6	Total tax due* (subtract line 5 from line 4)	6.	0 00

Part II – Computation of additional tax due on the conveyance of residential real property for \$1 million or more

1	Enter amount of consideration for conveyance (from Part I, line 1)	1.	
2	Taxable consideration (multiply line 1 by the percentage of the premises which is residential real property, as shown in Schedule A) ...	2.	
3	Total additional transfer tax due* (multiply line 2 by 1% (.01))	3.	

Part III – Explanation of exemption claimed on Part I, line 1 (check any boxes that apply)

The conveyance of real property is exempt from the real estate transfer tax for the following reason:

- a. Conveyance is to the United Nations, the United States of America, the state of New York, or any of their instrumentalities, agencies, or political subdivisions (or any public corporation, including a public corporation created pursuant to agreement or compact with another state or Canada) a
- b. Conveyance is to secure a debt or other obligation..... b
- c. Conveyance is without additional consideration to confirm, correct, modify, or supplement a prior conveyance..... c
- d. Conveyance of real property is without consideration and not in connection with a sale, including conveyances conveying realty as bona fide gifts d
- e. Conveyance is given in connection with a tax sale..... e
- f. Conveyance is a mere change of identity or form of ownership or organization where there is no change in beneficial ownership. (This exemption cannot be claimed for a conveyance to a cooperative housing corporation of real property comprising the cooperative dwelling or dwellings.) Attach Form TP-584.1, Schedule F..... f
- g. Conveyance consists of deed of partition..... g
- h. Conveyance is given pursuant to the federal Bankruptcy Act..... h
- i. Conveyance consists of the execution of a contract to sell real property, without the use or occupancy of such property, or the granting of an option to purchase real property, without the use or occupancy of such property i
- j. Conveyance of an option or contract to purchase real property with the use or occupancy of such property where the consideration is less than \$200,000 and such property was used solely by the grantor as the grantor's personal residence and consists of a one-, two-, or three-family house, an individual residential condominium unit, or the sale of stock in a cooperative housing corporation in connection with the grant or transfer of a proprietary leasehold covering an individual residential cooperative apartment..... j
- k. Conveyance is not a conveyance within the meaning of Tax Law, Article 31, section 1401(e) (attach documents supporting such claim) ...See Schedule "A"..... k

*The total tax (from Part I, line 6 and Part II, line 3 above) is due within 15 days from the date conveyance. Please make check(s) payable to the county clerk where the recording is to take place. If the recording is to take place in the New York City boroughs of Manhattan, Bronx, Brooklyn, or Queens, make check(s) payable to the **NYC Department of Finance**. If a recording is not required, send this return and your check(s) made payable to the **NYS Department of Taxation and Finance**, directly to the NYS Tax Department, RETT Return Processing, PO Box 5045, Albany NY 12205-5045.

Schedule C – Credit Line Mortgage Certificate (Tax Law, Article 11)

Complete the following only if the interest being transferred is a fee simple interest.

I (we) certify that: (check the appropriate box)

1. The real property being sold or transferred is not subject to an outstanding credit line mortgage.
 2. The real property being sold or transferred is subject to an outstanding credit line mortgage. However, an exemption from the tax is claimed for the following reason:
 - The transfer of real property is a transfer of a fee simple interest to a person or persons who held a fee simple interest in the real property (whether as a joint tenant, a tenant in common or otherwise) immediately before the transfer.
 - The transfer of real property is (A) to a person or persons related by blood, marriage or adoption to the original obligor or to one or more of the original obligors or (B) to a person or entity where 50% or more of the beneficial interest in such real property after the transfer is held by the transferor or such related person or persons (as in the case of a transfer to a trustee for the benefit of a minor or the transfer to a trust for the benefit of the transferor).
 - The transfer of real property is a transfer to a trustee in bankruptcy, a receiver, assignee, or other officer of a court.
 - The maximum principal amount secured by the credit line mortgage is \$3,000,000 or more, and the real property being sold or transferred is **not** principally improved nor will it be improved by a one- to six-family owner-occupied residence or dwelling.

Please note: for purposes of determining whether the maximum principal amount secured is \$3,000,000 or more as described above, the amounts secured by two or more credit line mortgages may be aggregated under certain circumstances. See TSB-M-96(6)-R for more information regarding these aggregation requirements.

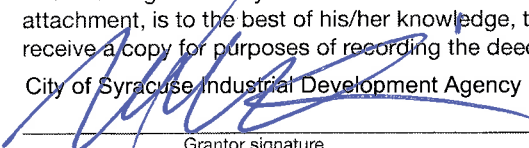
 - Other (attach detailed explanation).
3. The real property being transferred is presently subject to an outstanding credit line mortgage. However, no tax is due for the following reason:
 - A certificate of discharge of the credit line mortgage is being offered at the time of recording the deed.
 - A check has been drawn payable for transmission to the credit line mortgagee or his agent for the balance due, and a satisfaction of such mortgage will be recorded as soon as it is available.
 4. The real property being transferred is subject to an outstanding credit line mortgage recorded in _____ (insert liber and page or reel or other identification of the mortgage). The maximum principal amount of debt or obligation secured by the mortgage is _____. No exemption from tax is claimed and the tax of _____ is being paid herewith. (Make check payable to county clerk where deed will be recorded or, if the recording is to take place in New York City but not in Richmond County, make check payable to the **NYC Department of Finance**.)

Signature (both the grantor(s) and grantee(s) must sign)

The undersigned certify that the above information contained in schedules A, B, and C, including any return, certification, schedule, or attachment, is to the best of his/her knowledge, true and complete, and authorize the person(s) submitting such form on their behalf to receive a copy for purposes of recording the deed or other instrument effecting the conveyance.

City of Syracuse Industrial Development Agency

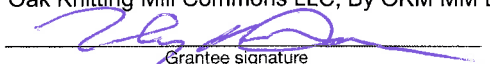
Oak Knitting Mill Commons LLC, By OKM MM LLC



 William M. Ryan
 Grantor signature

Chairman

 Title



 Timothy M. Lynn
 Grantee signature

Manager

 Title

 Grantor signature Title Grantee signature Title

Reminder: Did you complete all of the required information in Schedules A, B, and C? Are you required to complete Schedule D? If you checked e, f, or g in Schedule A, did you complete Form TP-584.1? Have you attached your check(s) made payable to the county clerk where recording will take place or, if the recording is in the New York City boroughs of Manhattan, Bronx, Brooklyn, or Queens, to the **NYC Department of Finance**? If no recording is required, send your check(s), made payable to the **Department of Taxation and Finance**, directly to the NYS Tax Department, RETT Return Processing, PO Box 5045, Albany NY 12205-5045.

Schedule D - Certification of exemption from the payment of estimated personal income tax (Tax Law, Article 22, section 663)

Complete the following only if a fee simple interest or a cooperative unit is being transferred by an individual or estate or trust.

If the property is being conveyed by a referee pursuant to a foreclosure proceeding, proceed to Part II, and check the second box under *Exemptions for nonresident transferor(s)/seller(s)* and sign at bottom.

Part I - New York State residents

If you are a New York State resident transferor(s)/seller(s) listed in Schedule A of Form TP-584 (or an attachment to Form TP-584), you must sign the certification below. If one or more transferors/sellers of the real property or cooperative unit is a resident of New York State, **each** resident transferor/seller must sign in the space provided. If more space is needed, please photocopy this Schedule D and submit as many schedules as necessary to accommodate all resident transferors/sellers.

Certification of resident transferor(s)/seller(s)

This is to certify that at the time of the sale or transfer of the real property or cooperative unit, the transferor(s)/seller(s) as signed below was a resident of New York State, and therefore is not required to pay estimated personal income tax under Tax Law, section 663(a) upon the sale or transfer of this real property or cooperative unit.

Signature	Print full name	Date
Signature	Print full name	Date
Signature	Print full name	Date
Signature	Print full name	Date

Note: A resident of New York State may still be required to pay estimated tax under Tax Law, section 685(c), but not as a condition of recording a deed.

Part II - Nonresidents of New York State

If you are a nonresident of New York State listed as a transferor/seller in Schedule A of Form TP-584 (or an attachment to Form TP-584) but are not required to pay estimated personal income tax because one of the exemptions below applies under Tax Law, section 663(c), check the box of the appropriate exemption below. If any one of the exemptions below applies to the transferor(s)/seller(s), that transferor(s)/seller(s) is not required to pay estimated personal income tax to New York State under Tax Law, section 663. **Each** nonresident transferor/seller who qualifies under one of the exemptions below must sign in the space provided. If more space is needed, please photocopy this Schedule D and submit as many schedules as necessary to accommodate all nonresident transferors/sellers.

If none of these exemption statements apply, you must complete Form IT-2663, *Nonresident Real Property Estimated Income Tax Payment Form*, or Form IT-2664, *Nonresident Cooperative Unit Estimated Income Tax Payment Form*. For more information, see *Payment of estimated personal income tax*, on page 1 of Form TP-584-I.

Exemption for nonresident transferor(s)/seller(s)

This is to certify that at the time of the sale or transfer of the real property or cooperative unit, the transferor(s)/seller(s) (grantor) of this real property or cooperative unit was a nonresident of New York State, but is not required to pay estimated personal income tax under Tax Law, section 663 due to one of the following exemptions:

- The real property or cooperative unit being sold or transferred qualifies in total as the transferor's/seller's principal residence (within the meaning of Internal Revenue Code, section 121) from _____ to _____ (see instructions).
Date Date
- The transferor/seller is a mortgagor conveying the mortgaged property to a mortgagee in foreclosure, or in lieu of foreclosure with no additional consideration.
- The transferor or transferee is an agency or authority of the United States of America, an agency or authority of the state of New York, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Government National Mortgage Association, or a private mortgage insurance company.

Signature	Print full name	Date
Signature	Print full name	Date
Signature	Print full name	Date
Signature	Print full name	Date

SCHEDULE "A"

The document being recorded for which this NYS Form TP-584 is being provided is a Memorandum of Lease between the Grantor and the Grantee. The sum of the term of the lease and any options for renewal do not exceed forty-nine (49) years, and therefore said lease is not a Conveyance within the meaning of Article 31 of the Tax Law.

7

CERTIFICATION

Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Agency Lease Agreement by and between the parties dated as of September 1, 2017.

The undersigned, Timothy M. Lynn, Managing Member and authorized signatory of Oak Knitting Mill Commons LLC (the “*Company*”), does hereby certify and confirm:

(1) that the Company has reviewed and understands the Agency’s Local Labor Policy (the “*Policy*”) which states as follows:

The Company understands and agrees that local labor, contractors and suppliers will be used for the construction, renovation and equipping of the Project unless a written waiver is first received in accordance with the terms of the Policy. Failure to comply may result in the revocation or recapture of benefits awarded to the Project by the Agency.

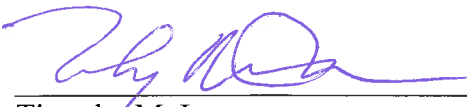
For purposes of this Policy, the term “local” shall mean: Cayuga, Cortland, Madison, Onondaga, Oneida and Oswego Counties.

(2) that the Company has complied, and will, for so long as the Agency has an interest in the Project, continue to comply with, the Agency’s Local Labor Policy.

Dated as of September 1, 2017

OAK KNITTING MILL COMMONS LLC

By: OKM MM LLC

By: 

Timothy M. Lynn
Manager

8

DESCRIPTIONS (Continued from Page 1)

Contributory basis for General Liability, Automobile Liability and Excess Liability, when required by written contract. Thirty (30) days written notice in the event of cancellation.

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).


PRODUCER Amsure - a Division of ATCFSI 12 Computer Drive West PO Box 15044 Albany, NY 12212-5044	CONTACT NAME: PHONE (A/C, No, Ext): 518 458-1800		FAX (A/C, No): 518 458-8390
	E-MAIL ADDRESS:		
INSURED Oak Knitting Mill Commons LLC etal 302 Washington Avenue Ext PO Box 12789 Albany, NY 12212	INSURER(S) AFFORDING COVERAGE		NAIC #
	INSURER A : Hartford Insurance		
	INSURER B :		
	INSURER C :		
	INSURER D :		
	INSURER E :		

COVERAGES **CERTIFICATE NUMBER:** **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:					EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$ \$
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS					COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$					EACH OCCURRENCE \$ AGGREGATE \$ \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? <input type="checkbox"/> Y / N (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below					PER STATUTE OTH-ER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
A	Builder's Risk		01MSZB9114	12/13/2016	12/13/2017	\$4,000,000 Existing Bldg \$8,900,000 Renovations \$10,000 Deductible

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
BBL Job # 161010 Oak Knitting Mill Commons Restorations - 102 West Division Street, Syracuse, NY
Named Insured: Oak Knitting Mill Commons, LLC, Morrisroe Lynn Development, LLC, BBL Syracuse Redevelopment Group, LLC, BBL Construction Services, LLC, any and all subcontractors, material suppliers and sub subcontractors, 302 Washington Ave., Ext., Albany, NY 12203
Designated Contractor: BBL Construction Services, LLC, 302 Washington Avenue Extension, Albany, NY 12203
(See Attached Descriptions)

CERTIFICATE HOLDER Syracuse Industrial Development Agency 200 E. Washington St., 7th Floor Syracuse, NY 13202	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE 
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DESCRIPTIONS (Continued from Page 1)

Loss Payee/Mortgagee: Syracuse Industrial Development Agency, 201 E. Washington Street, 7th Floor,
Syracuse, NY 13202

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

BLANKET ADDITIONAL INSURED (CONTRACTORS)

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

1. WHO IS AN INSURED – (Section II) is amended to include any person or organization that you agree in a "written contract requiring insurance" to include as an additional insured on this Coverage Part, but:
 - a) Only with respect to liability for "bodily injury", "property damage" or "personal injury"; and
 - b) If, and only to the extent that, the injury or damage is caused by acts or omissions of you or your subcontractor in the performance of "your work" to which the "written contract requiring insurance" applies. The person or organization does not qualify as an additional insured with respect to the independent acts or omissions of such person or organization.
2. The insurance provided to the additional insured by this endorsement is limited as follows:
 - a) In the event that the Limits of Insurance of this Coverage Part shown in the Declarations exceed the limits of liability required by the "written contract requiring insurance", the insurance provided to the additional insured shall be limited to the limits of liability required by that "written contract requiring insurance". This endorsement shall not increase the limits of insurance described in Section III – Limits Of Insurance.
 - b) The insurance provided to the additional insured does not apply to "bodily injury", "property damage" or "personal injury" arising out of the rendering of, or failure to render, any professional architectural, engineering or surveying services, including:
 - i. The preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders or change orders, or the preparing, approving, or failing to prepare or approve, drawings and specifications; and
 - ii. Supervisory, inspection, architectural or engineering activities.
- c) The insurance provided to the additional insured does not apply to "bodily injury" or "property damage" caused by "your work" and included in the "products-completed operations hazard" unless the "written contract requiring insurance" specifically requires you to provide such coverage for that additional insured, and then the insurance provided to the additional insured applies only to such "bodily injury" or "property damage" that occurs before the end of the period of time for which the "written contract requiring insurance" requires you to provide such coverage or the end of the policy period, whichever is earlier.
3. The insurance provided to the additional insured by this endorsement is excess over any valid and collectible "other insurance", whether primary, excess, contingent or on any other basis, that is available to the additional insured for a loss we cover under this endorsement. However, if the "written contract requiring insurance" specifically requires that this insurance apply on a primary basis or a primary and non-contributory basis, this insurance is primary to "other insurance" available to the additional insured which covers that person or organization as a named insured for such loss, and we will not share with that "other insurance". But the insurance provided to the additional insured by this endorsement still is excess over any valid and collectible "other insurance", whether primary, excess, contingent or on any other basis, that is available to the additional insured when that person or organization is an additional insured under such "other insurance".
4. As a condition of coverage provided to the additional insured by this endorsement:
 - a) The additional insured must give us written notice as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, such notice should include:

COMMERCIAL GENERAL LIABILITY

- i. How, when and where the "occurrence" or offense took place;
 - ii. The names and addresses of any injured persons and witnesses; and
 - iii. The nature and location of any injury or damage arising out of the "occurrence" or offense.
- b) If a claim is made or "suit" is brought against the additional insured, the additional insured must:
- i. Immediately record the specifics of the claim or "suit" and the date received; and
 - ii. Notify us as soon as practicable.
- The additional insured must see to it that we receive written notice of the claim or "suit" as soon as practicable.
- c) The additional insured must immediately send us copies of all legal papers received in connection with the claim or "suit", cooperate with us in the investigation or settlement of the claim or defense against the "suit", and otherwise comply with all policy conditions.
- d) The additional insured must tender the defense and indemnity of any claim or "suit" to

any provider of "other insurance" which would cover the additional insured for a loss we cover under this endorsement. However, this condition does not affect whether the insurance provided to the additional insured by this endorsement is primary to "other insurance" available to the additional insured which covers that person or organization as a named insured as described in paragraph 3. above.

5. The following definition is added to SECTION V. – DEFINITIONS:

"Written contract requiring insurance" means that part of any written contract or agreement under which you are required to include a person or organization as an additional insured on this Coverage Part, provided that the "bodily injury" and "property damage" occurs and the "personal injury" is caused by an offense committed:

- a. After the signing and execution of the contract or agreement by you;
- b. While that part of the contract or agreement is in effect; and
- c. Before the end of the policy period.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CONTRACTORS XTEND ENDORSEMENT

This endorsement modifies insurance provided under the following:
COMMERCIAL GENERAL LIABILITY COVERAGE PART

GENERAL DESCRIPTION OF COVERAGE – This endorsement broadens coverage. However, coverage for any injury, damage or medical expenses described in any of the provisions of this endorsement may be excluded or limited by another endorsement to this Coverage Part, and these coverage broadening provisions do not apply to the extent that coverage is excluded or limited by such an endorsement. The following listing is a general coverage description only. Limitations and exclusions may apply to these coverages. Read all the provisions of this endorsement and the rest of your policy carefully to determine rights, duties, and what is and is not covered.

- A. Aircraft Chartered With Pilot
- B. Damage To Premises Rented To You
- C. Increased Supplementary Payments
- D. Incidental Medical Malpractice
- E. Who Is An Insured – Newly Acquired Or Formed Organizations
- F. Who Is An Insured – Broadened Named Insured – Unnamed Subsidiaries
- G. Blanket Additional Insured – Owners, Managers Or Lessors Of Premises
- H. Blanket Additional Insured – Lessors Of Leased Equipment
- I. Blanket Additional Insured – States Or Political Subdivisions – Permits
- J. Knowledge And Notice Of Occurrence Or Offense
- K. Unintentional Omission
- L. Blanket Waiver Of Subrogation
- M. Amended Bodily Injury Definition
- N. Contractual Liability – Railroads

PROVISIONS

A. AIRCRAFT CHARTERED WITH PILOT

The following is added to Exclusion g., **Aircraft, Auto Or Watercraft**, in Paragraph 2. of SECTION I – COVERAGES – COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY:

This exclusion does not apply to an aircraft that is:

- (a) Chartered with a pilot to any insured;
- (b) Not owned by any insured; and
- (c) Not being used to carry any person or property for a charge.

B. DAMAGE TO PREMISES RENTED TO YOU

1. The first paragraph of the exceptions in Exclusion j., **Damage To Property**, in Paragraph 2. of SECTION I – COVERAGES – COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY is deleted.
2. The following replaces the last paragraph of Paragraph 2., **Exclusions**, of SECTION I – COVERAGES – COVERAGE A. BODILY

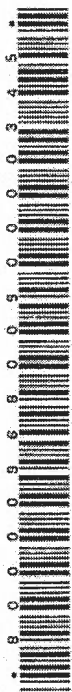
INJURY AND PROPERTY DAMAGE LIABILITY:

Exclusions c. and g. through n. do not apply to "premises damage". Exclusion f.(1)(a) does not apply to "premises damage" caused by:

- a. Fire;
- b. Explosion;
- c. Lightning;
- d. Smoke resulting from such fire, explosion, or lightning; or
- e. Water;

unless Exclusion f. of Section I – Coverage A – Bodily Injury And Property Damage Liability is replaced by another endorsement to this Coverage Part that has Exclusion – All Pollution Injury Or Damage or Total Pollution Exclusion in its title.

A separate limit of insurance applies to "premises damage" as described in Paragraph 6. of SECTION III – LIMITS OF INSURANCE.



COMMERCIAL GENERAL LIABILITY

3. The following replaces Paragraph 6. of **SECTION III – LIMITS OF INSURANCE:**

Subject to 5. above, the Damage To Premises Rented To You Limit is the most we will pay under Coverage A for damages because of "premises damage" to any one premises. The Damage To Premises Rented To You Limit will apply to all "property damage" proximately caused by the same "occurrence", whether such damage results from: fire; explosion; lightning; smoke resulting from such fire, explosion, or lightning; or water; or any combination of any of these causes.

The Damage To Premises Rented To You Limit will be:

- a. The amount shown for the Damage To Premises Rented To You Limit on the Declarations of this Coverage Part; or
- b. \$300,000 if no amount is shown for the Damage To Premises Rented To You Limit on the Declarations of this Coverage Part.

4. The following replaces Paragraph a. of the definition of "insured contract" in the **DEFINITIONS** Section:

- a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for "premises damage" is not an "insured contract";

5. The following is added to the **DEFINITIONS** Section:

"Premises damage" means "property damage" to:

- a. Any premises while rented to you or temporarily occupied by you with permission of the owner; or
- b. The contents of any premises while such premises is rented to you, if you rent such premises for a period of seven or fewer consecutive days.

6. The following replaces Paragraph 4.b.(1)(b) of **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS:**

(b) That is insurance for "premises damage"; or

7. Paragraph 4.b.(1)(c) of **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS** is deleted.

C. INCREASED SUPPLEMENTARY PAYMENTS

1. The following replaces Paragraph 1.b. of **SUPPLEMENTARY PAYMENTS – COVERAGES A AND B** of **SECTION I – COVERAGE:**

- b. Up to \$2,500 for the cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.

2. The following replaces Paragraph 1.d. of **SUPPLEMENTARY PAYMENTS – COVERAGES A AND B** of **SECTION I – COVERAGES:**

- d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$500 a day because of time off from work.

D. INCIDENTAL MEDICAL MALPRACTICE

1. The following is added to the definition of "occurrence" in the **DEFINITIONS** Section:

"Occurrence" also means an act or omission committed in providing or failing to provide "incidental medical services", first aid or "Good Samaritan services" to a person.

2. The following is added to Paragraph 2.a.(1) of **SECTION II – WHO IS AN INSURED:**

Paragraph (1)(d) above does not apply to "bodily injury" arising out of providing or failing to provide:

- (i) "Incidental medical services" by any of your "employees" who is a nurse practitioner, registered nurse, licensed practical nurse, nurse assistant, emergency medical technician or paramedic; or
- (ii) First aid or "Good Samaritan services" by any of your "employees" or "volunteer workers", other than an employed or volunteer doctor. Any such "employees" or "volunteer workers" providing or failing to provide first aid or "Good Samaritan services" during their work hours for you will be deemed to be acting within the scope of their employment by you or performing duties related to the conduct of your business.

3. The following is added to Paragraph 5. of **SECTION III – LIMITS OF INSURANCE:**

For the purposes of determining the applicable Each Occurrence Limit, all related acts or omissions committed in providing or failing to provide "incidental medical services", first aid or "Good Samaritan services" to any one person will be deemed to be one "occurrence".

4. The following exclusion is added to Paragraph 2., **Exclusions**, of **SECTION I – COVERAGES – COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY:**

Sale Of Pharmaceuticals

"Bodily injury" or "property damage" arising out of the willful violation of a penal statute or ordinance relating to the sale of pharmaceuticals committed by, or with the knowledge or consent of, the insured.

5. The following is added to the **DEFINITIONS** Section:

"Incidental medical services" means:

- a. Medical, surgical, dental, laboratory, x-ray or nursing service or treatment, advice or instruction, or the related furnishing of food or beverages; or
- b. The furnishing or dispensing of drugs or medical, dental, or surgical supplies or appliances.

"Good Samaritan services" means any emergency medical services for which no compensation is demanded or received.

6. The following is added to Paragraph 4.b., **Excess Insurance**, of **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS:**

The insurance is excess over any valid and collectible other insurance available to the insured, whether primary, excess, contingent or on any other basis, that is available to any of your "employees" or "volunteer workers" for "bodily injury" that arises out of providing or failing to provide "incidental medical services", first aid or "Good Samaritan services" to any person to the extent not subject to Paragraph 2.a.(1) of Section II – Who Is An Insured.

E. WHO IS AN INSURED – NEWLY ACQUIRED OR FORMED ORGANIZATIONS

The following replaces Paragraph 4. of **SECTION II – WHO IS AN INSURED:**

4. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, of which you are the sole owner or in which you maintain the majority ownership interest, will qualify as a Named Insured if there is no other insurance which provides similar coverage to that organization. However:

- a. Coverage under this provision is afforded only:

- (1) Until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier, if you do not report such organization in writing to us within 180 days after you acquire or form it; or

- (2) Until the end of the policy period, when that date is later than 180 days after you acquire or form such organization, if you report such organization in writing to us within 180 days after you acquire or form it, and we agree in writing that it will continue to be a Named Insured until the end of the policy period;

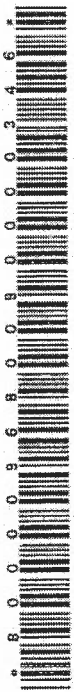
- b. Coverage A does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and
- c. Coverage B does not apply to "personal injury" or "advertising injury" arising out of an offense committed before you acquired or formed the organization.

F. WHO IS AN INSURED – BROADENED NAMED INSURED – UNNAMED SUBSIDIARIES

The following is added to **SECTION II – WHO IS AN INSURED:**

Any of your subsidiaries, other than a partnership, joint venture or limited liability company, that is not shown as a Named Insured in the Declarations is a Named Insured if you maintain an ownership interest of more than 50% in such subsidiary on the first day of the policy period.

No such subsidiary is an insured for "bodily injury" or "property damage" that occurred, or "personal injury" or "advertising injury" caused by an offense committed after the date, if any, during the policy period, that you no longer maintain an ownership interest of more than 50% in such subsidiary.



COMMERCIAL GENERAL LIABILITY

G. BLANKET ADDITIONAL INSURED – OWNERS, MANAGERS OR LESSORS OF PREMISES

The following is added to **SECTION II – WHO IS AN INSURED**:

Any person or organization that is a premises owner, manager or lessor and that you have agreed in a written contract or agreement to include as an additional insured on this Coverage Part is an insured, but only with respect to liability for "bodily injury", "property damage", "personal injury" or "advertising injury" that:

- a. Is "bodily injury" or "property damage" that occurs, or is "personal injury" or "advertising injury" caused by an offense that is committed, subsequent to the execution of that contract or agreement; and
- b. Arises out of the ownership, maintenance or use of that part of any premises leased to you.

The insurance provided to such premises owner, manager or lessor is subject to the following provisions:

- a. The limits of insurance provided to such premises owner, manager or lessor will be the minimum limits which you agreed to provide in the written contract or agreement, or the limits shown on the Declarations, whichever are less.
- b. The insurance provided to such premises owner, manager or lessor does not apply to:
 - (1) Any "bodily injury" or "property damage" that occurs, or "personal injury" or "advertising injury" caused by an offense that is committed, after you cease to be a tenant in that premises; or
 - (2) Structural alterations, new construction or demolition operations performed by or on behalf of such premises owner, lessor or manager.
- c. The insurance provided to such premises owner, manager or lessor is excess over any valid and collectible other insurance available to such premises owner, manager or lessor, whether primary, excess, contingent or on any other basis, unless you have agreed in the written contract or agreement that this insurance must be primary to, or non-contributory with, such other insurance, in which case this insurance will be primary to, and non-contributory with, such other insurance.

H. BLANKET ADDITIONAL INSURED – LESSORS OF LEASED EQUIPMENT

The following is added to **SECTION II – WHO IS AN INSURED**:

Any person or organization that is an equipment lessor and that you have agreed in a written contract or agreement to include as an insured on this Coverage Part is an insured, but only with respect to liability for "bodily injury", "property damage", "personal injury" or "advertising injury" that:

- a. Is "bodily injury" or "property damage" that occurs, or is "personal injury" or "advertising injury" caused by an offense that is committed, subsequent to the execution of that contract or agreement; and
- b. Is caused, in whole or in part, by your acts or omissions in the maintenance, operation or use of equipment leased to you by such equipment lessor.

The insurance provided to such equipment lessor is subject to the following provisions:

- a. The limits of insurance provided to such equipment lessor will be the minimum limits which you agreed to provide in the written contract or agreement, or the limits shown on the Declarations, whichever are less.
 - b. The insurance provided to such equipment lessor does not apply to any "bodily injury" or "property damage" that occurs, or "personal injury" or "advertising injury" caused by an offense that is committed, after the equipment lease expires.
 - c. The insurance provided to such equipment lessor is excess over any valid and collectible other insurance available to such equipment lessor, whether primary, excess, contingent or on any other basis, unless you have agreed in the written contract or agreement that this insurance must be primary to, or non-contributory with, such other insurance, in which case this insurance will be primary to, and non-contributory with, such other insurance.
- ### I. BLANKET ADDITIONAL INSURED – STATES OR POLITICAL SUBDIVISIONS – PERMITS

The following is added to **SECTION II – WHO IS AN INSURED**:

Any state or political subdivision that has issued a permit in connection with operations performed by you or on your behalf and that you are required

by any ordinance, law or building code to include as an additional insured on this Coverage Part is an insured, but only with respect to liability for "bodily injury", "property damage", "personal injury" or "advertising injury" arising out of such operations.

The insurance provided to such state or political subdivision does not apply to:

- a. Any "bodily injury," "property damage," "personal injury" or "advertising injury" arising out of operations performed for that state or political subdivision; or
- b. Any "bodily injury" or "property damage" included in the "products-completed operations hazard".

J. KNOWLEDGE AND NOTICE OF OCCURRENCE OR OFFENSE

The following is added to Paragraph 2., **Duties In The Event of Occurrence, Offense, Claim or Suit**, of SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS:

- e. The following provisions apply to Paragraph a. above, but only for the purposes of the insurance provided under this Coverage Part to you or any insured listed in Paragraph 1. or 2. of Section II – Who Is An Insured:

(1) Notice to us of such "occurrence" or offense must be given as soon as practicable only after the "occurrence" or offense is known by you (if you are an individual), any of your partners or members who is an individual (if you are a partnership or joint venture), any of your managers who is an individual (if you are a limited liability company), any of your "executive officers" or directors (if you are an organization other than a partnership, joint venture or limited liability company) or any "employee" authorized by you to give notice of an "occurrence" or offense.

(2) If you are a partnership, joint venture or limited liability company, and none of your partners, joint venture members or managers are individuals, notice to us of such "occurrence" or offense must be given as soon as practicable only after the "occurrence" or offense is known by:

- (a) Any individual who is:
 - (i) A partner or member of any partnership or joint venture;

- (ii) A manager of any limited liability company; or

- (iii) An executive officer or director of any other organization;

that is your partner, joint venture member or manager; or

- (b) Any "employee" authorized by such partnership, joint venture, limited liability company or other organization to give notice of an "occurrence" or offense.

(3) Notice to us of such "occurrence" or of an offense will be deemed to be given as soon as practicable if it is given in good faith as soon as practicable to your workers' compensation insurer. This applies only if you subsequently give notice to us of the "occurrence" or offense as soon as practicable after any of the persons described in Paragraphs e. (1) or (2) above discovers that the "occurrence" or offense may result in sums to which the insurance provided under this Coverage Part may apply.

However, if this Coverage Part includes an endorsement that provides limited coverage for "bodily injury" or "property damage" or pollution costs arising out of a discharge, release or escape of "pollutants" which contains a requirement that the discharge, release or escape of "pollutants" must be reported to us within a specific number of days after its abrupt commencement, this Paragraph e. does not affect that requirement.

K. UNINTENTIONAL OMISSION

The following is added to Paragraph 6., **Representations, of SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**:

The unintentional omission of, or unintentional error in, any information provided by you which we relied upon in issuing this policy will not prejudice your rights under this insurance. However, this provision does not affect our right to collect additional premium or to exercise our rights of cancellation or nonrenewal in accordance with applicable insurance laws or regulations.

L. BLANKET WAIVER OF SUBROGATION

The following is added to Paragraph 8., **Transfer Of Rights Of Recovery Against Others To Us**, of SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS:



COMMERCIAL GENERAL LIABILITY

If the insured has agreed in a contract or agreement to waive that insured's right of recovery against any person or organization, we waive our right of recovery against such person or organization, but only for payments we make because of:

- a. "Bodily injury" or "property damage" that occurs; or
- b. "Personal injury" or "advertising injury" caused by an offense that is committed;

subsequent to the execution of that contract or agreement.

M. AMENDED BODILY INJURY DEFINITION

The following replaces the definition of "bodily injury" in the **DEFINITIONS** Section:

3. "Bodily injury" means bodily injury, mental anguish, mental injury, shock, fright, disability, humiliation, sickness or disease sustained by a person, including death resulting from any of these at any time.

N. CONTRACTUAL LIABILITY – RAILROADS

1. The following replaces Paragraph c. of the definition of "insured contract" in the **DEFINITIONS** Section:
 - c. Any easement or license agreement;
2. Paragraph f.(1) of the definition of "insured contract" in the **DEFINITIONS** Section is deleted.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DESIGNATED ENTITY – NOTICE OF CANCELLATION/NONRENEWAL PROVIDED BY US

This endorsement modifies insurance provided under the following:

ALL COVERAGE PARTS INCLUDED IN THIS POLICY

SCHEDULE

CANCELLATION: Number of Days Notice of Cancellation: 30

NONRENEWAL: Number of Days Notice of Nonrenewal:

PERSON OR ORGANIZATION:

Any person or organization to whom you have agreed in a written contract that notice of cancellation or nonrenewal of this policy will be given, but only if:

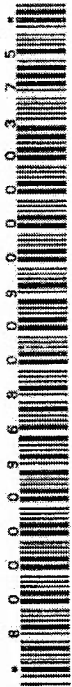
1. You send us a written request to provide such notice, including the name and address of such person or organization, after the first Named Insured receives notice from us of the cancellation or nonrenewal of this policy; and
2. We receive such written request at least 14 days before the beginning of the applicable number of days shown in this endorsement.

ADDRESS:

The address for that person or organization included in such written request from you to us.

PROVISIONS:

- | | |
|---|--|
| <p>A. If we cancel this policy for any statutorily permitted reason other than nonpayment of premium, and a number of days is shown for cancellation in the schedule above, we will mail notice of cancellation to the person or organization shown in the schedule above. We will mail such notice to the address shown in the schedule above at least the number of days shown for cancellation in the schedule above before the effective date of cancellation.</p> | <p>B. If we decide to not renew this policy for any statutorily permitted reason, and a number of days is shown for nonrenewal in the schedule above, we will mail notice of the nonrenewal to the person or organization shown in the schedule above. We will mail such notice to the address shown in the schedule above at least the number of days shown for nonrenewal in the schedule above before the expiration date.</p> |
|---|--|



TRAVELERS CORP. TEL: 1-800-328-2189
CONTRACTORS
COMMON POLICY DECLARATIONS
ISSUE DATE: 04/28/16
POLICY NUMBER: VTC2K-CO-8211A339-IND-16

INSURING COMPANY:
THE TRAVELERS INDEMNITY COMPANY

1. NAMED INSURED AND MAILING ADDRESS:
BBL CONSTRUCTION SERVICES, LLC (AS PER IL T8 00)
302 WASHINGTON AVENUE AVE.
ALBANY, NY 12212

2. POLICY PERIOD: From 04/01/16 to 04/01/17 12:01 A.M. Standard Time at
your mailing address.

3. LOCATIONS
Premises Bldg.
Loc. No. No. Occupancy Address

ON FILE WITH COMPANY

4. COVERAGE PARTS FORMING PART OF THIS POLICY AND INSURING COMPANIES:
COMMERCIAL GENERAL LIABILITY COV PART DECLARATIONS CG TO 01 11 03 IND
EMPLOYEE BENEFITS LIABILITY COV PART DECLARATIONS CG TO 09 03 95 IND

5. NUMBERS OF FORMS AND ENDORSEMENTS
FORMING A PART OF THIS POLICY: SEE IL T8 01 10 93

6. SUPPLEMENTAL POLICIES: Each of the following is a separate policy
containing its complete provisions:
Policy Policy No. Insuring Company

SEE CALCULATION OF PREMIUM
COMPOSITE RATES ENDORSEMENT

*AMS BINDER BILLED # 241208
7. PREMIUM SUMMARY:
Provisional Premium \$
Due at Inception \$
Due at Each \$

NAME AND ADDRESS OF AGENT OR BROKER:
AMSURE (NA033)
PO BOX 15044
ALBANY, NY 12212

COUNTERSIGNED BY:

Authorized Representative

DATE: _____

POLICY NUMBER: VTC2K-CO-8211A339-IND-16

EFFECTIVE DATE: 04-01-16

ISSUE DATE: 04-28-16

LISTING OF FORMS, ENDORSEMENTS AND SCHEDULE NUMBERS

THIS LISTING SHOWS THE NUMBER OF FORMS, SCHEDULES AND ENDORSEMENTS BY LINE OF BUSINESS.

IL TO 02 11 89	COMMON POLICY DECLARATIONS
IL T8 01 10 93	FORMS, ENDORSEMENTS AND SCHEDULE NUMBERS
IL TO 01 01 07	COMMON POLICY CONDITIONS
IL T3 02 07 86	CALCULATION OF PREMIUM-COMPOSITE RATE(S)
IL T8 00	NAMED INSURED ENDORSEMENT

GENERAL LIABILITY - CONTRACTORS

CG A0 13 11 03	(CGT001) COMMERCIAL GENERAL LIAB COV DEC
CG D4 69 07 14	TOT AGG LIMIT OTHER THAN PROJECTS
CG T0 34 11 03	TABLE OF CONTENTS
CG 00 01 10 01	COMMERCIAL GENERAL LIABILITY COV FORM
CG D4 71 01 15	AMEND COVERAGE B - PERS & ADV INJURY
CG F5 61 02 09	AMEND OTHER INS CONDITION - NEW YORK
CG D2 06 06 04	REASONABLE FORCE-BODILY INJURY OR
CG D2 46 08 05	BLANKET ADDITIONAL INSURED (CONTRACTORS)
CG D3 16 11 11	CONTRACTORS XTEND ENDORSEMENT
CG D3 33 06 04	AMEND OF AIRCRAFT,AUTO,WATERCRAFT-EXCL
CG D2 43 01 02	FUNGI OR BACTERIA EXCLUSION
CG D2 88 11 03	EMPLOYMENT-RELATED PRACTICES EXCLUSION
CG D2 93 11 03	EXCL-CONSTRUCT MANAGE ERRORS & OMISSIONS
CG D3 07 11 03	EXCLUSION-CONTRACTORS-PROFESSIONAL LIAB
CG D3 22 01 04	EXCLUSION-SUITS BY ONE NAMED INSURED
CG D3 26 10 11	EXCLUSION - UNSOLICITED COMMUNICATION
CG D3 56 05 14	MOBILE EQUIP REDEFINED-EXCL OF VEHICLES
CG D5 46 10 11	EXCL - ARCHITECT/ENG/SURVEY PROF SERV
CG D6 18 10 11	EXCL-VIOLATION OF CONSUMER FIN PROT LAWS
CG D6 99 08 13	AMEND LIQ EXCL-EXCEPT SCHED PREM/ACTIV
CG D7 46 01 15	EXCL-ACCESS OR DISCL OF CONF/PERS INFO
CG D0 76 06 93	EXCLUSION-LEAD
CG D1 42 01 99	EXCLUSION-DISCRIMINATION
CG D2 04 06 01	EXCL-EXTERIOR INSULATION & FINISH SYSTEM
CG D2 40 06 01	EXCLUSION - SILICA
CG D2 42 01 02	EXCLUSION WAR
CG T4 78 02 90	EXCLUSION-ASBESTOS
CG T5 69 11 03	EXCL ALL POLL INJURY/DAMAGE HOST FIRE EX
CG F2 63 08 11	NEW YORK CHGS-CGL COVERAGE FORM
CG 01 03 06 06	TEXAS CHANGES
CG 26 21 10 91	NY CHANGES-TRANSFER OF DUTIES
CG T0 09 03 95	EMPLOYEE BENEFITS LIAB COV PART DEC
CG T0 43 11 88	EMPLOYEE BENEFITS LIAB TABLE OF CONTENTS
CG T1 01 07 86	EMPLOYEE BENEFITS LIABILITY COV FORM
CG T5 30 06 89	AMENDMENT-EBL
CG D0 38 03 95	EXCLUSION-IRC VIOLATIONS
CG T4 85 11 88	ADDITIONAL EXCLUSION-EBL



POLICY NUMBER: VTC2K-CO-8211A339-IND-16
EFFECTIVE DATE: 04-01-16
ISSUE DATE: 04-28-16

GENERAL LIABILITY - CONTRACTORS (CONTINUED)

CG F4 17 12 05 TX CHANGES - DUTIES
CG F7 18 08 12 NY CHANGES - TRANSFER OF DUTIES
CG D3 55 09 05 DEDUCTIBLE ENDORSEMENT
CG F3 35 02 05 DEDUCTIBLE ENDORSEMENT - NEW YORK
CG 01 04 12 04 NEW YORK CHANGES-PREMIUM AUDIT

INTERLINE ENDORSEMENTS

IL T3 68 01 15 FEDERAL TERRORISM RISK INS ACT DISCLOSE
IL T4 00 12 09 DESIGNATED ENTITY-C/NR PROVIDED BY US
IL T4 12 03 15 AMNDT COMMON POLICY COND-PROHIBITED COVG
IL T4 14 01 15 CAP ON LOSSES CERTIFIED ACT OF TERRORISM
IL 00 23 07 02 NUCLEAR ENERGY LIABILITY EXCLUSION ENDT
IL 01 40 09 08 CONNECTICUT CHANGES - CIVIL UNION
IL 01 68 03 12 TEXAS CHANGES - DUTIES
IL 02 68 01 14 NEW YORK CHNGS-CANCELLATION & NONRENEWAL
IL FO 28 01 99 NOTICE OF CAN/NONREN PROVIDED BY US-NY
IL T9 11 01 89 NH-CHANGES



One Tower Square, Hartford, Connecticut 06183

COMMERCIAL GENERAL LIABILITY CONTRACTORS
COVERAGE PART DECLARATIONS

POLICY NO.: VTC2K-CO-8211A339-IND-16
ISSUE DATE: 04-28-16

INSURING COMPANY:
THE TRAVELERS INDEMNITY COMPANY

DECLARATIONS PERIOD: From 04-01-16 to 04-01-17 12:01 A.M. Standard Time at your mailing address shown in the Common Policy Declarations.

The Commercial General Liability Coverage Part consists of these Declarations and the Coverage Form shown below.

1. COVERAGE AND LIMITS OF INSURANCE:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM	LIMITS OF INSURANCE
General Aggregate Limit (Other than Products-Completed Operations)	\$ 4,000,000
Products-Completed Operations Aggregate Limit	\$ 4,000,000
Personal & Advertising Injury Limit	\$ 2,000,000
Each Occurrence Limit	\$ 2,000,000
Dmge To Premises Rented To You Limit (any one premises)	\$ 1,000,000
Medical Expense Limit (any one person)	\$ 10,000

2. AUDIT PERIOD: ANNUAL

3. FORM OF BUSINESS: LIMITED LIABILITY CO

4. NUMBERS OF FORMS, SCHEDULES AND ENDORSEMENTS FORMING PART OF THIS COVERAGE PART ARE ATTACHED AS A SEPARATE LISTING.

**COMMERCIAL GENERAL LIABILITY COVERAGE
IS SUBJECT TO A GENERAL AGGREGATE LIMIT**



CG TO 01 11 03
Order # CG A0 13 11 03

Page 1 of 1

PRODUCER: AMSURE

NA033 OFFICE: HARTFORD

084

EXCESS LIABILITY DECLARATIONS

Starr Indemnity & Liability Company

Dallas, Texas

Administrative Office: 399 Park Avenue, 8th Floor, New York, NY 10022

POLICY NUMBER: 1000022640

RENEWAL OF: 1000021668

PRODUCER NAME: AmWINS Brokerage of New England

ADDRESS: 308 Farmington Avenue
Farmington, CT 06032

ITEM 1. NAMED INSURED: BBL Construction Services, LLC

ADDRESS: 302 Washington Avenue Ext. / PO Box 12789
Albany, NY 12212

ITEM 2. POLICY PERIOD: FROM: 04/01/2016 TO 04/01/2017

12:01 A.M. STANDARD TIME AT THE ADDRESS OF THE NAMED INSURED SHOWN ABOVE.

ITEM 3. COVERAGE: COMMERCIAL EXCESS LIABILITY

ITEM 4. LIMITS OF INSURANCE:

The Limits of Insurance, subject to all the terms of this Policy, are:

- A. \$5,000,000 Each Occurrence
- B. \$5,000,000 Other Aggregate(s) Where Applicable
- C. \$5,000,000 Products-Completed Operations Aggregate

ITEM 5. "UNDERLYING INSURANCE"

A. First Underlying Insurance Policy(ies)

Insurer

Policy No.

Policy Period

See attached Schedule of Underlying Insurance

B. Additional Underlying Insurance Policy(ies)

Insurer

Policy No.

Policy Period

NOTICE: THESE POLICY FORMS AND THE APPLICABLE RATES ARE EXEMPT FROM THE FILING REQUIREMENTS OF THE NEW YORK INSURANCE LAW AND REGULATIONS. HOWEVER, THE FORMS AND RATES MUST MEET THE MINIMUM STANDARDS OF THE NEW YORK INSURANCE LAW AND REGULATIONS.

CLASS 1

XS - 101 - D NYFTZ (10-08)

Page 1 of 3

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ITEM 6. POLICY PREMIUM:

Advance Premium

Minimum Premium

Minimum Earned Premium

N/A

Estimated Exposure

Rate Per

Audit Period

N/A

N/A

N/A

ITEM 7. NOTICES

In the event of an accident, occurrence, wrongful act, claim or suit, that is reasonably likely to involve this Policy, send all pertinent facts to:

New claims can be reported to:

Email: 4869excessclaims@yorkrsg.com

Telephone: (866) 391-9675

Fax: 866-695-3651

Provide the following information when reporting a claim:

1. York Client Code: 4869
2. Policy Numbers

ITEM 8. ENDORSEMENTS ATTACHED:

Title

Excess Liability Declarations

Excess Liability Policy Schedule Of Underlying Insurance

Excess Liability Policy Form

New York Changes - Cancellation

New York Changes - Transfer of Duties When a Limit of Insurance is Used Up

New York Changes

Issuance Of Commercial Excess Liability Policy Prior To Receipt Of controlling Underlying Policy

Exclusion Of Terrorism

Waiver Of Transfer Of Rights Of Recovery Against Others To Us

Other Insurance - Primary and Noncontributory for Additional Insured

Starr Excess Casualty Program Claim Reporting Guidelines

Form Number

XS 101 D NYFTZ 10 0

XS 102 10 08

XS 100 10 08

XS 301 NY 10 08

XS 350 NY 10 08

XS 351 NY 10 08

XS 374 06 11

XS 346 01 15

XS 233 10 08

XS 373 04 11

XS CLAIMS NOTICE



Starr Indemnity & Liability Company

Dallas, TX 1-866-519-2522

Excess Liability Policy Schedule of Underlying Insurance

Policy Number: 1000022640	Effective Date: 04/01/2016 at 12:01 A.M.
Named Insured: BBL Construction Services, LLC	Issuing Company: Starr Indemnity & Liability Company

NOTICE: THESE POLICY FORMS AND THE APPLICABLE RATES ARE EXEMPT FROM THE FILING REQUIREMENTS OF THE NEW YORK INSURANCE LAW AND REGULATIONS. HOWEVER, THE FORMS AND RATES MUST MEET THE MINIMUM STANDARDS OF THE NEW YORK INSURANCE LAW AND REGULATIONS.

CLASS 1

The Declarations, Schedule(s), and all terms and conditions complete this insurance Policy.

Type of Policy or Coverage and Insurer, Policy Number and Policy Period		Limits of Insurance	
A. First Underlying Insurance Policy(ies)			
Carrier:	Travelers		
Policy No.:	VTC2KCO-8211A339-16		
		Limits:	
Coverage:	GENERAL LIABILITY	\$2,000,000	Each Occurrence Limit
Policy Period:	04/01/2016 to 04/01/2017	\$4,000,000	General Aggregate Limit
		\$4,000,000	Products/Comp. Ops. Aggregate Limit
Carrier:	Travelers		
Policy No.:	VTKCAP-8211A340-16		
		Limits:	
Coverage:	AUTO LIABILITY	\$1,000,000	Combined Single Limit
Policy Period:	04/01/2016 to 04/01/2017		
Carrier:	Travelers		



Starr Indemnity & Liability Company

Dallas, TX 1-866-519-2522

Policy No.:	VT0UB-8G7185585-16	Limits:	
Coverage:	EMPLOYERS LIABILITY	\$1,000,000	Disease - Each Accident Limit
Policy Period:	04/01/2016 to 04/01/2017	\$1,000,000	Disease - Each Employee Limit
		\$1,000,000	Disease - Policy Limit

For Employees subject to the New York Workers' Compensation Law, the "First Underlying Insurance" Policy(ies) Limits of Insurance for Employers' Liability are amended to Unlimited and this Commercial Excess Liability Policy does not apply in excess of the Unlimited amount.

Carrier:	BrickStreet Mutual Insurance Company		
Policy No.:	WCB1005817	Limits:	
Coverage:	EMPLOYERS LIABILITY	\$500,000	Disease - Each Accident Limit
Policy Period:	07/01/2015 to 07/01/2016	\$500,000	Disease - Each Employee Limit
		\$500,000	Disease - Policy Limit

For Employees subject to the New York Workers' Compensation Law, the "First Underlying Insurance" Policy(ies) Limits of Insurance for Employers' Liability are amended to Unlimited and this Commercial Excess Liability Policy does not apply in excess of the Unlimited amount.

B. Additional Underlying Insurance Policy(ies)

Date of Issue: 04/06/2016

Authorized Representative:

Starr Indemnity & Liability Company

Dallas, Texas

Administrative Office: 399 Park Avenue, 8th Floor, New York, NY 10022

Excess Liability Policy

Named Insured: BBL Construction Services, LLC

Policy Number: 1000022640

Effective Date: 04/01/2016 at 12:01 A.M.

This Policy is a legal contract between the Named Insured and Starr Indemnity & Liability Company (herein referenced as "the Company"). The Company agrees to provide insurance to the Named Insured, in exchange for the payment of the required premium. Coverage is subject to the terms and conditions described in this Policy.

This Policy and the coverage provided by it become effective at 12:01 A.M. at the address of the Named Insured on the Policy Effective Date shown above. It continues in effect in accordance with the provisions set forth in this Policy.

This Policy is governed by the laws of the state where it was delivered.

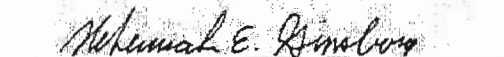
NOTICE: THESE POLICY FORMS AND THE APPLICABLE RATES ARE EXEMPT FROM THE FILING REQUIREMENTS OF THE NEW YORK INSURANCE LAW AND REGULATIONS. HOWEVER, THE FORMS AND RATES MUST MEET THE MINIMUM STANDARDS OF THE NEW YORK INSURANCE LAW AND REGULATIONS.

CLASS 1

Signed for the Company as of the Effective Date above:



Charles H. Dangelo, President



Nehemiah E. Ginsburg, General Counsel



Starr Indemnity & Liability Company

Dallas, TX 1-866-519-2522

Waiver of Transfer of Rights of Recovery Against Others to Us

Policy Number: 1000022640

Effective Date: 04/01/2016 at 12:01 A.M.

Named Insured: BBL Construction Services, LLC

SCHEDULE

Name Of Person Or Organization:

All as required by written contract.

SECTION IV. CONDITIONS, condition K. Transfer of Rights of Recovery Against Others to Us is amended to include the following:

We waive any right of recovery we may have against the person or organization shown in the Schedule of this endorsement because of payments we make for injury or damage arising out of your ongoing operations or your work done under a contract with that person or organization and included in the products-completed operations hazard. This waiver applies only to the person or organization shown in the Schedule of this endorsement.

All other terms and conditions of this Policy remain unchanged.

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CLASS 1



Starr Indemnity & Liability Company

Dallas, TX 1-866-519-2522

Signed for the Company as of the Effective Date above:

Charles H. Dangelo, President

Nehemiah E. Ginsburg, General Counsel



Starr Indemnity & Liability Company

Dallas, TX 1-866-519-2522

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Other Insurance – Primary and Noncontributory for Additional Insured

Policy Number: 1000022640

Effective Date: 04/01/2016 at 12:01 A.M.

Named Insured: BBL Construction Services, LLC

This endorsement modifies insurance provided under the following:

EXCESS LIABILITY POLICY FORM

- A. Sub-paragraph 3. of item I. Other Insurance under SECTION IV. CONDITIONS is replaced with the following:
3. Insurance held by a person(s) or organizations(s) qualifying as an additional insured in "Underlying Insurance", but only when the written contract or agreement between you and the additional insured:
- a. Requires a specific limit of insurance than is in excess of the Underlying Limits of Insurance;
 - b. Requires that your insurance be primary and not contribute with that of the additional insured; and
 - c. Executed prior to the loss.

In such case as described in sub-paragraph 3. above, we shall not seek contribution from the additional insured's primary or excess insurance for which they are a named insured for amounts payable under this insurance.

All other terms, definitions, conditions and exclusions of this policy remain unchanged.

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CLASS 1

Signed for the Company as of the Effective Date above:



Charles H. Dangelo, President



Nehemiah E. Ginsburg, General Counsel

Commercial Navigators Excess Declarations
NAV-EXC-DEC (4/10)



Policy Number: IS16EXC749604IV
Producer Number: AMWI0017
Renewal

Insuring Company: Navigators Insurance Company
One Penn Plaza
New York, NY 10119

Producer: Amwins Brokerage of New England, LLC
308 Farmington Ave
Farmington, CT 06032-1913

1. Named Insured: BBL Construction Services, LLC **Business Type:** LLC
Address: 302 Washington Avenue Ext.
P.O. Box 12789
Albany, NY 12212

2. Policy Period: From: 04/01/2016 to 04/01/2017
(At 12:01 a.m. standard time at your mailing address shown above.)

3. Limits of Insurance

Each Occurrence or Event	\$10,000,000
General Aggregate	\$10,000,000
Products-Completed Operations Aggregate	\$10,000,000

4. Underlying Insurance:

Coverage/Carrier/Policy Number	Policy Term	Limits
Excess Liability	<input checked="" type="checkbox"/> Occurrence <input type="checkbox"/> Claims Made	
Starr Indemnity & Liability Company	04/01/2016 to 04/01/2017	\$5,000,000 Each Occurrence
1000022640		\$5,000,000 Aggregate
		\$5,000,000 Products Completed Operations Aggregate
	Which is in excess of at least	\$2,000,000 Each Occurrence
		\$4,000,000 Aggregate
		\$4,000,000 Products Completed Operations Aggregate

5. Premium at Inception

Policy Premium:
Minimum Premium:

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Class 2-13000 Risk

Minimum Earned:
Terrorism Premium:

6. Endorsements Attached to this Policy at Inception

Commercial Excess Liability Declarations	NAV-EXC-DEC (04/10)
Commercial Excess Liability Coverage Part	NAV-EXC-001 (04/10)
AMENDMENT - CONDITIONS CLAIMS AND POTENTIAL CLAIMS	NAV-ECD-203-NY (03/10)
New York Changes - Cancellation and Nonrenewal	NAV-ECD-200-NY (08/11)
OFAC ENDORSEMENT	NAV-ML-002 (11/12)
CLAIM REPORTING PROCEDURES	NAV-PHN-200 (10/13)
Amendment - Aggregate Limits of Insurance (Per Location or Per Project)	NAV-EXC-6022 (11/11)
Exclusion - Exterior Insulation and Finish System	NAV-EXC-311 (07/09)
Nuclear Energy Liability Exclusion	NAV-EXC-302 (07/09)
Exclusion - Rejected Coverage	NAV-EXC-321 (07/09)
Total Pollution Exclusion	NAV-EXC-323 (07/09)
Amendment of Conditions Other Insurance Primary and Non-Contributing	NAV-EXC-348A (01/11)
Waiver of Subrogation	NAV-ECD-6012 (01/11)
Exclusion of Certified Acts of Terrorism	NAV-EXC-401 (02/15)

Signed at: _____

by _____

This day of: _____

Authorized Representative

Class 2-13000 Risk

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AMENDMENT OF CONDITIONS
OTHER INSURANCE
PRIMARY AND NON-CONTRIBUTING

This endorsement modifies insurance provided under the following:

COMMERCIAL EXCESS LIABILITY COVERAGE PART

SCHEDULE

When required by written contract executed before the "loss."

- A. Section IV - Conditions, 9. Other Insurance is deleted and replaced by the following:
 - 9. This insurance is excess over any other insurance available to the insured except:
 - a. insurance that is purchased specifically to apply in excess of this policy; or
 - b. insurance available to the person or organization shown in the Schedule of this endorsement as an additional insured on the "controlling underlying insurance."
- B. When this insurance applies on a primary and non-contributing basis, the Limits of Insurance available for the additional insured will be the lesser of:
 - 1. the amounts shown in item 3 of the Declarations of this policy; or
 - 2. the amount of insurance you are required to provide the additional insured in the written contract or agreement.

All other terms of the policy remain unchanged.

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Class 2-13000 Risk

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WAIVER OF SUBROGATION

SCHEDULE

Name of Person or Organization:

As required by written contract or agreement.

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

The following is added to SECTION IV - CONDITIONS, 13. Transfer of Rights of Recovery Against Others.

We waive any right of recovery we may have against the person or organization shown in the Schedule above because of payments we make for injury or damage arising out of your ongoing operations or "your work" done under a contract with that person or organization. This waiver applies only to the person or organization shown in the Schedule above.

All other terms of the policy remain unchanged.

Class 2-13000 Risk

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9

ENVIRONMENTAL COMPLIANCE AND INDEMNIFICATION AGREEMENT

THIS ENVIRONMENTAL COMPLIANCE AND INDEMNIFICATION AGREEMENT (the “*Agreement*”) is made as of September 1, 2017, between **OAK KNITTING MILL COMMONS LLC** (the “*Indemnitor*” or the “*Company*”), for the benefit of the **CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY** (the “*Agency*”).

RECITALS

WHEREAS, the Agency has undertaken at the request of the Indemnitor, a project (the “*Project*”) consisting of: (A)(i) the acquisition of an interest in approximately 1 acre of real property improved by an existing four story approximately 68,000 square foot building (the “*Building*”) located at 102 West Division Street, in the City of Syracuse, New York (the “*Land*”) as more particularly described in Schedule A attached hereto; (ii) the renovation of the building to house approximately 18 two-bedroom and 20 one-bedroom market-rate apartment units on floors 2-4, a fitness center and community room; approximately 5,000 square feet of commercial space on the first floor; and approximately fifty-two (52) parking spaces, all located on the Land (collectively, the “*Facility*”); (iii) the acquisition and installation in and at the Land and Facility of furniture, fixtures and equipment (the “*Equipment*” and together with the Land and the Facility, the “*Project Facility*”); (B) the granting of certain financial assistance in the form of exemptions from real property tax, State and local sales and use tax and mortgage recording tax (as limited by Section 874 of the General Municipal Law) (collectively the “*Financial Assistance*”); (C) the appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, reconstruction, renovation, equipping and completion of the Project Facility; and (D) the lease of the Land and Facility by the Agency pursuant to a lease agreement and the acquisition of an interest in the Equipment pursuant to a bill of sale from the Company to the Agency; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement.

NOW, THEREFORE, in consideration of the premises, Ten Dollars (\$10.00), and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Indemnitor, intending to be legally bound, hereby agrees as follows:

1. **Recitals; Definitions.**

(a) The foregoing recitals are incorporated into this Agreement by this reference.

(b) Capitalized terms used herein and not otherwise defined shall have the meaning set forth in the Schedule of Definitions attached to the Agency Lease as Exhibit “C.”

2. **Representations and Warranties.**

(a) Except as disclosed in Schedule B annexed hereto, Indemnitor represents and warrants that it has no knowledge of any deposit, storage, disposal, burial, discharge, spillage, uncontrolled loss, seepage or filtration of oil, petroleum or chemical liquids or solids,

liquid or gaseous products or any hazardous wastes or hazardous substances (collectively, "**Hazardous Substances**"), as those terms are used in the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 or in any other federal, state or local law governing hazardous substances, as such laws may be amended from time to time (collectively, the "**Hazardous Waste Laws**"), at, upon, under or within the Project Facility or any contiguous real estate, and (ii) it has not caused or permitted to occur, and shall not permit to exist, any condition which may cause a discharge of any Hazardous Substances at, upon, under or within the Project Facility or on any contiguous real estate.

(b) Except as disclosed in the reports listed on Schedule B annexed hereto, Indemnitor further represents and warrants that (i) it has not been nor will be involved in operations at or near the Project Facility which operations could lead to (A) the imposition of liability on Indemnitor or on any subsequent or former owner of the Project Facility or (B) the creation of a lien on the Project Facility under the Hazardous Waste Laws or under any similar laws or regulations; and (ii) it has not permitted, and will not permit, any tenant or occupant of the Project Facility to engage in any activity that could impose liability under the Hazardous Waste Laws on such tenant or occupant, on Agency, the Indemnitor or on any other owner of any of the Project Facility.

3. Covenants.

(a) Indemnitor shall comply strictly and in all respects with the requirements of the Hazardous Waste Laws and related regulations and with all similar laws and regulations and shall notify Agency immediately in the event of any discharge or discovery of any Hazardous Substance at, upon, under or within the Project Facility which is not otherwise already disclosed in Schedule B. Indemnitor shall promptly forward to Agency copies of all orders, notices, permits, applications or other communications and reports in connection with any discharge or the presence of any Hazardous Substance or any other matters relating to the Hazardous Waste Laws or any similar laws or regulations, as they may affect the Project Facility.

(b) Promptly upon the written request of Agency, Indemnitor shall provide Agency, at Indemnitor's expense, with an environmental site assessment or environmental audit report prepared by an environmental engineering firm acceptable to the requesting Person, to assess with a reasonable degree of certainty the presence or absence of any Hazardous Substances and the potential costs in connection with abatement, cleanup or removal of any Hazardous Substances found on, under, at or within the Project Facility.

4. Indemnity.

(a) Indemnitor shall at all times indemnify and hold harmless Agency against and from any and all claims, suits, actions, debts, damages, costs, losses, obligations, judgments, charges, and expenses, of any nature whatsoever suffered or incurred by Agency, whether as contract vendor, owner, mortgagee, as mortgagee in possession, or as successor-in-interest to Indemnitor by foreclosure deed or deed in lieu of foreclosure, under or on account of the

Hazardous Waste Laws or any similar laws or regulations, including the assertion of any lien thereunder, with respect to:

(1) any discharge of Hazardous Substances, the threat of a discharge of any Hazardous Substances, or the presence of any Hazardous Substances affecting the Project Facility whether or not the same originates or emanates from the Project Facility or any contiguous real estate including any loss of value of the Project Facility as a result of any of the foregoing;

(2) any costs of removal or remedial action incurred by the United States Government or any costs incurred by any other person or damages from injury to, destruction of, or loss of natural resources, including reasonable costs of assessing such injury, destruction or loss incurred pursuant to any Hazardous Waste Laws;

(3) liability for personal injury or property damage arising under any statutory or common law tort theory, including, without limitation, damages assessed for the maintenance of a public or private nuisance or for the carrying on of an abnormally dangerous activity at or near the Project Facility; and/or

(4) any other environmental matter affecting the Project Facility within the jurisdiction of the Environmental Protection Agency, any other federal agency, or any state or local agency.

The obligations of Indemnitor under this Agreement shall arise whether or not the Environmental Protection Agency, any other federal agency or any state or local agency has taken or threatened any action in connection with the presence of any Hazardous Substances.

(b) In the event of any discharge of Hazardous Substances, the threat of a discharge of any Hazardous Substances, or the presence of any Hazardous Substances affecting the Project Facility, whether or not the same originates or emanates from the Project Facility or any contiguous real estate, and/or if Indemnitor shall fail to comply with any of the requirements of the Hazardous Waste Laws or related regulations or any other environmental law or regulation, Agency may at its election, but without the obligation so to do, give such notices and/or cause such work to be performed at the Project Facility and/or take any and all other actions as Agency shall deem necessary or advisable in order to abate the discharge of any Hazardous Substance, remove the Hazardous Substance or cure the noncompliance of Indemnitor.

(c) Indemnitor acknowledges that Agency has relied upon the representations, warranties, covenants and indemnities of Indemnitor in this Agreement. All of the representations, warranties, covenants and indemnities of this Agreement shall survive the repayment of Indemnitor's obligations under the Agency Lease or other Company Documents.

5. **Attorney's Fees.** If Agency retains the services of any attorney in connection with the subject of the indemnity herein, Indemnitor shall pay Agency's costs and reasonable attorneys' fees thereby incurred. Agency may employ an attorney of its own choice.

6. **Interest.** In the event that Agency incurs any obligations, costs or expenses under this Agreement, Indemnitor shall pay such Person immediately on demand, and if such payment is not received within ten (10) days, interest on such amount shall, after the expiration of the ten-day period, accrue at the interest rate set forth in the Agency Lease until such amount, plus interest, is paid in full.

7. **No Waiver.** Notwithstanding any terms of the Company Documents to the contrary, the liability of Indemnitor under this Agreement shall in no way be limited or impaired by: (i) any extensions of time for performance required by any of the Company Documents; (ii) any sale, assignment or foreclosure of the Agency Lease or any sale or transfer of all or part of the Project Facility; (iii) the accuracy or inaccuracy of the representations and warranties made by Indemnitor under any of the Company Documents; or (iv) the release of Indemnitor or any other person from performance or observance of any of the agreements, covenants, terms or conditions contained in the Company Documents by operation of law, Agency's voluntary act, or otherwise; and, in any such case, whether with or without notice to Indemnitor and with or without consideration.

8. **Waiver by Indemnitor.** Indemnitor waives any right or claim of right to cause a marshalling of Indemnitor's assets or to cause Agency to proceed against any of the security for the Agency Lease before proceeding under this Agreement against Indemnitor or to proceed against Indemnitor in any particular order; Indemnitor agrees that any payments required to be made hereunder shall become due on demand; Indemnitor expressly waives and relinquishes all rights and remedies (including any rights of subrogation) accorded by applicable law to indemnitors or guarantors.

9. **Releases.** Any one or more of Indemnitor and any other party liable upon or in respect of this Agreement or the Agency Lease may be released without affecting the liability of any party not so released.

10. **Amendments.** No provision of this Agreement may be changed, waived, discharged or terminated orally, by telephone or by any other means except by an instrument in writing signed by the party against whom enforcement of the change, waiver, discharge or termination is sought.

11. **Joint and Several Liability.** In the event that this Agreement is executed by more than one party as Indemnitor, the liability of such parties is joint and several. A separate action or actions may be brought and prosecuted against each Indemnitor, whether or not an action is brought against any other person or whether or not any other person is joined in such action or actions.

12. **Consent to Jurisdiction.** Indemnitor consents to the exercise of personal jurisdiction over Indemnitor by any federal or state court in the State of New York and consent to the laying of venue in any jurisdiction or locality in the City of Syracuse. Service shall be effected by any means permitted by the court in which any action is filed.

13. **Notices.** All notices, certificates, and other communications hereunder shall be in writing, shall be sufficiently given, and shall be deemed given when (a) sent to the

applicable address stated below by registered or certified mail, return receipt requested, and actually received by the intended recipient or by overnight courier or such other means as shall provide the sender with documentary evidence of such delivery, or (b) delivery is refused by the addressee as evidenced by the affidavit of the Person who attempted to effect such delivery. The addresses to which notices, certificates, and other communications hereunder shall be delivered are as follows:

(a) If to the Agency, to:

City of Syracuse Industrial Development Agency
201 East Washington Street, 7th Floor
Syracuse, New York 13202
Attention: Chairman

With a copy to:

City of Syracuse
233 East Washington Street
Syracuse, New York 13202
Attn: Corporation Counsel

(b) To the Company:

Oak Knitting Mill Commons LLC
100 Madison Street, Suite 1905
Syracuse, New York 13202
Attn: Timothy Lynn, Esq.

With a copy to:

Lynn, D'Elia, Temes & Stanczyk LLC
100 Madison Street, Suite 1905
Syracuse, New York 13202
Attn: Anthony J. D'Elia, Esq.

The Agency and the Company, may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates, and other communications shall be sent.

14. **Waivers.** The parties waive trial by jury in any action brought on, under or by virtue of this Agreement. Indemnitor waives any right to require Agency at any time to pursue any remedy in such Person's power whatsoever. The failure of Agency to insist upon strict compliance with any of the terms hereof shall not be considered to be a waiver of any such terms, nor shall it prevent Agency from insisting upon strict compliance with this Agreement or any other Company Document at any time thereafter.

15. **Severability.** If any clause or provisions herein contained operates or would prospectively operate to invalidate this Agreement in whole or in part, then such clause or provision shall be held for naught as though not contained herein, and the remainder of this Agreement shall remain operative and in full force and effect.

16. **Inconsistencies Among the Company Documents.** Nothing contained herein is intended to modify in any way the obligations of Indemnitor under the Agency Lease or any other Company Document. Any inconsistencies among the Company Documents shall be construed, interpreted and resolved so as to benefit Agency.


17. **Successors and Assigns.** This Agreement shall be binding upon Indemnitor's successors, assigns, heirs, personal representatives and estate and shall inure to the benefit of Agency and its successors and assigns.

18. **Controlling Laws.** This Agreement shall be governed by and construed in accordance with the laws of the State of New York.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

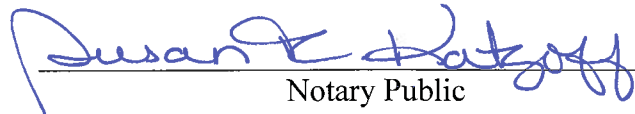
IN WITNESS WHEREOF, Indemnitor has executed this Agreement as of the date first above written.

OAK KNITTING MILL COMMONS LLC
By: OKM MM LLC

By: 
Timothy M. Lynn
Manager

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

On the 26 day of September, in the year 2017 before me, the undersigned, a notary public in and for said state, personally appeared **Timothy M. Lynn**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual or the person upon behalf of which the individual acted, executed the instrument.


Notary Public

SUSAN R. KATZOFF
Notary Public, State of New York
Qual. in Onondaga Co. No. 02KA6120102
Commission Expires on December 13, 2020

SCHEDULE A
Legal Description

ALL THAT TRACT OR PARCEL OF LAND, situate in the City of Syracuse, County of Onondaga and State of New York, being part of Block "C" in said city, being part of lands conveyed to Expressway Properties, LLC by deed recorded in Book 4100 of Deeds at page 50 in the Onondaga County Clerk's Office, bounded and described as follows:

Beginning at the intersection of the easterly boundary of North Clinton Street with the northerly boundary of West Division Street; running thence N 28° 04' 00" W along said easterly boundary of North Clinton Street, a distance of 32.49 feet to the southerly most corner of Lot 1 of Resubdivision of Block "C" Salina Marsh Lot according to a map of said tract filed in the Onondaga County Clerk's Office February 17, 1966 as Map No. 4781; thence northerly and northeasterly along the easterly and southeasterly boundaries of said Lot 1 Resubdivision of Block "C" Salina Marsh Lot, respectively, the following courses and distances: 1) northerly and northeasterly following a curve to the right, having a radius of 320.00 feet, an arc distance of 198.50 feet to an angle point; 2) N 30° 56' 40" W, 19.2 feet; 3) N 59° 24' 13" E, 157.72 feet to the common westerly boundary of Genant Drive and N.Y.S. Route No. 81; thence S 26° 30' 50" E along said common westerly boundary of Genant Drive and N.Y.S. Route No. 81, a distance of 178.78 feet to the aforementioned northerly boundary of West Division Street; thence S 59° 22' 10" W along said northerly boundary of West Division Street a distance of 294.85 feet to the point of beginning.

SCHEDULE "B"
EXCEPTIONS

See Limited Hazardous Material Pre-Renovation Survey Report attached.

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CLOSING RECEIPT

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY LEASE/SUBLEASE TRANSACTION OAK KNITTING MILL COMMONS LLC

CLOSING RECEIPT executed September 26, 2017 by the City of Syracuse Industrial Development Agency (the “*Agency*”) and **OAK KNITTING MILL COMMONS LLC** (the “*Company*”) in connection with a certain project (the “*Project*”) consisting of: (A)(i) the acquisition of an interest in approximately 1 acre of real property improved by an existing four story approximately 68,000 square foot building (the “*Building*”) located at 102 West Division Street, in the City of Syracuse, New York (the “*Land*”); (ii) the renovation of the building to house approximately 18 two-bedroom and 20 one-bedroom market-rate apartment units on floors 2-4, a fitness center and community room; approximately 5,000 square feet of commercial space on the first floor; and approximately fifty-two (52) parking spaces, all located on the Land (collectively, the “*Facility*”); (iii) the acquisition and installation in and at the Land and Facility of furniture, fixtures and equipment (the “*Equipment*” and together with the Land and the Facility, the “*Project Facility*”); (B) the granting of certain financial assistance in the form of exemptions from real property tax, State and local sales and use tax and mortgage recording tax (as limited by Section 874 of the General Municipal Law) (collectively the “*Financial Assistance*”); (C) the appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, reconstruction, renovation, equipping and completion of the Project Facility; and (D) the lease of the Land and Facility by the Agency pursuant to a lease agreement and the acquisition of an interest in the Equipment pursuant to a bill of sale from the Company to the Agency; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement.

WITNESSETH:

(1) The Agency has executed, delivered, sealed and acknowledged, where appropriate, the documents to which it is a party, and acknowledges receipt from the Company of its administrative fee.

(2) The Company has executed, delivered, sealed and acknowledged, where appropriate, the documents to which it is a party.

(Signature page to Closing Receipt)

**CITY OF SYRACUSE INDUSTRIAL
DEVELOPMENT AGENCY**


By:



William M. Ryan, Chairman

OAK KNITTING MILL COMMONS LLC
By: OKM MM LLC

By:



Timothy M. Lynn
Manager

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City of Syracuse
Industrial Development Agency
City Hall Commons
201 East Washington Street, 7th Floor
Syracuse, NY 13202
Tel (315) 473-3275 Fax (315) 435-3669

September 1, 2017

Oak Knitting Mill Commons LLC
100 Madison Street, Suite 1905
Syracuse, New York 13202
Attn: Timothy Lynn

Re: City of Syracuse Industrial Development Agency
Oak Knitting Mill Commons LLC Project
Sales Tax Appointment Letter

Dear Mr. Riley:

Pursuant to a resolution duly adopted on December 20, 2016, the City of Syracuse Industrial Development Agency (the “**Agency**”) appointed Oak Knitting Mill Commons LLC (the “**Company**”) the true and lawful agent of the Agency to undertake a project (the “**Project**”) consisting of: (A)(i) the acquisition of an interest in approximately 1 acre of real property improved by an existing four story approximately 68,000 square foot building (the “**Building**”) located at 102 West Division Street, in the City of Syracuse, New York (the “**Land**”); (ii) the renovation of the building to house approximately 18 two-bedroom and 20 one-bedroom market-rate apartment units on floors 2-4, a fitness center and community room; approximately 5,000 square feet of commercial space on the first floor; and approximately fifty-two (52) parking spaces, all located on the Land (collectively, the “**Facility**”); (iii) the acquisition and installation in and at the Land and Facility of furniture, fixtures and equipment (the “**Equipment**” and together with the Land and the Facility, the “**Project Facility**”); (B) the granting of certain financial assistance in the form of exemptions from real property tax, State and local sales and use tax and mortgage recording tax (as limited by Section 874 of the General Municipal Law) (collectively the “**Financial Assistance**”); (C) the appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, reconstruction, renovation, equipping and completion of the Project Facility; and (D) the lease of the Land and Facility by the Agency pursuant to a lease agreement and the acquisition of an interest in the Equipment pursuant to a bill of sale from the Company to the Agency; and the sublease of the Project Facility back to the

Company pursuant to a sublease agreement. The amount of State and local sales and use tax exemption benefits comprising the Financial Assistance approved by the Agency for the benefit of the Project shall not exceed **\$389,834**.

This appointment includes, and this letter evidences, authority to purchase on behalf of the Agency all materials to be incorporated into and made an integral part of the Project Facility and the following activities as they relate to any renovation, improvement, equipping and completion of any of any buildings, whether or not any materials, equipment or supplies described below are incorporated into or become an integral part of such buildings: (1) all purchases, leases, rentals and other uses of tools, machinery and equipment in connection with renovation, improvement and equipping; (2) all purchases, rentals, uses or consumption of supplies, materials, utilities and services of every kind and description used in connection with renovation, improvement and equipping; and (3) all purchases, leases, rentals and uses of equipment, machinery and other tangible personal property (including installation costs), installed or placed in, upon or under such building or facility, including all repairs and replacements of such property, and with respect to such specific purchases or rentals, are exempt from any sales or use tax imposed by the State of New York or any governmental instrumentality located within the State of New York.

This agency appointment includes the power to delegate such agency, in whole or in part, to a Project operator, contractors, agents, subagents, subcontractors, contractors and subcontractors of such agents and subagents (collectively, "***Additional Agents***"). Additional Agents must be specifically appointed by the Company in accordance and compliance with the terms of the Agency Lease dated as of September 1, 2017 by and between the Agency and the Company (the "***Agency Lease***"). The Company hereby agrees to complete "IDA Appointment of Project Operator or Agent for Sales Tax Purposes" (Form ST-60) for itself and each Additional Agent who provide materials, equipment, supplies or services to the Project Facility and deliver said form to the Agency within fifteen (15) days of appointment such that the Agency can execute and deliver said form to the State Department of Taxation and Finance within thirty (30) days of appointment. The Agency's obligation to execute any Form ST-60 relative to an Additional Agent is subject to the satisfaction of the conditions in the Agency Lease relative to such appointments.

The Company agrees, whenever requested by the Agency, to provide, or cause its Additional Agents to provide and certify, or cause to be certified, such information regarding use of local labor, job creation, exemptions from State and local sales and use tax, real property taxes and mortgage recording taxes and other topics as the Agency from time to time reasonably considers necessary or appropriate, including, but not limited to, such information as to enable the Agency to make any reports required by law or governmental regulation, including but not limited to those required by §875 of the Act.

The Company acknowledges and agrees that pursuant to Section 875(3) of the Act, and in conjunction with the Agency's Recapture of Benefits Policy (the "***Recapture Policy***") dated as of June 21, 2016 and the Project Agreement between the Agency and the Company dated as of

September 1, 2017

Page 3

September 1, 2017, the Agency shall, and in some circumstances may, recover, recapture, receive or otherwise obtain from the Company some or all of the Financial Assistance (the "**Recapture Amount**").

Each supplier or vendor should identify the Project Facility on each bill or invoice and indicate thereon which of the Company or its Additional Agents acted as agent for the Agency in making the purchase.

In order to be entitled to use this exemption, you and each Additional Agent should present to the supplier or other vendor of materials for the Project Facility, a completed "IDA Agent or Project Operator Exempt Purchase Certificate" (Form ST-123).

In addition, General Municipal Law §874(8) requires you to file an Annual Statement with the New York State Department of Taxation and Finance ("**NYSDTF**") on "Annual Report of Sales and Use Tax Exemptions" (Form ST-340) regarding the value of sales and use tax exemptions you and your Additional Agents have claimed pursuant to the agency we have conferred on you with respect to this Project. The penalty for failure to file such statement is the removal of your authority to act as our agent. In addition, you must provide a copy of the completed Form ST-340 to the Agency within ten (10) days of the date it is due to be filed with the NYSDTF.

The agency created by this letter is limited to the Project Facility and will expire on the earlier of: (i) sixty (60) days after the issuance of a certificate of occupancy or similar document by the applicable municipality in which the Project Facility is located; or (i) **December 31, 2018**; unless the Agency Lease is terminated early in accordance with its terms in which case this appointment shall terminate at that time.

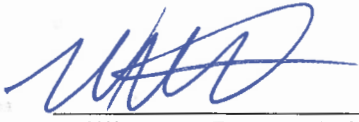
This letter is provided for the sole purpose of evidencing, in part, the exemption from New York State Sales and Use Taxes **for this project only**. No other principal/agent relationship is intended or may be implied or inferred by this letter.

The Agency shall not be liable, either directly or indirectly or contingently, upon any such contract, agreement, invoice, bill or purchase order in any manner and to any extent whatsoever (including payment or performance obligations), and the Company shall be the sole party liable thereunder. By acceptance of this letter, the vendor hereby acknowledges the limitations on liability described herein.

September 1, 2017
Page 4

Very truly yours,

CITY OF SYRACUSE INDUSTRIAL
DEVELOPMENT AGENCY

By: 

William M. Ryan, Chairman

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IDA Appointment of Project Operator or Agent For Sales Tax Purposes

ST-60

(4/13)

The industrial development agency or authority (IDA) must submit this form within 30 days of the appointment of a project operator or agent, whether appointed directly by the IDA or indirectly by the operator or another agent.

For IDA use only

Name of IDA City of Syracuse Industrial Development Agency		IDA project number (use OSC numbering system for projects after 1998) 31021704	
Street address 201 East Washington Street, 7th Floor		Telephone number (315) 448-8127	
City Syracuse		State NY	ZIP code 13202
Name of IDA project operator or agent Oak Knitting Mill Commons LLC		Mark an X in the box if directly appointed by the IDA: <input checked="" type="checkbox"/>	Employer identification or social security number 47-4729676
Street address 100 Madison Street		Telephone number (315) 415-4633	Primary operator or agent? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
City Syracuse		State NY	ZIP code 13202
Name of project Oak Knitting Mill Commons LLC Project		Purpose of project (see instructions) other - commercial	
Street address of project site 102 West Division Street			
City Syracuse		State NY	ZIP code
Description of goods and services intended to be exempted from New York State and local sales and use taxes building materials, equipment, fixtures and furnishings installed in the Project Facility			

Date project operator or agent appointed (mm/dd/yy) 03/01/17	Date project operator or agent status ends (mm/dd/yy) 12/31/18	Mark an X in the box if this is an extension to an original project: <input checked="" type="checkbox"/>
Estimated value of goods and services that will be exempt from New York State and local sales and use tax: \$4,872,928	Estimated value of New York State and local sales and use tax exemption provided: \$389,834	

Certification: I certify that the above statements are true, complete, and correct, and that no material information has been omitted. I make these statements with the knowledge that willfully providing false or fraudulent information with this document may constitute a felony or other crime under New York State Law, punishable by a substantial fine and possible jail sentence. I also understand that the Tax Department is authorized to investigate the validity of any information entered on this document.

Print name of officer or employee signing on behalf of the IDA William M. Ryan	Print title Chairman
Signature <i>William M. Ryan</i>	Date 9-20-17
	Telephone number (315) 448-8127

Instructions

Filing requirements

An IDA must file this form within 30 days of the date the IDA appoints any project operator or other person as agent of the IDA, for purposes of extending any sales and compensating use tax exemptions.

The IDA must file a separate form for each person it appoints as agent, whether directly or indirectly, and regardless of whether the person is the primary project operator or agent. If the IDA authorizes a project operator or agent to appoint other persons as agent of the IDA, the operator or agent making such an appointment must advise the IDA that it has done so, so that the IDA can file a form within 30 days of the date of the new agent's appointment. The IDA should not file this form for a person hired to work on an IDA project if that person is not appointed as agent of the IDA. The IDA need not file this form if the IDA does not extend any sales or use tax exemption benefits for the project.

If an IDA modifies a project, such as by extending it beyond its original completion date, or by increasing or decreasing the amount of sales and use tax exemption benefits authorized for the project, the IDA must, within 30 days of the change, file a new form with the new information.

If an IDA amends, revokes, or cancels the appointment of an agent, or if an agent's appointment becomes invalid for any reason, the IDA must, within 30 days, send a letter to the address below for filing this form, indicating that the appointment has been amended, revoked, or cancelled, or is no longer valid, and the effective date of the change. It should attach to the letter a copy of the form it originally filed. The IDA need not send a letter for a form that is not valid merely because the "Completion date of project" has passed.

Purpose of project

For Purpose of project, enter one of the following:

- Services
- Agriculture, forestry, fishing
- Finance, insurance, real estate
- Transportation, communication, electric, gas, sanitary services
- Construction
- Wholesale trade
- Retail trade
- Manufacturing
- Other (specify)

Mailing instructions

Mail completed form to:

**NYS TAX DEPARTMENT
IDA UNIT
W A HARRIMAN CAMPUS
ALBANY NY 12227**

Privacy notification

The Commissioner of Taxation and Finance may collect and maintain personal information pursuant to the New York State Tax Law, including but not limited to, sections 5-a, 171, 171-a, 287, 308, 429, 475, 505, 697, 1098, 1142, and 1415 of that Law; and may require disclosure of social security numbers pursuant to 42 USC 405(c)(2)(C)(i).

This information will be used to determine and administer tax liabilities and, when authorized by law, for certain tax offset and exchange of tax information programs as well as for any other lawful purpose.

Information concerning quarterly wages paid to employees is provided to certain state agencies for purposes of fraud prevention, support enforcement, evaluation of the effectiveness of certain employment and training programs and other purposes authorized by law.

Failure to provide the required information may subject you to civil or criminal penalties, or both, under the Tax Law.

This information is maintained by the Manager of Document Management, NYS Tax Department, W A Harriman Campus, Albany NY 12227; telephone (518) 457-5181.

Need help?

Internet access: www.tax.ny.gov
(for information, forms, and publications)

Sales Tax Information Center: (518) 485-2889
To order forms and publications: (518) 457-5431

Text Telephone (TTY) Hotline
(for persons with hearing and speech disabilities using a TTY): (518) 485-5082

BARCLAY DAMON^{LLP}

Susan R. Katzoff
Partner

October 11, 2017

VIA CERTIFIED MAIL

7016 3010 0001 1675 7902

New York State Tax Department
IDA Unit
Building 8, Room 738
W.A. Harriman Campus
Albany, New York 12227

Re: IDA Appointment of Project Operator or Agent for Sales Tax Purposes
City of Syracuse Industrial Development Agency Appointment of
Oak Knitting Mill Commons LLC (Oak Knitting Mill Commons LLC Project)
IDA Project No. 31021704

Dear Ladies and Gentlemen:


Enclosed for filing on behalf of the City of Syracuse Industrial Development Agency, please find form ST-60 in connection with extension of the appointment by the IDA of Oak Knitting Mill Commons LLC as its agent for sales tax purposes in connection with the IDA project identified therein.

Please do not hesitate to contact me with any questions. Thank you.

Very truly yours,
COPY

Susan R. Katzoff

SRK:llm
Enclosure

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<p>■ Complete Items 1, 2, and 3.</p> <p>■ Print your name and address on the reverse so that we can return the card to you.</p> <p>■ Attach this card to the back of the mailpiece, or on the front if space permits.</p>	<p>A. Signature X</p> <p><input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Recipient's Name and Address RECEIVED BY PRIOR DELIVERY ALBANY, NY 12227</p> <p>C. Date of Delivery OCT 13 2007</p>
<p>1. New York State Tax Department IDA Unit Building 8, Room 738 W.A. Harriman Campus Albany, New York 12227</p>  <p>9590 9402 2491 6306 6651 10</p>	<p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p>
<p>2. <i>(Transfer from service label)</i> 7016 3010 0001 1675 7902</p>	<p>3. Service Type</p> <p><input type="checkbox"/> Adult Signature <input type="checkbox"/> Priority Mail Express®</p> <p><input type="checkbox"/> Adult Signature Restricted Delivery <input type="checkbox"/> Registered Mail™</p> <p><input checked="" type="checkbox"/> Certified Mail® <input type="checkbox"/> Registered Mail Restricted Delivery</p> <p><input type="checkbox"/> Certified Mail Restricted Delivery <input checked="" type="checkbox"/> Return Receipt for Merchandise</p> <p><input type="checkbox"/> Collect on Delivery <input type="checkbox"/> Signature Confirmation™</p> <p><input type="checkbox"/> Collect on Delivery Restricted Delivery <input type="checkbox"/> Signature Confirmation Restricted Delivery</p> <p><input type="checkbox"/> Insured Mail</p> <p><input type="checkbox"/> Insured Mail Restricted Delivery (over \$500)</p>
<p>PS Form 3811, July 2015 PSN 7530-02-000-9053</p>	<p>Domestic Return Receipt</p>

7016 3010 0001 1675 7902

<p>U.S. Postal Service™ CERTIFIED MAIL® RECEIPT Domestic Mail Only</p> <p>For delivery information, visit our website at www.usps.com</p> <p style="font-size: 2em; font-weight: bold; text-align: center;">OFFICIAL USE</p>	
<p>Certified Mail Fee</p> <p>Extra Services & Fees (check box and use an appropriate Return Receipt form)</p> <p><input type="checkbox"/> Return Receipt (hardcopy) \$ _____</p> <p><input type="checkbox"/> Return Receipt (electronic) \$ _____</p> <p><input type="checkbox"/> Certified Mail Restricted Delivery \$ _____</p> <p><input type="checkbox"/> Adult Signature Restricted Delivery \$ _____</p> <p><input type="checkbox"/> Adult Signature Restricted Delivery \$ _____</p> <p>Total Postage and Fees \$ _____</p>	<p>Postmark Here</p>
<p>City, State ZIP+4® Street and Apt. No. or PO Box No. PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions</p>	

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**CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT
AGENCY**

and

**OAK KNITTING MILL COMMONS LLC
PAYMENT IN LIEU OF TAX AGREEMENT**

Dated as of: September 1, 2017

Oak Knitting Mill Commons LLC

Federal Tax ID #:47-4729676

THIS PAYMENT IN LIEU OF TAX AGREEMENT, (this “*Agreement*”) dated as of September 1, 2017 by and among the **CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY**, a corporate governmental agency constituting a body corporate and politic and a public benefit corporation organized and existing under the laws of the State of New York (hereinafter referred to as the “*Agency*”), having an office at 201 East Washington Street, 7th Floor, Syracuse, New York 13202, and **OAK KNITTING MILL COMMONS LLC**, a limited liability company organized under the laws of the State of New York, with offices at 100 Madison Street, Suite 1905, Syracuse, New York 13202 (hereinafter referred to as the “*Company*”).

W I T N E S S E T H:

WHEREAS, the New York State Industrial Development Agency Act, being Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of the State of New York, as amended (hereinafter referred to as the “*Enabling Act*”) authorizes the creation of industrial development agencies for the benefit of the several counties, cities, villages and towns in the State of New York and empowers such agencies, among other things, to acquire, construct, reconstruct, lease, improve, maintain, equip and furnish real and personal property, whether or not now in existence or under construction, which shall be suitable for, among others, manufacturing, warehousing, research, commercial or industrial purposes, in order to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York and to improve their recreation opportunities, prosperity and standard of living; and

WHEREAS, the Enabling Act further authorizes each such agency to lease and to sell its projects, to charge and collect rent therefor, to issue its bonds or notes for the purpose of carrying out any of its corporate purposes and, as security for the payment of the principal and redemption price of, and interest on, any such bonds or notes, to mortgage any or all of its facilities and to pledge the revenues and receipts therefrom to the payment of such bonds or notes; and

WHEREAS, pursuant to and in accordance with the provisions of the Enabling Act, Chapter 641 of the 1979 Laws of the State of New York, as amended (said chapter and the Enabling Act being hereinafter collectively referred to as the “*Act*”) created the Agency for the benefit of the City of Syracuse (hereinafter referred to as the “*Municipality*”) and the inhabitants thereof; and

WHEREAS, the Agency, by Resolution adopted on December 20, 2016, (the “*Resolution*”), resolved to undertake the “*Project*” (as hereinafter defined); and

WHEREAS, the Project will consist of: (A)(i) the acquisition of an interest in approximately 1 acre of real property improved by an existing four story approximately 68,000 square foot building (the “**Building**”) located at 102 West Division Street, in the City of Syracuse, New York (the “**Land**”); (ii) the renovation of the building to house approximately 18 two-bedroom and 20 one-bedroom market-rate apartment units on floors 2-4, a fitness center and community room; approximately 5,000 square feet of commercial space on the first floor; and approximately fifty-two (52) parking spaces, all located on the Land (collectively, the “**Facility**”); (iii) the acquisition and installation in and at the Land and Facility of furniture, fixtures and equipment (the “**Equipment**” and together with the Land and the Facility, the “**Project Facility**”); (B) the granting of certain financial assistance in the form of exemptions from real property tax, State and local sales and use tax and mortgage recording tax (as limited by Section 874 of the General Municipal Law) (collectively the “**Financial Assistance**”); (C) the appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, reconstruction, renovation, equipping and completion of the Project Facility; and (D) the lease of the Land and Facility by the Agency pursuant to a lease agreement and the acquisition of an interest in the Equipment pursuant to a bill of sale from the Company to the Agency; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement; and

WHEREAS, the Agency will lease the Land and Facility from the Company pursuant to that certain Company Lease Agreement dated as of September 1, 2017 (the “**Company Lease Agreement**”), between the Company and the Agency, obtain an interest in the Equipment pursuant to a bill of sale dated as of September 1, 2017 from the Company (the “**Bill of Sale**”), and sublease the Project Facility back to the Company pursuant to that certain Agency Lease Agreement dated as of September 1, 2017 (the “**Agency Lease Agreement**”), between the Agency and the Company (the Company Lease Agreement, the Bill of Sale and the Agency Lease Agreement are hereinafter collectively referred to as the “**Lease Agreement**”); and

WHEREAS, under the present provisions of the Act and Section 412-a of the Real Property Tax Law of the State of New York, the Agency is required to pay no taxes or assessments upon any of the property acquired by it or under its jurisdiction or supervision or control; and

NOW, THEREFORE, in consideration of the matters above recited, the parties hereto

formally covenant, agree and bind themselves as follows, to wit:

ARTICLE I

REPRESENTATIONS AND WARRANTIES

Section 1.01. Representations and Warranties by Agency

The Agency does hereby represent and warrant as follows:

(a) Existence and Power. The Agency has been duly established under the provisions of the Act and has the power to enter into the transactions contemplated by this Agreement and to carry out its obligations hereunder.

(b) Intentions. The Agency intends to acquire a leasehold interest in the Project Facility from the Company and to sublease the Project Facility back to the Company, all pursuant to the provisions of the Lease Agreement.

(c) Authorization. The Agency is authorized and has the corporate power under the Act, its by-laws and the laws of the State of New York to enter into this Agreement and the transactions contemplated hereby and to perform and carry out all the covenants and obligations on its part to be performed under and pursuant to this Agreement. By proper corporate action on the part of its members, the Agency has duly authorized the execution, delivery and performance of this Agreement and the consummation of the transactions herein contemplated.

(d) Validity. The Agency is not prohibited from entering into this Agreement and performing all covenants and obligations on its part to be performed under and pursuant to this Agreement by the terms, conditions or provisions of the Act, any other law, any order of any court or other agency or authority of government, or any agreement or instrument to which the Agency is a party or by which the Agency is bound, and this Agreement is a legal, valid and binding obligation of the Agency enforceable in accordance with its terms.

Section 1.02. Representations and Warranties by Company

The Company does hereby represent and warrant as follows:

(a) Existence. The Company is a New York limited liability company duly organized, validly existing and in good standing under the laws of the State of New York.

(b) Authorization. The Company is authorized and has the power under the laws of the State of New York to enter into this Agreement and the transactions contemplated hereby and to

perform and carry out all covenants and obligations on its part to be performed under and pursuant to this Agreement. The Company has duly authorized the execution, delivery and performance of this Agreement and the consummation of the transactions herein contemplated. The Company is not prohibited from entering into this Agreement and discharging and performing all covenants and obligations on its part to be performed under and pursuant to this Agreement by (and the execution, delivery and performance of this Agreement, the consummation of the transactions contemplated hereby and the fulfillment of and compliance with the provisions of this Agreement will not conflict with or violate or constitute a breach of or a default under) the terms, conditions or provisions of its Articles of Organization, Operating Agreement or any other restriction or any law, rule, regulation or order of any court or other agency or authority of government, or any contractual limitation, restriction or outstanding indenture, deed of trust, mortgage, loan agreement, other evidence of indebtedness or any other agreement or instrument to which the Company is a party or by which it or any of its property is bound, and the Company's discharging and performing all covenants and obligations on its part to be performed under and pursuant to this Agreement will neither be in conflict with or result in a breach of or constitute (with due notice and/or lapse of time) a default under any of the foregoing, nor result in the creation or imposition of any lien of any nature upon any of the property of the Company under the terms of any of the foregoing, and this Agreement is a legal, valid and binding obligation of the Company enforceable in accordance with its terms.

(c) Title. The Company has valid and marketable fee title to the Project Facility, free and clear of all liens and encumbrances except for Permitted Encumbrances (as defined in the Lease Agreement).

(d) Governmental Consent. No further consent, approval or authorization of, or filing, registration or qualification with, any governmental or public authority on the part of the Company is required as a condition to the execution, delivery or performance of this Agreement by the Company or as a condition to the validity of this Agreement.

ARTICLE II

COVENANTS AND AGREEMENTS

Section 2.01. Tax-Exempt Status of the Project Facility

(a) Assessment of the Project Facility. Pursuant to the Act and Section 412-a of the

Real Property Tax Law, the parties hereto understand that, upon acquisition of ownership or control of the Project Facility by the Agency, and for so long thereafter as the Agency shall own or control the Project Facility, the Project Facility shall be entitled to an exemption upon the first available assessment roll of the Municipality prepared subsequent to the acquisition by the Agency of ownership or control of the Project Facility. The time of commencement of the Agency's exemption shall be controlled by the Municipality's taxable status date, in conformity with Section 412-a of the Real Property Tax Law. The Company will be required to pay to the Municipality all taxes and assessments lawfully levied and/or assessed against the Project Facility, in spite of the Agency's actual ownership or control of the Project Facility, until the Project Facility shall be entitled to exempt status on the tax roll of the Municipality.

(b) Special Assessments. The parties hereto understand that the tax exemption extended to the Agency by the Act and Section 412-a of the Real Property Tax Law does not entitle the Agency to exemption from special assessments and special ad valorem levies. The Company will be required to pay all special assessments and special ad valorem levies lawfully levied and/or assessed against the Project Facility.

Section 2.02. Payments in Lieu of Taxes

(a) Agreement to Make Payments. The Company agrees that it shall make periodic payments in lieu of real property taxes in the amounts hereinafter provided. The said payments due to the Agency hereunder shall be paid by the Company, to the Municipality, on behalf of the Agency, by check made payable to "*Commissioner of Finance*". Upon receipt of the Company's payment, the Municipality, on behalf of the Agency, will disburse the appropriate portion of the said payment to the County of Onondaga and the Municipality, or such other taxing jurisdiction, pursuant to the Act. This Company obligation shall exist for so long as the Agency retains an interest in the Project Facility. Notwithstanding the appearance of the Agency's exemption on the Municipality's tax roll for the 2018/2019 City and School portion of the real property tax due on the Land and Facility, the year 1 payment due for the City and School portion of the year 1 payment under **Exhibit "A"** shall commence on July 1, 2018. The year 1 payment due for the County and Water District portion of the year 1 payment under **Exhibit "A"** shall commence on January 1, 2019. Without regard to the Agency exemption, the Company shall continue paying real property

tax through June 30, 2018 with respect to the City and School portion of the real property tax and through December 31, 2018 with respect to the County and Water District portion of the real property tax, based upon the assessment and the combined real property tax rate in effect for that period as if the Project Facility were privately owned and the Agency had no interest in the same.

(b) Amount of Payments in Lieu of Taxes. Unless otherwise stated, the Company's agreed upon annual payment in lieu of tax hereunder shall be an amount determined by reference to **Exhibit "A"**, attached hereto and made a part hereof. The payments in lieu of tax due, as set forth in **Exhibit "A"**, include any real property tax exemptions that might be afforded to the Company if the Project Facility were owned by the Company and not the Agency. As consideration for the benefits conferred on the Company pursuant to this Agreement, the Company hereby agrees to be bound by any determination by the City of Syracuse Board of Assessment Review resulting from a review of the assessment pertaining to the Project Facility and/or Additional Property throughout the term of this Agreement. The Company hereby agrees to waive any and all right to challenge or contest in a court of law (a "**Legal Challenge**"), those payments or the basis for those payments due pursuant to Exhibit "A." It shall also be an event of default under Article IV of this Agreement should the Company bring a Legal Challenge on the Project Facility and/or Additional Property.

(c) Additional Amounts in Lieu of Taxes. Commencing on the first tax year following the date on which any structural addition shall be made to the Facilities, or any new or additional building shall be constructed on the real property described in **Exhibit "B"** that is in addition to the Facilities (such structural additions and additional buildings being hereinafter referred to as "**Additional Property**"), the Company agrees to make additional periodic payments in lieu of real property taxes (such additional payments being hereinafter collectively referred to as "**Additional Payments**") to the Municipality with respect to such Additional Property. Such Additional Payments shall be computed as follows:

By multiplying (1) the value placed on such Additional Property, as value is determined by the Municipality's Assessor by (2) the tax rate or rates of the Municipality that would be applicable to such Additional Property if such Additional Property were owned or controlled by the Company and not the Agency, and (3) then reducing the amount so determined by the amounts of any properly acquired tax exemptions that would be afforded to the Company by the

Municipality for such Additional Property as if it was owned or controlled by the Company and not the Agency.

(d) Revaluation. In the event of a real property assessment revaluation by the Municipality, the Company shall continue to make its payments in accordance with this Agreement; however, in the event that Exhibit "A" is no longer in effect, but payments are still being made hereunder for any reason, (including, but not limited to, the Agency still having an interest in the Project Facility), and would be effected by revaluation, each year's payments subsequent to such revaluation shall be adjusted to properly reflect revaluation, it being the intent of the parties that the level of payments following revaluation shall be equal to those payments contemplated by this Agreement.

(e) Damage or Destruction. In the event that all or substantially all of the Project Facility is damaged or destroyed, the Company shall continue to make the payments required by this Agreement for as long as the Agency shall own or control the Project Facility, without regard to such damage or destruction.

(f) Time of Payments. The Company agrees to pay the amounts due the Agency hereunder to the Municipality for each year of this Agreement, within the period that the Municipality allows payment of taxes levied in such calendar year without penalty. The Company shall be entitled to receive receipts from the Municipality for such payments.

(g) Method of Payment. All payments by the Company hereunder shall be paid to the Municipality in lawful money of the United States of America, cash, money order or check.

Section 2.03. PILOT Statements

The Municipality and/or the Agency shall submit to the Company written semi-annual statements specifying the amount and due date or dates of any payments due to the Agency hereunder. Each said semi-annual PILOT statement shall be submitted to the Company at the same time that PILOT Statements are mailed by the Municipality to the owners of privately owned property. Failure to receive a PILOT statement shall not relieve the Company of its obligation to make all payments provided for hereunder. If, for any reason, the Company does not receive an appropriate PILOT Statement, the Company shall have the responsibility and obligation to make all reasonable inquiries to the Municipality and to have such a statement issued, and thereafter to

make payment of the same no later than the due dates provided herein.

Section 2.04. Obligations of Agency

(a) Requirement that any Project Facility Agreements Require Payments in Lieu of Taxes. So long as the Project Facility shall be entitled to exemption from real property taxes as provided in Section 2.01(a) hereof, the Agency agrees, to the extent permitted by law, that it shall not make any agreement regarding the leasing or sale of the Project Facility which does not require that payments in lieu of taxes shall be paid to the Municipality in at least the amounts set forth in Article II hereof.

(b) Requirement that Mortgagees Subordinate to Payments. The Agency and the Company agree that any mortgages on the Project Facility, given by either of them, shall provide that the rights of the mortgagees thereunder shall be subordinate to this Agreement and to the right of the Municipality to receive payments in lieu of taxes pursuant to Article II hereof.

Section 2.05. Company to Furnish Information

The Company agrees to promptly comply with the reporting and information requirements of the Agency and the Act, and to promptly furnish the applicable information required or requested by the Agency and/or the State of New York. The Company further agrees to assist the Agency with the preparation of any reports, or answer any inquiries, required by the State of New York in connection with the Act or the Agency's participation in the Project.

Section 2.06. Interest

(a) Agreement to Pay Interest on Missed Payments. If the Company shall fail to make any payment required by this Agreement when due, its obligation to make the payment so in default shall continue as an obligation of the Company until such payment in default shall have been made in full, and the Company shall pay the same together with interest thereon, to the extent permitted by law, at the greater of: **(i) eighteen per cent (18%) per annum; or (ii) the rate per annum which would be payable if such amounts were delinquent taxes, until so paid in full.**

(b) Maximum Legal Rate. It is the intent of the Agency, the Municipality, and Company that in no event shall interest be payable at a rate in excess of the maximum rate permitted by applicable law (the "**Maximum Legal Rate**"). Solely to the extent necessary to

prevent interest under this Agreement from exceeding the Maximum Legal Rate, any amount that would be treated as excessive under a final judicial interpretation of applicable law shall be deemed to have been a mistake and automatically canceled, and, if received by the Agency or Municipality, shall be refunded to the Company.

ARTICLE III

LIMITED OBLIGATION OF THE AGENCY

Section 3.01. No Recourse; Limited Obligation of the Agency

(a) No Recourse. All covenants, stipulations, promises, agreements and obligations of the Agency contained in this Agreement shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the Agency and not of any member, director, officer, agent, servant or employee of the Agency in his individual capacity, and no recourse under or upon any obligation, covenant or agreement contained in this Agreement, or otherwise based on or in respect of this Agreement, or for any claim based thereon or otherwise in respect thereof, shall be had against any past, present or future member, director, officer, agent, servant or employee, as such, of the Agency or any successor public benefit corporation or political subdivision or any person executing this Agreement on behalf of the Agency, either directly or through the Agency or any successor public benefit corporation or political subdivision or any person so executing this Agreement. It is expressly understood that this Agreement is a corporate obligation, and that no such personal liability whatever shall attach to, or is or shall be incurred by, any such member, director, officer, agent, servant or employee of the Agency or of any successor public benefit corporation or political subdivision or any person so executing this Agreement under or by reason of the obligations, covenants or agreements contained in this Agreement or implied therefrom. Any and all such personal liability of, and any and all such rights and claims against, every such member, director, officer, agent, servant or employee under or by reason of the obligations, covenants or agreements contained in this Agreement or implied therefrom are, to the extent permitted by law, expressly waived and released as a condition of, and as a consideration for, the execution of this Agreement.

(b) Limited Obligation. The obligations and agreements of the Agency contained herein shall not constitute or give rise to an obligation of the State of New York or the Municipality, and

neither the State of New York nor the Municipality shall be liable thereon. Furthermore, such obligations and agreements shall not constitute or give rise to a general obligation of the Agency, but rather shall constitute limited obligations of the Agency payable solely from the revenues of the Agency derived and to be derived from the lease, sale or other disposition of the Project.

(c) Further Limitation. Notwithstanding any provision of this Agreement to the contrary, the Agency shall not be obligated to take any action pursuant to any provision hereof unless (i) the Agency shall have been requested to do so in writing by the Company and (ii) if compliance with such request is expected to result in the incurrence by the Agency (or any of its members, directors, officers, agents, servants or employees) of any liability, fees, expenses or other costs, the Agency shall have received from the Company security or indemnity satisfactory to the Agency for protection against all such liability, however remote, and for the reimbursement of all such fees, expenses and other costs.

ARTICLE IV

EVENTS OF DEFAULT

Section 4.01. Events of Default

Any one or more of the following events shall constitute an event of default under this Agreement, and the terms “*Event of Default*” or “*Default*” shall mean, whenever they are used in this Agreement, any one or more of the following events:

(a) Failure of the Company to pay any amount due and payable by it pursuant to this Agreement or the Lease Agreement.

(b) Commencement by the Company of a Legal Challenge, as defined in Section 2.02(b), to those payments or the basis for those payments due pursuant to Exhibit “A.”

(c) Failure of the Company to observe and perform any other covenant, condition or agreement on its part to be observed and performed under this Agreement (other than as referred to in paragraph (a) above) or the Lease Agreement, and continuance of such failure for a period of thirty (30) days after written notice to the Company specifying the nature of such failure hereunder, or with respect to the Lease Agreement, continuance of such failure for the duration of any applicable cure period set forth therein after receipt of any required notice thereunder.

(d) Any warranty, representation or other statement by or on behalf of the Company

contained in this Agreement or the Lease Agreement shall prove to have been false or incorrect in any material respect on the date when made or on the effective date of this Agreement or the Lease Agreement.

(e) The Company violates any federal, state or local environmental law or allows or causes any Hazardous Materials (as Hazardous Materials is defined and described in any federal, state or local law) to be released at, on, to, into or from the Project Facility, except as permitted by the Lease Agreement or within the terms and conditions of a permit, certificate, license or other written approval of an authorized governmental body, and fails to remedy such violation within thirty (30) days; or if such failure cannot be cured within thirty (30) days, fails to commence a cure within thirty (30) days and thereafter diligently prosecute the cure thereof.

(f) The occurrence of any Event of Default or Default under this Agreement, the Lease Agreement or any other Project documents.

(g) Failure of the Company to commence the acquisition, construction, renovation, equipping and completion of the Project Facility within eight (8) months of the date of this Agreement.

The payment schedule contained in Exhibit "A" is for the benefit of the Company and its Project Facility. In the event that the Company defaults hereunder, and the Lease Agreement cannot be terminated, and/or the Agency's participation in the Project and this Agreement is not or cannot be terminated, the Company, or any assignee, or successor shall no longer be entitled to make payments under this Agreement pursuant to Exhibit "A". In such an event, payments shall be made hereunder, for any remaining term of this Agreement, as if the Project Facility was privately owned and assessed and without any further regard to Exhibit "A".

Section 4.02. Remedies on Company Default

Whenever any Event of Default under Sections 4.01(a), 4.01(b), 4.01(c), 4.01(d), 4.01(e), 4.01 (f) or 4.01(g) shall have occurred and be continuing with respect to this Agreement, and/or the Company shall be in default under the Lease Agreement, the Agency may take whatever action at law or in equity, following applicable notice, as may appear necessary or desirable to collect the amount then in default or to enforce the performance and observance of the obligations, agreements and covenants of the Company under this Agreement and/or the Lease Agreement.

Notwithstanding anything herein to the contrary, if the Lease Agreement is terminated for any reason, this Agreement shall automatically terminate without any further notice or action required hereunder and the Project Facility shall immediately become taxable and revert to the tax roll.

Section 4.03. Recording of Lease Terminations and Other Documents

Whenever any Event of Default under Sections 4.01(a), 4.01(b), 4.01(c), 4.01(d), 4.01(e) 4.01 (f) or 4.01(g) shall have occurred and be continuing with respect to this Agreement or the Lease Agreement, the Agency may, upon notice to the Company provided for in this Agreement or the Lease Agreement, if any, terminate the Lease Agreement and record such termination or other necessary documents in the Onondaga County Clerk's Office, terminating the Agency's interest in the Project Facility and terminating this Agreement.

The recording of such a termination and any other documentation shall constitute delivery to, and acceptance of such, by the Company. In order to facilitate such a termination, the Company hereby appoints the Chairman or the Vice Chairman of the Agency as its agent for the purpose of executing and delivering all documents necessary to allow such termination by the Agency.

In the event that the Lease Agreement, for any reason, is extended by its terms, or for any reason this Agreement expires or terminates, but the Agency retains an interest or remains in title to the Project Facility, the Company shall continue to make payments in lieu of taxes to the Municipality, on behalf of the Agency, for as long as the Agency retains an interest in, or remains in title to, the Project Facility. Those payments shall be the equivalent of the real property taxes that would be due on the Project Facility if it were owned by the Company and the Agency had no interest therein. It is the intention of the parties hereto, that for so long as the Agency shall possess title to, or an interest in, the Property, the Company, or any permitted successors or assigns, shall make payments in lieu of taxes to the Municipality, on behalf of the Agency, that are either based upon Exhibit "A", or if Exhibit "A" is no longer applicable for any reason, are the equivalent of the real property taxes that would be due and owing if the Project Facility were privately owned and the Agency had no interest therein.

Section 4.04. Payment of Attorney's Fees and Expenses

If the Company should default in performing any of its obligations, covenants and agreements under this Agreement and the Agency or the Municipality should employ attorneys

(whether in-house or outside counsel) or incur other expenses for the collection of any amounts payable hereunder or for the enforcement of performance or observance of any obligation or agreement on the part of the Company herein contained, the Company agrees that it will, on demand therefor, pay to the Agency and/or the Municipality the reasonable fees and disbursements of such attorneys and such other reasonable expenses so incurred.

Furthermore, should the Company bring a Legal Challenge on the Project Facility and/or Additional Property during the term of this Agreement, and the Agency and/or the Municipality waives its right to declare a default under this Agreement in regard to such Legal Challenge, or such Legal Challenge is determined not to be a default of this Agreement by any Court of competent jurisdiction, the Company agrees that in the event that the Company is unsuccessful in its Legal Challenge, it will, on demand, pay to the Agency and/or the Municipality the reasonable fees and disbursements of any attorneys employed (whether in-house or outside counsel) for the defense of such Legal Challenge as well as such other reasonable expenses so incurred.

Section 4.05. Remedies; Waiver and Notice

(a) No Remedy Exclusive. No remedy herein conferred upon or reserved to the Agency is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity or by statute.

(b) Delay. No delay or omission in exercising any right or power accruing upon the occurrence of any Event of Default hereunder shall impair any such right or power or shall be construed to be a waiver thereof, but any such right or power may be exercised from time to time and as often as may be deemed expedient.

(c) Notice Not Required. In order to entitle the Agency to exercise any remedy reserved to it in this Agreement, it shall not be necessary to give any notice, other than such notice as may be expressly required in this Agreement.

(d) No Waiver. In the event any provision contained in this Agreement should be breached by any party and thereafter duly waived by the other party so empowered to act, such waiver shall be limited to the particular breach so waived and shall not be deemed to be a waiver of any other breach hereunder. No waiver, amendment, release or modification of this Agreement

shall be established by conduct, custom or course of dealing.

ARTICLE V
MISCELLANEOUS

Section 5.01. Term of Agreement

(a) General. This Agreement shall become effective and the obligations of the Agency and the Company shall arise absolutely and unconditionally upon the execution and delivery of this Agreement. This Agreement shall terminate on the earliest to occur of (i) the same date that the Agency Lease Agreement terminates; (ii) on any earlier date permitted under the Agency Lease Agreement; or (iii) upon the expiration on June 30, 2033, of the PILOT Schedule set forth in **Exhibit “A”** hereto. In the event of a termination of the Agency’s interest in the Project Facility, the Company’s payments due hereunder shall be pro-rated to the extent necessary to allow the Municipality to issue a supplemental PILOT Statement based upon the Agency’s transfer of ownership or control of the Project Facility to the Company, and the loss of the Agency’s tax exemption on the said Project Facility.

(b) Conflict. In the event of a conflict between this Agreement or any of its terms on the one hand, and the Lease Agreement or any other Project documents on the other hand, the provisions most favorable to the Agency shall govern. The Agency and the Company agree that the Agency’s participation in the Project is for the benefit of the Company and that the Municipality must receive payments from the Company hereunder, during the entire term of this Agreement and/or the Agency’s ownership or control of the Project Facility.

Section 5.02. Company Acts

Where the Company is required to do or accomplish any act or thing hereunder, the Company may cause the same to be done or accomplished with the same force and effect as if done or accomplished by the Company.

Section 5.03. Amendment of Agreement

This Agreement may not be amended, changed, modified or altered unless such amendment, change, modification or alteration is in writing and signed by the Agency and the Company.

Section 5.04. Notices

All notices, certificates or other communications hereunder shall be in writing, shall be sufficiently given, and shall be deemed given when (a) sent to the applicable address stated below by registered or certified mail, return receipt requested, and actually received by the intended recipient or by overnight courier or such other means as shall provide the sender with documentary evidence of such delivery, or (b) delivery is refused by the addressee as evidenced by the affidavit of the person who attempted to effect such delivery. The addresses to which notices, certificates, and other communications hereunder shall be delivered are as follows:

- (a) To the Agency:
City of Syracuse Industrial Development Agency
201 East Washington Street, 7th Floor
Syracuse, New York 13202
Attention: Chairman

With a copy to:

Barclay Damon LLP
Barclay Damon Tower
125 East Jefferson Street
Syracuse, New York 13202
Attention: Susan R. Katzoff, Esq.

And to:
Corporation Counsel
City of Syracuse
233 East Washington Street, Room 300
Syracuse, New York 13202

- (b) To the Company:
Oak Knitting Mill Commons LLC
100 Madison Street, Suite 1905
Syracuse, New York 13202
Attn: Timothy Lynn, Managing Member

With a copy to:

Lynn, D'Elia, Temes & Stanczyk LLC
100 Madison Street, Suite 1905
Syracuse, New York 13202
Attn: Anthony J. D'Elia, Esq.

The Agency and Company may, by notice given hereunder to each of the others, designate any further or different addresses to which the subsequent notices, certificates or other communications to them shall be sent.

Section 5.05. Binding Effect

This Agreement shall inure to the benefit of, and shall be binding upon the Agency and the Company, and their respective successors and assigns.

Section 5.06. Severability

If any article, section, subdivision, paragraph, sentence, clause, phrase, provision or portion of this Agreement shall for any reason be held or adjudged to be invalid or illegal or unenforceable by any court of competent jurisdiction, such article, section, subdivision, paragraph, sentence, clause, phrase, provision or portion so adjudged invalid, illegal or unenforceable shall be deemed separate, distinct and independent and the remainder of this Agreement shall be and remain in full force and effect and shall not be invalidated or rendered illegal or unenforceable or otherwise affected by such holding or adjudication.

Section 5.07. Counterparts

This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 5.08. Applicable Law


This Agreement shall be governed by and construed in accordance with the laws of the State of New York. Venue of any action or proceeding brought hereunder shall be in the State or Federal Courts located in Onondaga County, New York.

Section 5.09. Assignment

This Agreement may not be assigned by the Company without the prior written consent of the Agency.

IN WITNESS WHEREOF, the Agency and Company have caused this Agreement to be executed in their respective names on the date first above written.

**CITY OF SYRACUSE INDUSTRIAL
DEVELOPMENT AGENCY**

By: 
William M. Ryan, Chairman

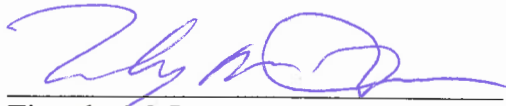
STATE OF NEW YORK)
COUNTY OF ONONDAGA) ss:

On the 26th day of September, in the year 2017, before me the undersigned, a Notary Public in and for said state, personally appeared **William M. Ryan**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual or he person upon behalf of which the individual acted, executed the instrument.


Notary Public

LORI L. McROBBIE
Notary Public, State of New York
Qualified in Onondaga Co. No. 01MC505591
Commission Expires on Feb. 12, 2018

OAK KNITTING MILL COMMONS LLC
By: OKM MM LLC

By: 

Timothy M. Lynn
Manager

STATE OF NEW YORK)
COUNTY OF ONONDAGA) ss:

On the 26 day of September, in the year 2017, before me the undersigned, a notary public in and for said state, personally appeared **Timothy M. Lynn**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual or he person upon behalf of which the individual acted, executed the instrument.



Notary Public

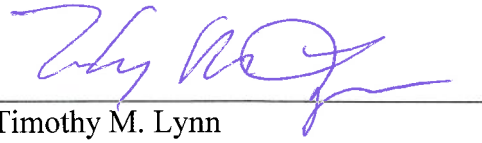
SUSAN R. KATZOFF
Notary Public, State of New York
Qual. in Onondaga Co. No. 02KA6120102
Commission Expires on December 13, 2020

**ACKNOWLEDGEMENT BY
OAK KNITTING MILL COMMONS LLC**

OAK KNITTING MILL COMMONS LLC, (the “*Company*”) hereby acknowledges receipt and review of this Agreement, and consents to, and approves of, the terms and provisions contained herein.

IN WITNESS WHEREOF, the Company has caused this Acknowledgment to be executed in its name by its duly authorized representative, dated as of September 1, 2017.

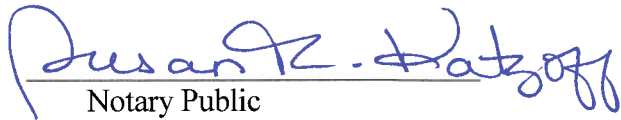
OAK KNITTING MILL COMMONS LLC
By: OKM MM LLC

By: 

Timothy M. Lynn
Manager

STATE OF NEW YORK)
COUNTY OF ONONDAGA) ss:

On the 26 day of September, in the year 2017, before me the undersigned, a notary public in and for said state, personally appeared **Timothy M. Lynn**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual or he person upon behalf of which the individual acted, executed the instrument.



Notary Public

SUSAN R. KATZOFF
Notary Public, State of New York
Qual. in Onondaga Co. No. 02KA6120102
Commission Expires on December 13, 2020

EXHIBIT "A"
PILOT SCHEDULE

<i>Year</i>	<i>Amount</i>
1	\$45,226.52
2	\$46,131.05
3	\$47,053.67
4	\$47,994.74
5	\$48,954.64
6	\$57,406.33
7	\$66,176.51
8	\$75,274.53
9	\$84,710.01
10	\$94,492.79
11	\$104,633.00
12	\$115,141.02
13	\$126,027.51
14	\$137,303.40
15	\$148,979.92
Total	\$1,245,505.65

EXHIBIT "B"

LEGAL DESCRIPTION Oak Knitting Mills Commons

ALL THAT TRACT OR PARCEL OF LAND, situate in the City of Syracuse, County of Onondaga and State of New York, being part of Block "C" in said city, being part of lands conveyed to Expressway Properties, LLC by deed recorded in Book 4100 of Deeds at page 50 in the Onondaga County Clerk's Office, bounded and described as follows:

Beginning at the intersection of the easterly boundary of North Clinton Street with the northerly boundary of West Division Street; running thence N 28° 04' 00" W along said easterly boundary of North Clinton Street, a distance of 32.49 feet to the southerly most corner of Lot 1 of Resubdivision of Block "C" Salina Marsh Lot according to a map of said tract filed in the Onondaga County Clerk's Office February 17, 1966 as Map No. 4781; thence northerly and northeasterly along the easterly and southeasterly boundaries of said Lot 1 Resubdivision of Block "C" Salina Marsh Lot, respectively, the following courses and distances: 1) northerly and northeasterly following a curve to the right, having a radius of 320.00 feet, an arc distance of 198.50 feet to an angle point; 2) N 30° 56' 40" W, 19.2 feet; 3) N 59° 24' 13" E, 157.72 feet to the common westerly boundary of Genant Drive and N.Y.S. Route No. 81; thence S 26° 30' 50" E along said common westerly boundary of Genant Drive and N.Y.S. Route No. 81, a distance of 178.78 feet to the aforementioned northerly boundary of West Division Street; thence S 59° 22' 10" W along said northerly boundary of West Division Street, a distance of 294.85 feet to the point of beginning.

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NYS DEPARTMENT OF TAXATION & FINANCE
OFFICE OF REAL PROPERTY TAX SERVICES

RP-412-a (1/95)

INDUSTRIAL DEVELOPMENT AGENCIES
APPLICATION FOR REAL PROPERTY TAX EXEMPTION
(Real Property Tax Law, Section 412-a and General Municipal Law, Section 874)

1. INDUSTRIAL DEVELOPMENT AGENCY (IDA)

Name City of Syracuse Industrial Development Ag.
Street 201 E. Washington Street, 7th Floor
City Syracuse
Telephone no. Day (315) 473-3275
Evening () N/A
Contact Honora Spillane
Title Executive Director

2. OCCUPANT (IF OTHER THAN IDA)

(If more than one occupant attach separate listing)

Name Oak Knitting Mill Commons LLC
Street 100 Madison Street
City Syracuse
Telephone no. Day (315) 415-4633
Evening () N/A
Contact Timothy Lynn
Title Manager

3. DESCRIPTION OF PARCEL

- a. Assessment roll description (tax map no./roll year) 118.-04-02.0/2017
- b. Street address 102 West Division Street
- c. City, Town or Village Syracuse
- d. School District Syracuse
- e. County Onondaga
- f. Current assessment \$1,144,000
- g. Deed to IDA (date recorded; liber and page)
N/A lease/leaseback agreement -
see Schedule A

4. GENERAL DESCRIPTION OF PROPERTY (if necessary, attach plans or specifications)

- a. Brief description (include property use) renovation of an approximately 68,000 square foot building to house market rate apartment units, a fitness center & community room, commercial space & related parking
- b. Type of construction steel/wood
- c. Square footage approximately 1 acre
- d. Total cost \$9,745,856
- e. Date construction commenced 2017
- f. Projected expiration of exemption (i.e. date when property is no longer possessed, controlled, supervised or under the jurisdiction of IDA)
June 30, 2033

5. SUMMARIZE AGREEMENT (IF ANY) AND METHOD TO BE USED FOR PAYMENTS TO BE MADE TO MUNICIPALITY REGARDLESS OF STATUTORY EXEMPTION

(Attach copy of the agreement or extract of the terms relating to the project).

- a. Formula for payment See attached PILOT Agreement
- _____
- _____
- _____

- b. Projected expiration date of agreement June 30, 2033

SCHEDULE "A"

Response to Item 3.g Deed to IDA: Memorandum of Company Lease and Memorandum of Agency Lease, both dated as of September 1, 2017, were each recorded in the office of the Clerk of Onondaga County on October 4, 2017 as Instrument No. 2017-00035368 and Instrument No. 2017-00035369, respectively.

Response to Item 5.e. *Is the IDA the owner of the property?*

No. The City of Syracuse Industrial Development Agency has a leasehold interest in the subject premises pursuant to a lease/leaseback arrangement as set forth in a certain Agency Lease and Company Lease each dated as of September 1, 2017, memorandums of which were filed as set forth above.

BARCLAY DAMON^{LLP}

Susan R. Katzoff
Partner

December 26, 2017

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

7017 1450 0000 0413 4029

Dave Clifford, Assessor
City of Syracuse
Department of Assessment
Room 130, City Hall
Syracuse, New York 13202

Re: City of Syracuse Industrial Development Agency
Oak Knitting Mill Commons LLC Project

Dear Mr. Clifford:

Enclosed herewith please find an original RP-412-a form attendant with the above referenced Project, as well as a fully executed original PILOT Agreement, to be filed with your office.

Also enclosed for your file are fully executed copies of the Company Lease Agreement and the Agency Lease Agreement regarding this Project.


If you have any questions regarding the foregoing, please do not hesitate to contact me.

Very truly yours,

/s/ Susan R. Katzoff
Susan R. Katzoff

SRK/llm
Enclosure

cc: *Via Electronic Mail*
Honora Spillane (without Enclosures)
Judy DeLaney (without Enclosures)

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none"> ■ Complete items 1, 2, and 3. ■ Print your name and address on the reverse so that we can return the card to you. ■ Attach this card to the back of the mailpiece, or on the front if space permits. 	<p>A. Signature <input checked="" type="checkbox"/> <i>Rene Adams</i> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p>
<p>1. Article Addressed to:</p> <p><i>David Clifford, Assessor City of Syracuse Department of Assessment Room 130, City Hall, Syracuse, NY</i></p>  <p>9590 9402 3272 7196 1701 84</p>	<p>B. Received by (Printed Name) _____ C. Date of Delivery <i>12/27/17</i></p> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input type="checkbox"/> No If YES, enter delivery address below: _____</p>
<p>2. Article Number (Transfer from service label)</p> <p>7017 1450 0000 0413 4029</p>	<p>3. Service Type</p> <ul style="list-style-type: none"> <input type="checkbox"/> Adult Signature <input type="checkbox"/> Adult Signature Restricted Delivery <input checked="" type="checkbox"/> Certified Mail® <input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Collect on Delivery <input type="checkbox"/> Collect on Delivery Restricted Delivery <input type="checkbox"/> Insured Mail <input type="checkbox"/> Insured Mail Restricted Delivery (over \$500) <input type="checkbox"/> Priority Mail Express® <input type="checkbox"/> Registered Mail™ <input type="checkbox"/> Registered Mail Restricted Delivery <input checked="" type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Signature Confirmation™ <input type="checkbox"/> Signature Confirmation Restricted Delivery

PS Form 3811, July 2015 PSN 7530-02-000-9053

Domestic Return Receipt

7017 1450 0000 0413 4029

<p>U.S. Postal Service™ CERTIFIED MAIL® RECEIPT Domestic Mail Only</p> <p>For delivery information, visit our website at www.usps.com</p> <p style="font-size: 2em; font-weight: bold; text-align: center;">OFFICIAL USE</p>	
<p>PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions</p> <p>City, State, ZIP+4® <i>City Assessor</i></p> <p>Street and Apt. No., or PO box No. <i>City Assessor</i></p> <p>Sent To _____</p> <p>Total Postage and Fees _____</p> <p>Postage _____</p> <p>Extra Services & Fees (check box, add fee as appropriate)</p> <ul style="list-style-type: none"> <input type="checkbox"/> Return Receipt (hardcopy) \$ _____ <input type="checkbox"/> Return Receipt (electronic) \$ _____ <input type="checkbox"/> Certified Mail Restricted Delivery \$ _____ <input type="checkbox"/> Adult Signature Required \$ _____ <input type="checkbox"/> Adult Signature Restricted Delivery \$ _____ 	<p style="text-align: center;">Postmark Here</p>

15

Lisa Dell, County Clerk
401 Montgomery Street
Room 200
Syracuse, NY 13202
(315) 435-2226

Onondaga County Clerk Recording Cover Sheet

Received From :
CHICAGO -JOE

Return To :
WLADIS LAW FIRM
PICK UP BOX

Method Returned : MAIL

First PARTY 1

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY

First PARTY 2

THOMPkins TRUST COMPANY

Index Type : Land Records

Instr Number : 2017-00035370

Book : Page :

Type of Instrument : Mortgage

Type of Transaction : Cema With New Money

Recording Fee: \$195.50

Recording Pages : 30

The Property affected by this instrument is situated in Syracuse, in the County of Onondaga, New York

Mortgage Taxes

Property Located : Syracuse

Serial Number : D17626

Mortgage Amount : \$7,440,000.00

Basic Tax : \$0.00

Local Tax : \$0.00

Additional Tax : \$18,600.00

Transportation Auth Tax : \$0.00

SONYMA : \$0.00

County Tax : \$0.00

Total : \$18,600.00

Total Fees : \$18,795.50

State of New York

County of Onondaga

I hereby certify that the within and foregoing was recorded in the Clerk's office for Onondaga County, New York

On (Recorded Date) : 10/04/2017

At (Recorded Time) : 11:48:44 AM



Doc ID - 0252569600030

Lisa Dell
Lisa Dell, County Clerk



This sheet constitutes the Clerks endorsement required by Section 319 of Real Property Law of the State of New York

Entered By: RSWEENIE Printed On: 10/04/2017 At: 11:53:51AM

**MORTGAGE
ASSIGNMENT OF RENTS, SECURITY AGREEMENT AND
FIXTURE FILING**

MADE BY

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY, as Agency

AND

OAK KNITTING MILL COMMONS LLC, as Mortgagor

to

THOMPKINS TRUST COMPANY, as Mortgagee

\$7,440,000.00 Mortgage Loan

Dated as of: September 26, 2017

Premises:
102 W Division Street
City of Syracuse
County of Onondaga and State of New York
SBL# 118.-04-02.0

PREPARED BY AND UPON RECORDATION RETURN TO:

The Wladis Law Firm, P.C.
P.O. Box 245
Syracuse, New York 13214
Attention: Scott R. Hatz, Esq.

**MORTGAGE
ASSIGNMENT OF RENTS, SECURITY AGREEMENT AND
FIXTURE FILING**

THIS MORTGAGE, ASSIGNMENT OF RENTS, SECURITY AGREEMENT AND FIXTURE FILING (this "Mortgage") is made as of September 26, 2017 by and among **CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY**, a public benefit corporation duly existing under the laws of the State of New York with offices at 201 East Washington Street, 7th Floor, Syracuse, New York 13202 ("Agency") and **OAK KNITTING MILL COMMONS LLC**, a New York limited liability company with a place of business at 102 W. Division Street, Syracuse, New York 13202 ("Mortgagor") in favor of **TOMPKINS TRUST COMPANY**, its successors and assigns ("Mortgagee") whose principal office and place of business is P. O. Box 460, The Commons, Ithaca, New York 14851.

1. Grant and Secured Obligations.

1.1 Grant. For the purpose of securing payment and performance of the Secured Obligations defined and described in Section 1.2 below, Mortgagor and the Agency hereby irrevocably and unconditionally grants, bargains, sells, conveys, mortgages and solely as to Mortgagor, warrants to Mortgagee, with power of sale and with right of entry and possession, all estate, right, title and interest which Mortgagor and/or the Agency now has or may later acquire in and to the following property, and excepting therefrom all of the Agency's Unassigned Rights, as that term is defined in the Agency Lease Agreement dated as of September 1, 2017 between the Agency and the Mortgagor (the "Agency Lease") (all or any part of such property, or any interest in all or any part of it, as the context may require, the "Property"):

(a) The real property located in the City of Syracuse, County of Onondaga, State of New York, as described in Exhibit A, together with all existing and future easements and rights affording access to it (the "Premises"); together with

(b) All buildings, structures and improvements now located or later to be constructed on the Premises (the "Improvements"); together with

(c) All existing and future appurtenances, privileges, easements, franchises and tenements of the Premises, including all minerals, oil, gas, other hydrocarbons and associated substances, sulphur, nitrogen, carbon dioxide, helium and other commercially valuable substances which may be in, under or produced from any part of the Premises, all development rights and credits, air rights, water, water rights (whether riparian, appropriative or otherwise, and whether or not appurtenant) and water stock, and any Premises lying in the streets, roads or avenues, open or proposed, in front of or adjoining the Premises and Improvements; together with

(d) All existing and future leases, subleases, subtenancies, licenses, occupancy agreements and concessions ("leases") relating to the use and enjoyment of all or any part of the Premises and Improvements, and any and all guaranties and other agreements relating to or made in connection with any of such leases; together with

(e) All real property and improvements on it, and all appurtenances and other property and interests of any kind or character, whether described in Exhibit A or not, which may be reasonably necessary or desirable to promote the present and any reasonable future beneficial use and enjoyment of the Premises and Improvements; together with

(f) All goods, materials, supplies, chattels, furniture, fixtures, equipment and machinery now or later to be attached to, placed in or on, or used in connection with the use, enjoyment, occupancy or operation of all or any part of the Premises and Improvements, whether

stored on the Premises or elsewhere, including all pumping plants, engines, pipes, ditches and flumes, and also all gas, electric, cooking, heating, cooling, air conditioning, lighting, refrigeration and plumbing fixtures and equipment, all of which shall be considered to the fullest extent of the law to be real property for purposes of this Mortgage and any manufacturer's warranties with respect thereto; together with

(g) All building materials, equipment, work in process or other personal property of any kind, whether stored on the Premises or elsewhere, which have been or later will be acquired for the purpose of being delivered to, incorporated into or installed in or about the Premises or Improvements; together with

(h) All of Mortgagor's interest in and to all operating accounts in connection with the mortgaged premises, the Loan (defined below) funds, whether disbursed or not, and any other bank accounts of Mortgagor; together with

(i) All rights to the payment of money, accounts, accounts receivable, reserves, deferred payments, refunds, cost savings, payments and deposits, whether now or later to be received from third parties (including all earnest money sales deposits) or deposited by Mortgagor with third parties (including all utility deposits), contract rights, development and use rights, governmental permits and licenses, applications, architectural and engineering plans, specifications and drawings, as-built drawings, chattel paper, instruments, documents, notes, drafts and letters of credit (other than letters of credit in favor of Mortgagee), which arise from or relate to construction on the Premises or to any business now or later to be conducted on it, or to the Premises and Improvements generally and any builder's or manufacturer's warranties with respect thereto; together with

(j) All insurance policies pertaining to the Premises and all proceeds, including all claims to and demands for them, of the voluntary or involuntary conversion of any of the Premises, Improvements or the other property described above into cash or liquidated claims, including proceeds of all present and future fire, hazard or casualty insurance policies and all condemnation awards or payments now or later to be made by any public body or decree by any court of competent jurisdiction for any taking or in connection with any condemnation or eminent domain proceeding, and all causes of action and their proceeds for any damage or injury to the Premises, Improvements or the other property described above or any part of them, or breach of warranty in connection with the construction of the Improvements, including causes of action arising in tort, contract, fraud or concealment of a material fact; together with

(k) All of Mortgagor's rights in and to all Interest Rate Agreements (defined below); together with

(l) All books and records of Mortgagor pertaining to any and all of the property described above, including computer-readable memory and any computer hardware or software necessary to access and process such memory ("Books and Records"); together with

(m) All proceeds of, additions and accretions to, substitutions and replacements for, and changes in any of the property described above.

1.2 Secured Obligations.

(a) Mortgagor and the Agency make the grant, conveyance, and mortgage set forth in Section 1.1 above, and grant the security interest set forth in Section 3 below for the purpose of securing the following obligations (the "Secured Obligations") in any order of priority that Mortgagee may choose:

(i) Payment of all obligations at any time owing under that certain promissory note (the "Note") bearing even date herewith, payable by Mortgagor evidencing a term loan in the stated principal amount of **SEVEN MILLION FOUR HUNDRED FORTY THOUSAND AND 00/100 DOLLARS (\$7,440,000.00)**;

(ii) Payment and performance of all obligations of Mortgagor under this Mortgage; and

(iii) Payment and performance of any obligations of Mortgagor under any Loan Documents which are executed by Mortgagor. "Loan Documents" means the collective reference to this Mortgage and all other instruments, agreements and documents entered into from time to time, evidencing or securing the Loan or any obligation of payment thereof or performance of Mortgagor's or any guarantor's obligations in connection with the transaction contemplated hereunder, each as amended; and

(iv) Payment and performance of all obligations of Mortgagor arising from any Interest Rate Agreements. "Interest Rate Agreements" shall mean all agreements for any derivative or hedging product including, without limitation, interest rate or equity swaps, futures, options, caps, floors, collars or forwards now or hereafter entered into by Mortgagor with Mortgagee or any of its affiliates with respect to the Note; and

(v) Payment and performance of all future advances and other obligations that Mortgagor or any successor in ownership of all or part of the Property may agree to pay and/or perform (whether as principal, surety or guarantor) for the benefit of Mortgagee, when a writing evidences the parties' agreement that the advance or obligation be secured by this Mortgage; and

(vi) Payment and performance of all modifications, amendments, extensions, and renewals, however evidenced, of any of the Secured Obligations.

(b) All persons who may have or acquire an interest in all or any part of the Property will be considered to have notice of, and will be bound by, the terms of the Secured Obligations and each other agreement or instrument made or entered into in connection with each of the Secured Obligations. Such terms include any provisions in the Note which permit borrowing, repayment and reborrowing, or which provide that the interest rate on one or more of the Secured Obligations may vary from time to time.

2. Assignment of Rents.

2.1 Assignment. Mortgagor hereby irrevocably, absolutely, presently and unconditionally assigns to Mortgagee all rents, royalties, issues, profits, revenue, income, accounts, proceeds and other benefits of the Property, whether now due, past due or to become due, including all prepaid rents and security deposits (some or all collectively, as the context may require, "Rents"). This is an absolute assignment, not an assignment for security only.

2.2 Grant of License. Mortgagee hereby confers upon Mortgagor a license ("License") to collect and retain the Rents as they become due and payable, so long as no Event of Default, as defined in Section 6.1 below, shall exist and be continuing. If an Event of Default has occurred and is continuing, Mortgagee shall have the right, which it may choose to exercise in its sole discretion, to terminate this License without notice to or demand upon Mortgagor, and without regard to the adequacy of Mortgagee's security under this Mortgage.

2.3 Collection and Application of Rents. Subject to the License granted to Mortgagor under Section 2.2 above, Mortgagee has the right, power and authority to collect any and all Rents. Mortgagor hereby appoints Mortgagee its attorney-in-fact to perform any and all of the following acts, if and at the times when Mortgagee in its sole discretion may so choose:

- (a) Demand, receive and enforce payment of any and all Rents; or
- (b) Give receipts, releases and satisfactions for any and all Rents; or
- (c) Sue either in the name of Mortgagor or in the name of Mortgagee for any and all Rents.

Mortgagee and Mortgagor agree that the mere recordation of the assignment granted herein entitles Mortgagee immediately to collect and receive rents upon the occurrence of an Event of Default, as defined in Section 6.1, without first taking any acts of enforcement under applicable law, such as, but not limited to, providing notice to Mortgagor, filing foreclosure proceedings, or seeking and/or obtaining the appointment of a receiver. Further, Mortgagee's right to the Rents does not depend on whether or not Mortgagee takes possession of the Property as permitted under Subsection 6.2(f). In Mortgagee's sole discretion, Mortgagee may choose to collect Rents either with or without taking possession of the Property. Mortgagee shall apply all Rents collected by it in the manner provided under Section 6.5. If an Event of Default occurs while Mortgagee is in possession of all or part of the Property and is collecting and applying Rents as permitted under this Mortgage, Mortgagee and any receiver shall nevertheless be entitled to exercise and invoke every right and remedy afforded any of them under this Mortgage and at law or in equity.

2.4 Mortgagee Not Responsible. Under no circumstances shall Mortgagee have any duty to produce Rents from the Property. Regardless of whether or not Mortgagee, in person or by agent, takes actual possession of the Premises and Improvements, unless Mortgagee agrees in writing to the contrary, Mortgagee is not and shall not be deemed to be:

- (a) A "mortgagee in possession" for any purpose; or
- (b) Responsible for performing any of the obligations of the lessor under any lease; or
- (c) Responsible for any waste committed by lessees or any other parties, any dangerous or defective condition of the Property, or any negligence in the management, upkeep, repair or control of the Property; or
- (d) Liable in any manner for the Property or the use, occupancy, enjoyment or operation of all or any part of it.

2.5 Leasing. Mortgagor shall comply with and observe Mortgagor's obligations as landlord or as tenant, as the case may be, under any leases of the Property or any part thereof. Mortgagor shall furnish Mortgagee with executed copies of the leases now existing or hereafter made of all or any part of the Property, and all future leases and all amendments or modifications thereto shall be subject to Mortgagee's prior written approval. Unless otherwise directed by Mortgagee, all leases of the Property made after the date hereof shall specifically provide that such leases are subordinate to this Mortgage; that the tenant attorns to Mortgagee, such attornment to be effective upon Mortgagee's acquisition of title to the Property; that the tenant agrees to execute such further evidences of attornment as Mortgagee may from time to time request; and that the attornment of the tenant shall not be terminated by foreclosure. Mortgagor shall not, without Mortgagee's written consent, execute, modify, surrender or terminate, either

orally or in writing, any lease hereafter made of all or any part of the Property, permit an assignment or sublease of such a lease, or request or consent to the subordination of any lease of all or any part of the Property to any lien subordinate to this Mortgage, provided that such leases are on commercially reasonable terms. If Mortgagor becomes aware that any tenant proposes to do, or is doing, any act or thing that may give rise to any right to set-off against rent, Mortgagor shall (a) take such steps as shall be reasonably calculated to prevent the accrual of any right to a set-off against rent, (b) notify Mortgagee thereof and of the amount of said set-offs, and (c) within twenty (20) days after such accrual, reimburse the tenant who shall have acquired such right to set-off or take such other steps as shall effectively discharge such set-off and as shall assure that rents thereafter due shall continue to be payable without set-off or deduction.

3. **Grant of Security Interest.**

3.1 **Security Agreement.** The parties intend for this Mortgage to create a lien on the Property, and an absolute assignment of the Rents, all in favor of Mortgagee. The parties acknowledge that some of the Property and some or all of the Rents may be determined under applicable law to be personal property or fixtures. To the extent that any Property or Rents may be or be determined to be personal property, Mortgagor and the Agency as debtor hereby grants Mortgagee as secured party a security interest in all such Property and Rents, to secure payment and performance of the Secured Obligations. This Mortgage constitutes a security agreement under the Uniform Commercial Code of the state in which the Property is located, covering all such Property and Rents.

3.2 **Financing Statements.** Mortgagor and the Agency hereby authorizes Mortgagee to file one or more financing statements. In addition, Mortgagor and the Agency shall execute such other documents as Mortgagee may from time to time require to perfect or continue the perfection of Mortgagee's security interest in any Property or Rents. As provided in Section 5.13 below, Mortgagor shall pay all fees and costs that Mortgagee may incur in filing such documents in public offices and in obtaining such record searches as Mortgagee may reasonably require. In case Mortgagor fails to execute any financing statements or other documents for the perfection or continuation of any security interest, Mortgagor hereby appoints Mortgagee as its true and lawful attorney-in-fact to execute any such documents on its behalf. If any financing statement or other document is filed in the records normally pertaining to personal property, that filing shall never be construed as in any way derogating from or impairing this Mortgage or the rights or obligations of the parties under it.

4. **Fixture Filing.**

This Mortgage constitutes a financing statement filed as a fixture filing under Article 9 of the Uniform Commercial Code in the state in which the Property is located, as amended or recodified from time to time, covering any Property which now is or later may become fixtures attached to the Premises or Improvements. For this purpose, the respective addresses of Mortgagor, as debtor, Agency, and Mortgagee, as secured party, are as set forth in the preambles of this Mortgage.

5. **Rights and Duties of the Parties.**

5.1 **Representations and Warranties.** Mortgagor represents and warrants that:

- (a) Mortgagor lawfully possesses and holds fee simple title to all of the Premises and Improvements, subject only to leasehold interest of the Agency;
- (b) Mortgagor has or will have good title to all Property;
- (c) Mortgagor has the full and unlimited power, right and authority to encumber the Property and assign the Rents;

(d) This Mortgage creates a first and prior lien on the Property;

(e) The Property includes all property and rights which may be reasonably necessary or desirable to promote the present and any reasonable future beneficial use and enjoyment of the Premises and Improvements;

(f) Mortgagor owns any Property which is personal property free and clear of any security agreements, reservations of title or conditional sales contracts, and there is no financing statement affecting such personal property on file in any public office; and

(g) Mortgagor's place of business, or its chief executive office if it has more than one place of business, is located at the address specified below.

5.2 Taxes and Assessments. Mortgagor shall pay all real estate taxes or payments in lieu of thereof, and assessments and charges of every kind upon the Property before the same become delinquent, provided, however, that Mortgagor shall have the right to pay such tax under protest or to otherwise contest any such tax or assessment, but only if (a) such contest has the effect of preventing the collection of such taxes so contested and also of preventing the sale or forfeiture of the Property or any part thereof or any interest therein, (b) Mortgagor has notified Mortgagee of Mortgagor's intent to contest such taxes, and (c) Mortgagor has deposited security in form and amount satisfactory to Mortgagee, in its sole discretion, and has increased the amount of such security so deposited promptly after Mortgagee's request therefor. If Mortgagor fails to commence such contest or, having commenced to contest the same, and having deposited such security required by Mortgagee for its full amount, shall thereafter fail to prosecute such contest in good faith or with due diligence, or, upon adverse conclusion of any such contest, shall fail to pay such tax, assessment or charge, Mortgagee may, at its election (but shall not be required to), pay and discharge any such tax, assessment or charge, and any interest or penalty thereon, and any amounts so expended by Mortgagee shall be deemed to constitute disbursements of the Loan proceeds hereunder (even if the total amount of disbursements would exceed the face amount of the Note). Mortgagor shall furnish to Mortgagee evidence that taxes are paid at least five (5) days prior to the last date for payment of such taxes and before imposition of any penalty of accrual of interest.

5.3 Performance of Secured Obligations. Mortgagor shall promptly pay and perform each Secured Obligation in accordance with its terms.

5.4 Funds for Taxes, Insurance and Other Charges. Upon the occurrence of an Event of Default (as defined herein), Mortgagee shall have the right to require Mortgagor to pay to Mortgagee on the first day of each month, until the Secured Obligations have been paid in full, a sum (herein "Funds") equal to one-twelfth of (a) the yearly water and sewer rates and taxes and assessments that may be levied on the Property and (b) the yearly premium installments for fire and other hazard insurance, rent loss insurance (if applicable) and such other insurance covering the Property as Mortgagee may require, all as reasonably estimated initially and from time to time by Mortgagee on the basis of assessments and bills and reasonable estimates thereof. Any waiver by Mortgagee of a requirement that Mortgagor pay such Funds may be revoked by Mortgagee, in Mortgagee's sole discretion, at any time upon notice in writing to Mortgagor. Mortgagee may require Mortgagor to pay to Mortgagee, in advance, such other Funds for other taxes, charges, premiums, assessments and impositions in connection with Mortgagor or the Property that Mortgagee shall reasonably deem necessary to protect Mortgagee's interests (herein "Other Impositions"). Unless otherwise provided by applicable law, Mortgagee, at Mortgagee's option, may require Funds for Other Impositions to be paid by Mortgagor in a lump sum (not exceeding Other Impositions due for a one-year period) or in periodic installments.

The Funds shall be held by Mortgagee and shall be applied to pay such rates, rents, taxes, assessments, insurance premiums and Other Impositions so long as no Event of Default has occurred. Mortgagee shall

make no charge for so holding and applying the Funds, analyzing such account or for verifying and compiling said assessments and bills, unless Mortgagee pays Mortgagor interest, earnings or profits on the Funds and applicable law permits Mortgagee to make such a charge. Unless applicable law requires interest, earnings or profits on the Funds to be paid, Mortgagee shall not be required to pay Mortgagor any interest, earnings or profits on the Funds. Mortgagee shall give to Mortgagor, without charge, an annual accounting of the Funds showing credits and debits to the Funds and the purpose for which each debit to such Funds was made. The Funds are pledged as additional security for the Secured Obligations and shall be subject to the right of set off.

If the amount of the Funds held by Mortgagee at the time of the annual accounting thereof shall exceed the amount deemed necessary by Mortgagee to provide for the payment of water and sewer rates, taxes, assessments, insurance premiums, rents and Other Impositions, as such payments become due, Mortgagee (in its sole discretion) may either (i) return the amount of the excess to Mortgagor or (ii) apply a part or all of such excess at such time or times as it may elect to the Secured Obligations. If, at any time, the amount of the Funds held by Mortgagee shall be less than the amount deemed necessary by Mortgagee to pay water and sewer rates, taxes, assessments, insurance premiums, rents and Other Impositions, as such payments become due, Mortgagor shall, on demand, pay such deficiency. Upon the occurrence of an Event of Default, Mortgagee may apply, in any amount and in any order as Mortgagee shall determine in Mortgagee's sole discretion, any Funds held by Mortgagee at the time of application (A) to pay rates, rents, taxes, assessments, insurance premiums and Other Impositions that are now or shall hereafter become due; or (B) as a credit against sums secured by this Mortgage. Upon release of this Mortgage and payment in full of the Secured Obligations, Mortgagee shall promptly refund to Mortgagor any Funds held by Mortgagee.

5.5 Use of Property. Unless required by applicable law or unless Mortgagee has otherwise agreed in writing, Mortgagor shall not allow changes in the use for which all or any part of the Property was intended at the time this Mortgage was executed. Mortgagor shall not initiate or acquiesce in a change in the zoning classification of the Property without Mortgagee's prior written consent. Mortgagor shall not consent to the submission of the Property, or any portion thereof, to any condominium regime.

5.6 Liens, Charges and Encumbrances. Mortgagor shall pay all water and sewer rates, rents, taxes, assessments, premiums, charges and impositions, attributable to the Property. Mortgagor shall promptly discharge any lien that has, or may have, priority over or equality with, the lien of this Mortgage, other than Permitted Encumbrances.

If a mechanic's lien is filed against the Property, Mortgagor shall promptly notify Mortgagee and, at Mortgagee's request, shall, at Mortgagor's option, either (i) escrow with Mortgagee or, with the consent of Mortgagee, deposit in a court of competent jurisdiction a sum of money equal to the amount of the lien, or (ii) provide a bond against the lien in such amount and in such manner as to discharge the lien as an encumbrance against the Property. Without Mortgagee's prior written consent, Mortgagor shall not allow any lien, encumbrance, or other interest in the Property to be perfected against the Property, other than Permitted Encumbrances, unless Mortgagor is then diligently contesting same and has, as to the lien, encumbrance or interest being contested, complied with (i) or (ii) of the preceding sentence.

5.7 Insurance. Mortgagor shall keep all Improvements now existing or hereafter erected on the Property insured against loss by fire and such other hazards, casualties, and contingencies and in such amounts as Mortgagee may require from time to time with financially sound and reputable insurers, and Mortgagor will pay promptly when due any premiums on such insurance. All policies of insurance shall be delivered to and held by Mortgagee and have loss-payable clauses in favor of and in form acceptable to Mortgagee. Not less than fifteen (15) days before the expiration of any such policies, Mortgagor will deliver to Mortgagee new or renewal policies in like amounts covering the same risks. The policies shall provide that no cancellation shall occur without thirty (30) days prior written notice to Mortgagee. Should any loss occur to the insured property, Mortgagor will give immediate written notice to

Mortgagee and will not adjust nor settle such loss without the written consent of Mortgagee, which may make proof of loss if not made promptly by Mortgagor. The insurance proceeds or any part thereof may be applied by Mortgagee, at Mortgagee's option upon the occurrence of an Event of Default, either to the reduction of the Secured Obligations or to restoration or repair of the property damaged. In the event of foreclosure of this Mortgage, all right, title, and interest of Mortgagor in and to any insurance policies then in force shall pass to the purchaser at foreclosure sale, and Mortgagee is hereby appointed attorney in fact for Mortgagor for the purpose of assigning and transferring such policies and receiving all or any part of the proceeds therefrom.

5.8 Condemnation. Mortgagor shall promptly notify Mortgagee of any action or proceeding relating to any condemnation or other taking, whether direct or indirect, of the Property, or part thereof, and Mortgagor shall appear in and prosecute any such action or proceeding unless otherwise directed by Mortgagee in writing. Mortgagor authorizes Mortgagee, at Mortgagee's option, as attorney-in-fact for Mortgagor, to commence, appear in and prosecute, in Mortgagee's or Mortgagor's name, any action or proceeding relating to any condemnation or other taking of the Property, whether direct or indirect, and to settle or compromise any claim in connection with such condemnation or other taking. The proceeds of any award, payment or claim for damages, direct or consequential, in connection with any condemnation or other taking, whether direct or indirect, of the Property, or part thereof, or for conveyances in lieu of condemnation, are hereby assigned to and shall be paid to Mortgagee.

With the consent of Mortgagee, which consent may be withheld in Mortgagee's sole discretion, Mortgagor may apply such awards, payments, proceeds or damages, after the deduction of Mortgagee's expenses incurred in the collection of such amounts, to restoration or repair of the Property. Otherwise such sums so received shall be applied to payment of the Secured Obligations. Mortgagor agrees to execute such further evidence of assignment of any awards, proceeds, damages or claims arising in connection with such condemnation or taking as Mortgagee may reasonably require.

5.9 Preservation and Maintenance of Property. Mortgagor (a) shall not commit waste or permit impairment or deterioration of the Property; (b) shall not abandon the Property; (c) shall, unless Mortgagee withholds insurance proceeds as security for or application to the Secured Obligations, restore or repair promptly and in a good and workmanlike manner all or any part of the Property to the equivalent of its original condition, or such other condition as Mortgagee may approve in writing, in the event of any damage, injury or loss thereto, whether or not insurance proceeds are available to cover in whole or in part the costs of such restoration or repair unless the improvements constituting the Property are (i) totally destroyed, (ii) insurance has been maintained thereon as required by this Mortgage, and (iii) Mortgagee applies the proceeds of such insurance to payment of the Secured Obligations; (d) shall keep the Property, including improvements, fixtures, equipment, machinery and appliances, in good repair and shall replace improvements, fixtures, equipment, machinery and appliances on the Property owned by Mortgagor when necessary to keep such items in good repair; (e) shall comply in all material respects with all laws, ordinances, regulations and requirements of any governmental body applicable to the Property, including, without limitation, the Americans with Disabilities Act, as it may be amended from time to time; and (f) shall give notice in writing to Mortgagee, appear in and defend any action or proceeding purporting to affect the Property, the security of this Mortgage or the rights or powers of Mortgagee, except for any such action or proceeding caused by the gross negligence or intentional misconduct of Mortgagee. Unless required by applicable law or unless Mortgagee has otherwise consented in writing, neither Mortgagor nor any tenant or other Person shall remove, demolish or alter any improvement now existing or hereafter erected on the Property or any fixture (other than trade fixtures), equipment, machinery or appliance in or on the Property owned by Mortgagor and used or intended to be used in connection with the Property.

5.10 Releases, Extensions, Modifications and Additional Security. From time to time, Mortgagee may perform any of the following acts without incurring any liability or giving notice to any person:

- (a) Release any person liable for payment of any Secured Obligation;
 - (b) Extend the time for payment, or otherwise alter the terms of payment, of any Secured Obligation;
 - (c) Accept additional real or personal property of any kind as security for any Secured Obligation, whether evidenced by deeds of trust, mortgages, security agreements or any other instruments of security;
 - (d) Alter, substitute or release any property securing the Secured Obligations;
 - (e) Consent to the making of any plat or map of the Property or any part of it;
 - (f) Join in granting any easement or creating any restriction affecting the Property; or
 - (g) Join in any subordination or other agreement affecting this Mortgage or the lien of it;
- or
- (h) Release the Property or any part of it.

5.11 Protection of Mortgagee's Security. If Mortgagor fails to perform the covenants and agreements contained in this Mortgage, or if any action or proceeding is commenced that affects the Property or title thereto or the interest of Mortgagee therein, including, but not limited to, eminent domain, insolvency, enforcement of local laws, or arrangements or proceedings involving a bankrupt or decedent, then Mortgagee, at Mortgagee's option, may make such appearances, disburse such sums and take such action as Mortgagee deems necessary, in its sole discretion, to protect Mortgagee's interests, including, but not limited to, (a) disbursement of attorneys' fees; (b) entry upon the Property to remedy any failure of Mortgagor to perform hereunder; and (c) procurement of satisfactory insurance.

Any amounts disbursed by Mortgagee pursuant to this Section 5.11, with interest thereon, shall become part of the Secured Obligations and shall be secured by this Mortgage. Unless Mortgagor and Mortgagee agree in writing to other terms of payment, such amounts shall be immediately due and payable and shall bear interest from the date of disbursement at the Default Rate as defined in the Note. Mortgagor hereby covenants and agrees that Mortgagee shall be subrogated to the lien of any mortgage or other lien discharged, in whole or in part, by the Secured Obligations. Nothing contained in this Section 5.11 shall require Mortgagee to incur any expense or take any action hereunder.

The procurement of insurance of the payment of taxes or other liens or charges by Mortgagee shall not be a waiver of the right of Mortgagee to accelerate the maturity of any of the Secured Obligations secured by this Mortgage. Mortgagee's receipt of any awards, proceeds or damages under the insurance or condemnation provisions of this Mortgage shall not operate to cure or waive any default in payment of sums secured by this Mortgage.

5.12 Release. When all of the Secured Obligations have been paid in full and all fees and other sums owed by Mortgagor under this Mortgage and the other Loan Documents have been received, Mortgagee shall release this Mortgage, the lien created thereby, and all notes and instruments evidencing the Secured Obligations. Mortgagor shall pay any costs of preparation and recordation of such release.

5.13 Compensation, Exculpation, Indemnification.

(a) Mortgagor agrees to pay fees in the maximum amounts legally permitted, or reasonable fees as may be charged by Mortgagee when the law provides no maximum limit, for any services that Mortgagee may render in connection with this Mortgage, including Mortgagee's

providing a statement of the Secured Obligations or providing the release pursuant to Section 5.12 above. Mortgagor shall also pay or reimburse all of Mortgagee's costs and expenses which may be incurred in rendering any such services. Mortgagor further agrees to pay or reimburse Mortgagee for all costs, expenses and other advances which may be incurred or made by Mortgagee in any efforts to enforce any terms of this Mortgage, including any rights or remedies afforded to Mortgagee under Section 6.2, whether any lawsuit is filed or not, or in defending any action or proceeding arising under or relating to this Mortgage, including attorneys' fees and other legal costs, costs of any Foreclosure Sale (as defined in Subsection 6.2(k) below) and any cost of evidence of title. If Mortgagee chooses to dispose of Property through more than one Foreclosure Sale, Mortgagor shall pay all costs, expenses or other advances that may be incurred or made by Mortgagee in each of such Foreclosure Sales. In any suit to foreclose the lien hereof or enforce any other remedy of Mortgagee under this Mortgage or the Note, there shall be allowed and included as additional indebtedness in the decree for sale or other judgment or decree all expenditures and expenses which may be paid or incurred by or on behalf of Mortgagee for reasonable attorneys' costs and fees (including the costs and fees of paralegals), survey charges, appraiser's fees, inspecting engineer's and/or architect's fees, fees for environmental studies and assessments and all additional expenses incurred by Mortgagee with respect to environmental matters, outlays for documentary and expert evidence, stenographers' charges, publication costs, and costs (which may be estimated as to items to be expended after entry of the decree) of procuring all such abstracts of title, title searches and examinations, title insurance policies, and similar data and assurances with respect to title as Mortgagee may deem reasonably necessary either to prosecute such suit or to evidence to bidders at any sale which may be had pursuant to such decree the true condition of the title to, the value of or the environmental condition of the Property. All expenditures and expenses of the nature in this Subsection mentioned, and such expenses and fees as may be incurred in the protection of the Property and maintenance of the lien of this Mortgage, including the fees of any attorney (including the costs and fees of paralegals) employed by Mortgagee in any litigation or proceeding affecting this Mortgage, the Note or the Property, including probate and bankruptcy proceedings, or in preparation for the commencement or defense of any proceeding or threatened suit or proceeding, shall be immediately due and payable by Mortgagor, with interest thereon at the Default Rate and shall be secured by this Mortgage.

(b) Mortgagee shall not be directly or indirectly liable to Mortgagor or any other person as a consequence of any of the following:

(i) Mortgagee's exercise of or failure to exercise any rights, remedies or powers granted to Mortgagee in this Mortgage;

(ii) Mortgagee's failure or refusal to perform or discharge any obligation or liability of Mortgagor under any agreement related to the Property or under this Mortgage; or

(iii) Any loss sustained by Mortgagor or any third party resulting from Mortgagee's failure to lease the Property, or from any other act or omission of Mortgagee in managing the Property, after an Event of Default, unless the loss is caused by the willful misconduct and bad faith of Mortgagee.

Mortgagor hereby expressly waives and releases all liability of the types described above, and agrees that no such liability shall be asserted against or imposed upon Mortgagee.

(c) Mortgagor agrees to indemnify Mortgagee against and hold it harmless from all losses, damages, liabilities, claims, causes of action, judgments, court costs, attorneys' fees and other legal expenses, cost of evidence of title, cost of evidence of value, and other costs and expenses which it may suffer or incur:

(i) In performing any act required or permitted by this Mortgage or any of the other Loan Documents or by law;

(ii) Because of any failure of Mortgagor to perform any of its obligations; or

(iii) Because of any alleged obligation of or undertaking by Mortgagee to perform or discharge any of the representations, warranties, conditions, covenants or other obligations in any document relating to the Property other than the Loan Documents.

This agreement by Mortgagor to indemnify Mortgagee shall survive the release and cancellation of any or all of the Secured Obligations and the full or partial release of this Mortgage.

(d) Mortgagor shall pay all obligations to pay money arising under this Section 5.13 immediately upon demand by Mortgagee. Each such obligation shall be added to, and considered to be part of, the principal of the Note, and shall bear interest from the date the obligation arises at the Default Rate.

5.14 Hazardous Waste Covenants and Indemnification.

(a) Mortgagor covenants and warrants that Mortgagor's use of the Property shall at all times comply with and conform in all material respects to all laws, statutes, ordinances, rules and regulations of any governmental, quasi-governmental or regulatory authority now or hereafter in effect ("Laws") which relate to the transportation, storage, placement, handling, treatment, discharge, release, generation, production or disposal (collectively "Treatment") of any waste, waste products, petroleum or petroleum based products, radioactive materials, poly-chlorinated biphenyls, asbestos, hazardous materials or substances of any kind, pollutants, contaminants and any substance which is regulated by any law, statute, ordinance, rule or regulation (collectively "Waste"). Mortgagor further covenants that it shall not engage in or permit any Person to engage in any Treatment of any Waste on or that affects the Property except for activities which comply with all Laws in all material respects. "Person" means any individual, sole proprietorship, partnership, joint venture, unincorporated organization, corporation, limited liability company, institution, trust, estate, government or other agency or political subdivision thereof or any other entity.

(b) Except as specifically disclosed to Mortgagee in writing, Mortgagor has no actual knowledge that the Property is the subject of any Notice, as hereinafter defined, from any governmental authority or Person.

(c) Promptly upon receipt of any Notice from any Person, Mortgagor shall deliver to Mortgagee a true, correct and complete copy of any written Notice or a true, correct and complete report of any non-written Notice. Additionally, Mortgagor shall notify Mortgagee immediately after having knowledge or Notice of any Waste in or affecting the Property. "Notice" shall mean any note, notice, information, or report of any of the following:

(i) any suit, proceeding, investigation, order, consent order, injunction, writ, award or action related to or affecting or indicating the Treatment of any Waste in or affecting the Property;

(ii) any spill, contamination, discharge, leakage, release, threatened release, or escape of any Waste in or affecting the Property, whether sudden or gradual, accidental or anticipated, or of any other nature ("Spill");

(iii) any dispute relating to Mortgagor's or any other Person's Treatment of any Waste or any Spill in or affecting the Property;

(iv) any claims by or against any insurer related to or arising out of any Waste or Spill in or affecting the Property;

(v) any recommendations or requirements of any governmental or regulatory authority, insurer or board of underwriters relating to any Treatment of Waste or a Spill in or affecting the Property;

(vi) any legal requirement or deficiency related to the Treatment of Waste or any Spill in or affecting the Property; or

(vii) any tenant, licensee, concessionaire, manager, or other Person occupying or using the Property or any part thereof which has engaged in or engages in the Treatment of any Waste in or affecting the Property in violation of applicable Laws.

(d) In the event that (i) Mortgagor has caused, suffered or permitted, directly or indirectly, any Spill in or affecting the Property during the term of this Mortgage, or (ii) any Spill of any Waste has occurred on the Property during the term of this Mortgage, then Mortgagor shall immediately take all of the following actions:

(A) notify Mortgagee, as provided herein;

(B) take all steps necessary or appropriate to clean up such Spill and any contamination related to the Spill, all in accordance with the requirements, rules or regulations of any local, state or federal governmental or regulatory authority or agency having jurisdiction over the Spill; provided that Mortgagor may contest any such requirement, rule or regulation by appropriate proceedings diligently and in good faith, so long as (1) Mortgagor provides Mortgagee, at Mortgagor's cost, such sureties, performance bonds and other assurances as Mortgagee may from time to time request in respect of such Spill and contamination and the cleanup thereof, (2) any governmental or other action against Mortgagor and the Property is effectively stayed during Mortgagor's efforts so to contest, and (3) in Mortgagee's determination, a delay in such clean-up will not result in or increase any loss or liability to Mortgagee;

(C) restore the Property, provided that such restoration shall be no less than, but need not be more than, what is otherwise required by applicable federal, state or local law or authorities;

(D) allow any local, state or federal governmental or regulatory authority or agency having jurisdiction thereof to monitor and inspect all cleanup and restoration related to such Spill; and

(E) at the written request of Mortgagee, post a bond or obtain a letter of credit for the benefit of Mortgagee (drawn upon a company or bank satisfactory to Mortgagee) or deposit an amount of money in an escrow account under Mortgagee's name upon which bond, letter of credit or escrow Mortgagee may draw, and which bond, letter of credit or escrow shall be in an amount sufficient to meet all of Mortgagor's obligations under this Section 5.14; and Mortgagee shall have the unfettered right to draw against the bond, letter of credit or escrow in its discretion in the event that Mortgagor is unable or unwilling to meet its obligation under this Section 5.14 or, if Mortgagor fails to

post a bond or obtain a letter of credit or deposit such cash as is required herein, then Mortgagee, at Mortgagor's cost and expense, may, but shall have no obligation to do so for the benefit of Mortgagor and do those things that Mortgagor is required to do under clauses (B), (C) and (D) of this subsection (d).

(e) Mortgagor hereby agrees that it shall indemnify, defend, save and hold harmless Mortgagee and Mortgagee's officers, directors employees, agents, successors, assigns and affiliates (collectively, "Indemnified Parties") against and from, and to reimburse the Indemnified Parties with respect to, any and all damages, claims, liabilities, losses, costs and expenses (including, without limitation, reasonable attorneys', engineers' and consultants' fees and expenses, court costs, administrative costs, costs of appeals and all clean up, administrative, fines, penalties and enforcement costs of applicable governmental agencies) that are incurred by or asserted against the Indemnified Parties by reason or arising out of: (i) the breach of any representation, warranty or undertaking of Mortgagor under this Section 5.14, or (ii) the Treatment of any Waste by Mortgagor or any tenant, licensee, concessionaire, manager, or other Person occupying or using the Property, in or affecting the Property, or (iii) any Spill governed by the terms of this Section 5.14.

(f) The obligations of Mortgagor under this Section 5.14 shall survive any termination or satisfaction of this Mortgage.

5.15 Defense and Notice of Claims and Actions. At Mortgagor's sole expense, Mortgagor shall protect, preserve and defend the Property and title to and right of possession of the Property, and the security of this Mortgage and the rights and powers of Mortgagee created under it, against all adverse claims. Mortgagor shall give Mortgagee prompt notice in writing if any claim is asserted which does or could affect any such matters, or if any action or proceeding is commenced which alleges or relates to any such claim.

5.16 Subrogation. Mortgagee shall be subrogated to the liens of all encumbrances, whether released of record or not, which are discharged in whole or in part by Mortgagee in accordance with this Mortgage or with the proceeds of any loan secured by this Mortgage.

5.17 Site Visits, Observation and Testing. Mortgagee and its agents and representatives shall have the right at any reasonable time to enter and visit the Property for the purpose of performing appraisals, observing the Property, taking and removing soil or groundwater samples, and conducting tests on any part of the Property. Mortgagee has no duty, however, to visit or observe the Property or to conduct tests, and no site visit, observation or testing by Mortgagee, its agents or representatives shall impose any liability on any of Mortgagee, its agents or representatives. In no event shall any site visit, observation or testing by Mortgagee, its agents or representatives be a representation that Waste is or is not present in, on or under the Property, or that there has been or shall be compliance with any law, regulation or ordinance pertaining to Waste or any other applicable governmental law. Neither Mortgagor nor any other party is entitled to rely on any site visit, observation or testing by any of Mortgagee, its agents or representatives. Neither Mortgagee, its agents or representatives owe any duty of care to protect Mortgagor or any other party against, or to inform Mortgagor or any other party of, any Waste or any other adverse condition affecting the Property. Mortgagee shall give Mortgagor reasonable notice before entering the Property. Mortgagee shall make reasonable efforts to avoid interfering with Mortgagor's use of the Property in exercising any rights provided in this Section 5.17. Mortgagor shall bear all expense of any site visit, observation or testing.

5.18 Notice of Change. Mortgagor shall give Mortgagee prior written notice of any change in: (a) the location of its place of business or its chief executive office if it has more than one place of business; (b) the location of any of the Property, including the Books and Records; and (c) Mortgagor's name, business structure and/or state of organization. Unless otherwise approved by Mortgagee in

writing, all Property that consists of personal property (other than the Books and Records) will be located on the Premises and all Books and Records will be located at Mortgagor's place of business or chief executive office if Mortgagor has more than one place of business.

5.19 Transfers. Mortgagor shall not (a) voluntarily or involuntarily sell, lease, exchange, assign, convey, transfer or otherwise dispose of all or any portion of the Property (or any interest therein, legal or equitable), or all or any of the ownership interest in Mortgagor, or (b) convey to any Person, other than Mortgagee, a security interest in the Property or any part thereof or voluntarily or involuntarily permit or suffer the Property to be further encumbered.

6. Default and Remedies.

6.1 Events of Default. Mortgagor will be in default under this Mortgage upon the occurrence of any one or more of the following events (some or all collectively, "Events of Default;" any one singly, an "Event of Default").

(a) If (i) the interest on any Note or any commitment or other fee shall not be paid in full punctually when due and payable or within ten (10) days thereafter, or (ii) the principal of any Note shall not be paid in full punctually when due and payable (other than indebtedness, obligations, fees or expenses due or arising under, any Interest Rate Agreement.

(b) If Mortgagor fails to perform or observe any covenant or agreement contained in this Mortgage or in any other of the Loan Documents, and such failure remains unremedied for thirty (30) days after the Mortgagee gives notice thereof to Mortgagor.

(c) If any representation, warranty or statement made in or pursuant to this Mortgage or any Loan Document or any other material information furnished by Mortgagor to Mortgagee or any other holder of any Note, shall be false or erroneous.

(d) If any event of default or default shall occur under any other Loan Document, or if under any Loan Document in which payment is required to be made by Mortgagor or any guarantor on demand of Mortgagee, such demand for payment is made.

(e) If Mortgagor shall default in the payment of principal or interest due and owing upon any other obligation for borrowed money, beyond any period of grace provided with respect thereto or in the performance or observance of any other agreement, term or condition contained in any agreement under which such obligation is created, if the effect of such default is to allow the acceleration of the maturity of such indebtedness or to permit the holder thereof to cause such Indebtedness to become due prior to its stated maturity.

(f) If Mortgagor shall abandon any of the Property or shall sell, lease, convey or transfer (or contract to sell, lease, convey or transfer) all or any part of the Property without first obtaining Mortgagee's written consent.

(g) If Mortgagor shall assign any part of the rents or profits of the Property other than to Mortgagee without first obtaining Mortgagee's written consent or, by the cancellation, surrender or modification of any existing lease (or in any other manner) the security for the payment of the Secured Obligations shall be in any manner impaired.

(h) A default, event of default or any failure by the Borrower in the performance of any term or provision of, including, without limitation, the failure to pay any indebtedness, obligations, fees or expenses due or arising under, any Interest Rate Agreement or a breach or other failure to satisfy, any other term, provision, condition, representation or warranty under any

Interest Rate Agreement and the specific grace period, if any, allowed for the default or event of default in question shall have expired without such default or event of default having been cured.

6.2 Remedies. At any time after an Event of Default, Mortgagee shall be entitled to invoke any and all of the rights and remedies described below, in addition to all other rights and remedies available to Mortgagee at law or in equity. All of such rights and remedies shall be cumulative, and the exercise of any one or more of them shall not constitute an election of remedies.

(a) Declare all of the Secured Obligations to be immediately due and payable, whereupon all unpaid principal, interest and fees in respect of such Obligations, together with all of Mortgagee's costs, expenses and attorneys' fees related thereto, under the terms of the Loan Documents or otherwise, shall be immediately due and payable;

(b) Terminate any commitment to make any additional advances under any Loan;

(c) Exercise any and all rights and remedies available to Mortgagee under any applicable law;

(d) Exercise any and all rights and remedies granted to Mortgagee under the terms of this Mortgage and any of the other Loan Documents;

(e) Mortgagee shall, as a matter of right, without notice and without giving bond to Mortgagor or anyone claiming by, under or through Mortgagor, and without regard for the solvency or insolvency of Mortgagor or the then value of the Property, to the extent permitted by applicable law, be entitled to have a receiver appointed for all or any part of the Property and the Rents, and the proceeds, issues and profits thereof, with the rights and powers referenced below and such other rights and powers as the court making such appointment shall confer, and Mortgagor hereby consents to the appointment of such receiver and shall not oppose any such appointment. Such receiver shall have all powers and duties prescribed by applicable law, all other powers which are necessary or usual in such cases for the protection, possession, control, management and operation of the Property, and such rights and powers as Mortgagee would have, upon entering and taking possession of the Property under subsection (g) below.

(f) Mortgagee, in person, by agent or by court-appointed receiver, may enter, take possession of, manage and operate all or any part of the Property, and may also do any and all other things in connection with those actions that Mortgagee may in its sole discretion consider necessary and appropriate to protect the security of this Mortgage. Such other things may include: taking and possessing all of Mortgagor's or the then owner's Books and Records; entering into, enforcing, modifying or canceling leases on such terms and conditions as Mortgagee may consider proper; obtaining and evicting tenants; fixing or modifying Rents; collecting and receiving any payment of money owing to Mortgagee; completing any unfinished construction; and/or contracting for and making repairs and alterations. If Mortgagee so requests, Mortgagor shall assemble all of the Property that has been removed from the Premises and make all of it available to Mortgagee at the site of the Premises. Mortgagor hereby irrevocably constitutes and appoints Mortgagee as Mortgagor's attorney-in-fact to perform such acts and execute such documents as Mortgagee in its sole discretion may consider to be appropriate in connection with taking these measures, including endorsement of Mortgagor's name on any instruments.

(g) Mortgagee may cure any breach or default of Mortgagor, and if it chooses to do so in connection with any such cure, Mortgagee may also enter the Property and/or do any and all other things which it may in its sole discretion consider necessary and appropriate to protect the security of this Mortgage. Such other things may include: appearing in and/or defending any

action or proceeding which purports to affect the security of, or the rights or powers of Mortgagee under, this Mortgage; paying, purchasing, contesting or compromising any encumbrance, charge, lien or claim of lien which in Mortgagee's sole judgment is or may be senior in priority to this Mortgage, such judgment of Mortgagee or to be conclusive as among the parties to this Mortgage; obtaining insurance and/or paying any premiums or charges for insurance required to be carried hereunder; otherwise caring for and protecting any and all of the Property; and/or employing counsel, accountants, contractors and other appropriate persons to assist Mortgagee. Mortgagee may take any of the actions permitted under this Subsection 6.2(g) either with or without giving notice to any person. Any amounts expended by Mortgagee under this Subsection 6.2(g) shall be secured by this Mortgage.

(h) Mortgagee shall have the right, in one or several concurrent or consecutive proceedings, to foreclose the lien hereof upon the Property or any part thereof, for the Secured Obligations, or any part thereof, by any proceedings appropriate under applicable law. Mortgagee or its nominee may bid and become the purchaser of all or any part of the Property at any foreclosure or other sale hereunder, and the amount of Mortgagee's successful bid shall be credited on the Secured Obligations. Without limiting the foregoing, Mortgagee may proceed by a suit or suits in law or equity, whether for specific performance of any covenant or agreement herein contained or in aid of the execution of any power herein granted, or for any foreclosure under the judgment or decree of any court of competent jurisdiction. In addition to the right provided in Subsection 6.2(a), upon, or at any time after the filing of a complaint to foreclose this Mortgage, Mortgagee shall be entitled to the appointment of a receiver of the property by the court in which such complaint is filed, and Mortgagor hereby consents to such appointment.

(i) Mortgagee may exercise all rights and remedies contained in any other instrument, document, agreement or other writing heretofore, concurrently or in the future executed by Mortgagor or any other person or entity in favor of Mortgagee in connection with the Secured Obligations or any part thereof, without prejudice to the right of Mortgagee thereafter to enforce any appropriate remedy against Mortgagor. Mortgagee shall have the right to pursue all remedies afforded to a mortgagee under applicable law, and shall have the benefit of all of the provisions of such applicable law, including all amendments thereto which may become effective from time to time after the date hereof.

(j) Mortgagee shall have the discretionary right to cause some or all of the Property, which constitutes personal property, to be sold or otherwise disposed of in any combination and in any manner permitted by applicable law.

(i) For purposes of this power of sale, Mortgagee may elect to treat as personal property any Property which is intangible or which can be severed from the Premises or Improvements without causing structural damage. If it chooses to do so, Mortgagee may dispose of any personal property, in any manner permitted by Article 9 of the Uniform Commercial Code of the state in which the Property is located, including any public or private sale, or in any manner permitted by any other applicable law.

(ii) In connection with any sale or other disposition of such Property, Mortgagor agrees that the following procedures constitute a commercially reasonable sale: Mortgagee shall mail written notice of the sale to Mortgagor not later than thirty (30) days prior to such sale. Mortgagee will publish notice of the sale in a local daily newspaper of general circulation. Upon receipt of any written request, Mortgagee will make the Property available to any bona fide prospective purchaser for inspection during reasonable business hours. Notwithstanding, Mortgagee shall be under no obligation to consummate a sale if, in its judgment, none of the offers received by it equals the fair

value of the Property offered for sale. The foregoing procedures do not constitute the only procedures that may be commercially reasonable.

(k) If the Property consists of more than one lot, parcel or item of property, Mortgagee may:

(i) Designate the order in which the lots, parcels and/or items shall be sold or disposed of or offered for sale or disposition; and

(ii) Elect to dispose of the lots, parcels and/or items through a single consolidated sale or disposition to be held or made under or in connection with judicial proceedings, or by virtue of a judgment and decree of foreclosure and sale; or through two or more such sales or dispositions; or in any other manner Mortgagee may deem to be in its best interests (any such sale or disposition, a "Foreclosure Sale," and any two or more, "Foreclosure Sales").

If Mortgagee chooses to have more than one Foreclosure Sale, Mortgagee at its option may cause the Foreclosure Sales to be held simultaneously or successively, on the same day, or on such different days and at such different times and in such order as Mortgagee may deem to be in its best interests. No Foreclosure Sale shall terminate or affect the liens of this Mortgage on any part of the Property which has not been sold, until all of the Secured Obligations have been paid in full.

6.3 Credit Bids. At any Foreclosure Sale, any person, including Mortgagor or Mortgagee, may bid for and acquire the Property or any part of it to the extent permitted by then applicable law. Instead of paying cash for such property, Mortgagee may settle for the purchase price by crediting the sales price of the property against the following obligations:

(a) First, the portion of the Secured Obligations attributable to the expenses of sale, costs of any action and any other sums for which Mortgagor is obligated to pay or reimburse Mortgagee under Section 5.13 of this Mortgage; and

(b) Second, all other Secured Obligations in any order and proportions as Mortgagee in its sole discretion may choose.

6.4 Application of Foreclosure Sale Proceeds. Mortgagee shall apply the proceeds of any Foreclosure Sale in the following manner:

(a) First, to pay the portion of the Secured Obligations attributable to the expenses of sale, costs of any action and any other sums for which Mortgagor is obligated to reimburse Mortgagee under Section 5.13 of this Mortgage;

(b) Second, to pay the portion of the Secured Obligations attributable to any sums expended or advanced by Mortgagee under the terms of this Mortgage which then remain unpaid;

(c) Third, to pay all other Secured Obligations in any order and proportions as Mortgagee in its sole discretion may choose; and

(d) Fourth, to remit the remainder, if any, to the person or persons entitled to it.

6.5 Application of Rents and Other Sums. Mortgagee shall apply any and all Rents collected by it, and any and all sums other than proceeds of a Foreclosure Sale which Mortgagee may receive or collect under Section 6.2 above, in the following manner:

(a) First, to pay the portion of the Secured Obligations attributable to the costs and expenses of operation and collection that may be incurred by Mortgagee or any receiver;

(b) Second, to pay all other Secured Obligations in any order and proportions as Mortgagee in its sole discretion may choose; and

(c) Third, to remit the remainder, if any, to the person or persons entitled to it.

Mortgagee shall have no liability for any funds which it does not actually receive.

7. **Miscellaneous Provisions.**

7.1 **Additional Provisions.** The Loan Documents fully state all of the terms and conditions of the parties' agreement regarding the matters mentioned in or incidental to this Mortgage. The Loan Documents also grant further rights to Mortgagee and contain further agreements and affirmative and negative covenants by Mortgagor which apply to this Mortgage and to the Property.

7.2 **No Waiver or Cure.**

(a) Each waiver by Mortgagee must be in writing, and no waiver shall be construed as a continuing waiver. No waiver shall be implied from any delay or failure by Mortgagee to take action on account of any default of Mortgagor. Consent by Mortgagee to any act or omission by Mortgagor shall not be construed as a consent to any other or subsequent act or omission or to waive the requirement for Mortgagee's consent to be obtained in any future or other instance.

(b) If any of the events described below occurs, that event alone shall not: cure or waive any breach, Event of Default or notice of default under this Mortgage or invalidate any act performed pursuant to any such default or notice; or nullify the effect of any notice of default or sale (unless all Secured Obligations then due have been paid and performed and all other defaults under the Loan Documents have been cured); or impair the security of this Mortgage; or prejudice Mortgagee or any receiver in the exercise of any right or remedy afforded any of them under this Mortgage; or be construed as an affirmation by Mortgagee of any tenancy, lease or option, or a subordination of the lien of this Mortgage.

(i) Mortgagee, its agent or a receiver takes possession of all or any part of the Property in the manner provided in Subsection 6.2 (f).

(ii) Mortgagee collects and applies Rents as permitted under Sections 2.3 and 6.5 above, either with or without taking possession of all or any part of the Property.

(iii) Mortgagee receives and applies to any Secured Obligation any proceeds of any Property, including any proceeds of insurance policies, condemnation awards, or other claims, property or rights assigned to Mortgagee hereunder.

(iv) Mortgagee makes a site visit, observes the Property and/or conducts tests as permitted under Section 5.17 above.

(v) Mortgagee receives any sums under this Mortgage or any proceeds of any collateral held for any of the Secured Obligations, and applies them to one or more Secured Obligations.

(vi) Mortgagee or any receiver invokes any right or remedy provided under this Mortgage.

7.3 Powers of Mortgagee.

(a) If Mortgagee performs any act which it is empowered or authorized to perform under this Mortgage, including any act permitted by Section 5.10 or Subsection 6.2(d) of this Mortgage, that act alone shall not release or change the personal liability of any person for the payment and performance of the Secured Obligations then outstanding, or the lien of this Mortgage on all or the remainder of the Property for full payment and performance of all outstanding Secured Obligations. The liability of the original Mortgagor shall not be released or changed if Mortgagee grants any successor in interest to Mortgagor any extension of time for payment, or modification of the terms of payment, of any Secured Obligation. Mortgagee shall not be required to comply with any demand by the original Mortgagor that Mortgagee refuse to grant such an extension or modification to, or commence proceedings against, any such successor in interest.

(b) Mortgagee may take any of the actions permitted under Subsections 6.2(e) and/or 6.2(f) regardless of the adequacy of the security for the Secured Obligations, or whether any or all of the Secured Obligations have been declared to be immediately due and payable, or whether notice of default and election to sell has been given under this Mortgage.

(c) From time to time, Mortgagee may apply to any court of competent jurisdiction for aid and direction in executing and enforcing the rights and remedies created under this Mortgage. Mortgagee may from time to time obtain orders or decrees directing, confirming or approving acts in executing and enforcing these rights and remedies.

7.4 Merger. No merger shall occur as a result of Mortgagee's acquiring any other estate in or any other lien on the Property unless Mortgagee consents to a merger in writing.

7.5 Joint and Several Liability. If Mortgagor consists of more than one person, each shall be jointly and severally liable for the faithful performance of all of Mortgagor's obligations under this Mortgage. For purposes of clarity, the Agency shall not be deemed a Mortgagor hereunder.

7.6 Applicable Law. The creation, perfection and enforcement of the lien of this Mortgage shall be governed by the law of the state in which the property is located. Subject to the foregoing, in all other respects, this Mortgage shall be governed by the substantive laws of the State of New York.

7.7 Successors in Interest. The terms, covenants and conditions of this Mortgage shall be binding upon and inure to the benefit of the heirs, successors and assigns of the parties. However, this Section 7.7 does not waive the provisions of Section 5.19 above.

7.8 Interpretation.

(a) Whenever the context requires, all words used in the singular will be construed to have been used in the plural, and vice versa, and each gender will include any other gender. The captions of the sections of this Mortgage are for convenience only and do not define or limit any terms or provisions. The word "include(s)" means "include(s), without limitation," and the word "including" means "including, but not limited to."

(b) The word "obligations" is used in its broadest and most comprehensive sense, and includes all primary, secondary, direct, indirect, fixed and contingent obligations. It further includes all principal, interest, prepayment charges, late charges, loan fees and any other fees and

charges accruing or assessed at any time, as well as all obligations to perform acts or satisfy conditions.

(c) No listing of specific instances, items or matters in any way limits the scope or generality of any language of this Mortgage. The Exhibits to this Mortgage are hereby incorporated in this Mortgage.

7.9 Waiver of Statutory Rights. To the extent permitted by law, Mortgagor hereby agrees that it shall not and will not apply for or avail itself of any appraisal, valuation, stay, extension or exemption laws, or any so-called "Moratorium Laws," now existing or hereafter enacted, in order to prevent or hinder the enforcement or foreclosure of this Mortgage, but hereby waives the benefit of such laws. Mortgagor for itself and all who may claim through or under it waives any and all right to have the property and estates comprising the Property marshalled upon any foreclosure of the lien hereof and agrees that any court having jurisdiction to foreclose such lien may order the Property sold as an entirety. Mortgagor hereby waives any and all rights of redemption from sale under any judgment of foreclosure of this Mortgage on behalf of Mortgagor and on behalf of each and every person acquiring any interest in or title to the Property of any nature whatsoever, subsequent to the date of this Mortgage. The foregoing waiver of right of redemption is made pursuant to the provisions of applicable law.

7.10 Severability. If any provision of this Mortgage should be held unenforceable or void, that provision shall be deemed severable from the remaining provisions and shall in no way affect the validity of this Mortgage except that if such provision relates to the payment of any monetary sum, then Mortgagee may, at its option, declare all Secured Obligations immediately due and payable.

7.11 Notices. All notices, requests, demands or other communications provided for hereunder shall be in writing and mailed or delivered to any party hereto at the address of such party specified below. All notices, statements, requests, demands and other communications provided for hereunder shall be deemed to be given or made when delivered or forty-eight (48) hours after being deposited in the mails with postage prepaid by registered or certified mail, addressed as aforesaid, or sent by facsimile with telephonic confirmation of receipt, except that notices from Mortgagor to Mortgagee pursuant to any of the provisions hereof shall not be effective until received by Mortgagee.

Mortgagor: Oak Knitting Mill Commons LLC
 102 W. Division Street
 Syracuse, New York 13202
 Attention: Timothy M. Lynn

Agency: City of Syracuse Industrial Development Agency
 201 East Washington Street, 7th Floor
 Syracuse, New York 13202
 Attention: Chairman

Mortgagee: Tompkins Trust Company
 6872 E. Genesee Street
 Fayetteville, New York 13066
 Attention: Robert K. Allen, Vice President

or at such other address as the party to be served with notice may have furnished in writing to the party seeking or desiring to serve notice as a place for the service of notice.

Any notice or demand delivered to the person or entity named above to accept notices and demands for Mortgagor shall constitute notice or demand duly delivered to Mortgagor, even if delivery is refused.

7.12 Future Advances. The total amount of indebtedness secured hereby may increase or decrease from time to time, but the total unpaid principal balance of indebtedness secured hereby (including disbursements that the Bank may, but shall not be obligated to, make under this Mortgage, the Loan Documents or any other document with respect thereto) at any one time outstanding may be substantially less but shall not exceed Seven Million Four Hundred Forty Thousand and 00/100 Dollars (\$7,440,000.00), plus interest thereon, and any disbursements made for the enforcement of this Mortgage and any remedies hereunder, payment of taxes, special assessments, utilities or insurance on the Property and interest on such disbursements and all disbursements by Mortgagee pursuant to applicable law (all such indebtedness being hereinafter referred to as the maximum amount secured hereby). This Mortgage shall be valid and have priority to the extent of the maximum amount secured hereby over all subsequent liens and encumbrances, including statutory liens, excepting solely taxes and assessments levied on the Property given priority by law.

7.13 Mortgagee's Lien for Service Charge and Expenses. At all times, regardless of whether any Loan proceeds have been disbursed, this Mortgage secures (in addition to any Loan proceeds disbursed from time to time) the payment of any and all loan commissions, service charges, liquidated damages, expenses and advances due to or incurred by Mortgagee not to exceed the maximum amount secured hereby. For purposes hereof, all obligations of Mortgagor to Mortgagee under all Interest Rate Agreements and any indebtedness or obligation contained therein or evidenced thereby shall be considered an obligation of Mortgagor secured hereby.

7.14 WAIVER OF TRIAL BY JURY. MORTGAGOR AND MORTGAGEE EACH WAIVE ANY RIGHT TO HAVE A JURY PARTICIPATE IN RESOLVING ANY DISPUTE, WHETHER SOUNDING IN CONTRACT, TORT OR OTHERWISE, BETWEEN MORTGAGEE AND MORTGAGOR ARISING OUT OF, IN CONNECTION WITH, RELATED TO, OR INCIDENTAL TO THE RELATIONSHIP ESTABLISHED BETWEEN THEM IN CONNECTION WITH THIS AGREEMENT OR ANY NOTE OR OTHER INSTRUMENT, DOCUMENT OR AGREEMENT EXECUTED OR DELIVERED IN CONNECTION HERewith OR THE TRANSACTIONS RELATED THERETO.

7.15 UCC Financing Statements. Mortgagor hereby authorizes Mortgagee to file UCC financing statements to perfect Mortgagee's security interest in any part of the Property. In addition, Mortgagor agrees to sign any and all other documents that Mortgagee deems necessary in its sole discretion to perfect, protect, and continue Mortgagee's lien and security interest on the Property.

7.16 Lien Law Covenant. Mortgagor shall receive the advances secured by this Mortgage and shall hold the right to receive such advances as a trust fund in accordance with the provisions of Section 13 of the New York Lien Law.

7.17 Limits On Agency Liability.

The obligations and agreements of the Agency contained herein and in the other Loan Documents and in any other instrument or document executed in connection herewith or therewith, and any instrument or documents supplemental hereto or thereto, shall be deemed the obligations and agreements of the Agency, and not of any member, officer, agent (other than the Company) or employee of the Agency in his individual capacity, and the members, officers, agents and employees of the Agency shall not be liable personally hereon or thereon or be subject to any personal liability or accountability based upon or in respect hereof or thereof or of any transaction contemplated hereby or thereby. The obligations and agreements of the Agency contained herein or therein shall not constitute or give rise to an obligation of the State or of the City of Syracuse, and neither the State nor the City of Syracuse shall be liable hereon or thereon, and, further, such obligations and agreements shall not constitute or give rise to a general obligation of the Agency, but rather shall constitute limited obligations of the Agency, payable solely

from the revenues of the Agency derived and to be derived from the Ground Lease, sale or other disposition of the Premises. No order or decree of specific performance with respect to any of the obligations of the Agency hereunder or thereunder shall be sought or enforced against the Agency unless (A) the party seeking such order or decree shall first have requested the Agency, in writing, to take the action sought in such order or decree of specific performance, and thirty (30) days shall have elapsed from the date of receipt of such request, and the Agency shall have refused to comply with such request (or, if compliance therewith would reasonably be expected to take longer than thirty (30) days, shall have failed to institute and diligently pursue action to cause compliance with such request) or failed to respond within such notice period, and (B) if the Agency refuses to comply with such request and the Agency's refusal to comply is based on its reasonable expectation that it will incur fees and expenses, the party seeking such order or decree shall have placed in an account with the Agency an amount or undertaking sufficient to cover such reasonable fees and expenses, and (C) if the Agency refuses to comply with such request and the Agency's refusal to comply is based on its agents' (other than the Company) or employees' reasonable good faith belief or judgment that it or they shall be subject to potential liability, the party seeking such order or decree shall (1) agree to indemnify and hold harmless the Agency and its members, officers and agents (other than the Company) and employees against any liability incurred as a result of its compliance with such demand, and (2) if requested by the Agency, furnish to the agency satisfactory security to protect the Agency and its members, officers, agents (other than the Company) and employees against all liability expected to be incurred as a result of compliance with such request. Any failure to provide notice, indemnify or security to the Agency pursuant to this Paragraph shall not alter the full force and effect of any Event of Default under this Agreement.

7.18 Agency Executing at the Direction of Company. The Company directs the Agency to execute and deliver this Agreement to the Mortgagee, and further agrees to indemnify the Agency (its members, officers, directors, agents, servants and employees) for all fees and costs incurred in connection with the execution, delivery, recording, performing and enforcing of this Agreement, including but not limited to reasonable attorney's fees.

7.19 Mortgagor's Obligations to Comply with the Agency Lease, the Company Lease and the Payment in Lieu of Taxes Agreement. Mortgagor shall: (i) pay the all other sums of money due and payable at any time and from time to time under the Agency Lease, the Company Lease Agreement, dated as of September 1, 2017 between the Mortgagor and the Agency (the "*Company Lease*") and the Payment in Lieu of Taxes Agreement, dated as of September 1, 2017 between the Agency and the Mortgagor (the "*PILOT Agreement*"), as and when such sums become due and payable, but in any event before the expiration of any grace period provided in the Agency Lease, the Company Lease and the PILOT Agreement for the payment of any such sum; and (ii) at all times fully perform, observe and comply with all other terms, covenants and conditions of the Agency Lease, the Company Lease and the PILOT Agreement to be performed, observed or complied with by Mortgagor as lessor under the Company Lease and lessee under the Agency Lease and as a party under the PILOT Agreement. If the Agency Lease, the Company Lease and/or the PILOT Agreement do not provide for a grace period for the payment of a sum of money, Mortgagor shall make the payment on or before the date on which the payment becomes due and payable. Mortgagor shall deliver evidence of the payment to Mortgagee within ten (10) days after receipt of a written request from Mortgagee for evidence of the payment.

7.20 Subordination Provisions. Notwithstanding anything herein to the contrary, Mortgagee by accepting this Mortgage, acknowledges and agrees that the rights of Mortgagee hereunder shall be subordinate to the rights of the Agency to receive payments in lieu of taxes pursuant to the PILOT Agreement and that such payments in lieu of taxes to be made by Mortgagor to the Agency shall have the same force, priority and effect as a real property tax lien under New York State law against the Premises.

7.21 Miscellaneous Provision. The Mortgagor and the Mortgagee hereto, by accepting this Mortgage, acknowledge that the Agency is executing this Mortgage solely to subject its interest in the Premises, if any, to this Mortgage. Notwithstanding anything herein to the contrary, the Mortgagee acknowledges and agrees that their sole recourse against the Agency for any default hereunder shall be with respect to the Agency's interest in the Premises.

7.22 Hold Harmless Provisions.

(a) The Company hereby releases the Agency and its members, officers, agents and employees from, agrees that the Agency and its members, officers, agents and employees shall not be liable for, and agrees to indemnify, defend, and hold the Agency and its members, officers, agents and employees harmless from and against any and all claims arising as a result of the Agency's undertaking the Project, including but not limited to:

(1) Liability for loss or damage to property or bodily injury to or death of any and all persons that may be occasioned by any cause whatsoever pertaining to the Project Facility, or arising by reason of or in connection with the occupation or the use thereof, or the presence on, in, or about the Project Facility;

(2) All causes of action and attorney's fees and other expenses incurred in connection with any suits or actions which may arise as a result of any of the foregoing, provided that such losses, damages, liabilities, or expenses of the Agency are not incurred or do not result from the intentional wrongdoing of the Agency or any of its members, officers, agents or employees.

The foregoing indemnities shall apply notwithstanding the fault or negligence (other than gross negligence or willful misconduct) on the part of the Agency or any of its officers, members, agents, servants or employees and irrespective of any breach of statutory obligation or any rule of comparative or apportioned liability.

(b) In the event of any claim against the Agency or its members, officers, agents, or employees by any employee of the Company, or any contractor of the Company, or anyone directly or indirectly employed by any of them, or any one for whose acts any of them may be liable, the obligations of the Company hereunder shall not be limited in any way by any limitation on the amount or type of damages, compensation, or benefits payable by or for the Company or such contractor under worker's compensation laws, disability benefit laws, or other employee benefit laws.

7.23 BIFURCATION OF "BUILDING LOAN MORTGAGE" AND "PROJECT LOAN MORTGAGE".

This Mortgage is made in connection with the Building Loan Agreement dated as of September 26, 2017 between Mortgagor and Mortgagee which will be filed as a building loan contract in the Office of the County Clerk of Onondaga County, New York simultaneously herewith ("Building Loan Agreement");

Of the Seven Million Four Hundred Forty Thousand and 00/100 Dollars (\$7,440,000.00) maximum aggregate principal amount of the Note secured hereunder, the sum of Six Million Seven Hundred Four Thousand and 00/100 Dollars (\$6,704,000.00) constitutes a "Building Loan" and is secured as a "Building Loan Mortgage" hereunder, and will be advanced pursuant to the Building Loan Agreement and Seven Hundred Thirty Six Thousand and 00/100 Dollars (\$736,000.00) of the

proceeds of the will be advanced as a "Project Loan" and will be secured as a "Project Loan Mortgage" hereunder; and

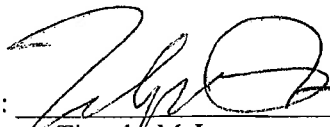
The Mortgagor expressly acknowledges agrees will Mortgagor will not be eligible for advances under the Project Loan unless Borrower is eligible for advances from the Building Loan at the time of the Project Loan advance request and that this Mortgage shall be considered to be, and is a bifurcated mortgage with (i) Six Million Seven Hundred Four Thousand and 00/100 Dollars (\$6,704,000.00) being a "Building Loan Mortgage", and (ii) Seven Hundred Thirty Six Thousand and 00/100 Dollars (\$736,000.00) being a "Project Loan Mortgage".

SIGNATURE PAGES APPEARS NEXT

IN WITNESS WHEREOF, Mortgagor has executed this Mortgage as of the date first above written.

Mortgagor:

OAK KNITTING MILL COMMONS LLC
By: OKM MM LLC
Its: Managing Member

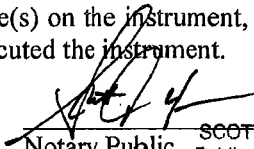
By: 
Name: Timothy M. Lynn
Title: Manager

ACKNOWLEDGMENT

State of New York)

County of Onondaga) ss:

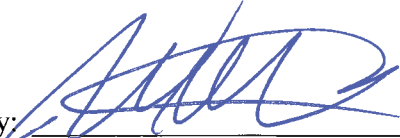
On this 26th day of September, 2017, before me, the undersigned, personally appeared Timothy M. Lynn, known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that his/her/their signature(s) on the instrument, the individual(s), or the person(s) upon behalf of which the individual(s) acted, executed the instrument.


Notary Public SCOTT R. HATZ
Notary Public, State of New York
No. 02HA4888687
Qualified in Onondaga Co.
Commission Exp. March 16, 2019

IN WITNESS WHEREOF, the Agency has executed this Mortgage as of the date first above written.

Agency:

CITY OF SYRACUSE INDUSTRIAL
DEVELOPMENT AGENCY

By: 
Name: William M. Ryan
Title: Chairman

ACKNOWLEDGMENT

State of New York)

County of Onondaga) ss:

On this 26th day of September, 2017 before me, the undersigned, personally appeared William M. Ryan, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that his/her/their signature(s) on the instrument, the individual(s), or the person(s) upon behalf of which the individual(s) acted, executed the instrument.



Notary Public
LORI L. McROBBIE
Notary Public, State of New York
Qualified in Onondaga Co. No. 01MC5055591
Commission Expires on Feb. 12, 20 18

EXHIBIT A
Legal Description

See Attached

SCHEDULE A

ALL THAT TRACT OR PARCEL OF LAND, situate in the City of Syracuse, County of Onondaga and State of New York, being part of Block "C" in said city, bounded and described as follows:

Beginning at the intersection of the easterly boundary of North Clinton Street with the northerly boundary of West Division Street; running thence N. 28° 04' 00" W., along said easterly boundary of North Clinton Street, a distance of 32.49 feet to the southerly most corner of Lot 1 of Resubdivision of Block "C" Salina Marsh Lot according to a map of said tract filed in the Onondaga County Clerk's Office February 17, 1966 as Map No. 4781; thence northerly and northeasterly along the easterly and southeasterly boundaries of said Lot 1 Resubdivision of Block "C" Salina Marsh Lot, respectively, the following courses and distances: 1) northerly and northeasterly following a curve to the right, having a radius of 320.00 feet, an arc distance of 198.50 feet to an angle point; 2) N. 30° 56' 40" W., 19.2 feet; 3) N. 59° 24' 13" E., 157.72 feet to the common westerly boundary of Genant Drive and N.Y.S. Route No. 81; thence S. 26° 30' 50" E., along said common westerly boundary of Genant Drive and N.Y.S. Route No. 81, a distance of 178.78 feet to the aforementioned northerly boundary of West Division Street; thence S. 59° 22' 10" W., along said northerly boundary of West Division Street, a distance of 294.85 feet to the point of beginning.

16

Lisa Dell, County Clerk
401 Montgomery Street
Room 200
Syracuse, NY 13202
(315) 435-2226

Onondaga County Clerk Recording Cover Sheet

Received From :
CHICAGO -JOE

Return To :
WLADIS LAW FIRM
PICK UP BOX

Method Returned : MAIL

First PARTY 1

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY

First PARTY 2

THOMPkins TRUST COMPANY

Index Type : Land Records

Instr Number : 2017-00035371

Book : Page :

Type of Instrument : Consolidation Ext & Mod Agmt

Type of Transaction : Cema

Recording Fee: \$111.00

Recording Pages : 13

Recorded Information

State of New York

County of Onondaga

I hereby certify that the within and foregoing was
recorded in the Clerk's office for Onondaga
County, New York

On (Recorded Date) : 10/04/2017

At (Recorded Time) : 11:49:36 AM



Doc ID - 0252569700013

Lisa Dell
Lisa Dell, County Clerk



This sheet constitutes the Clerks endorsement required by Section 319 of Real Property Law of the State of New York

Entered By: RSWEENIE Printed On: 10/04/2017 At: 11:53:52AM

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY, as Agency

AND

OAK KNITTING MILL COMMONS, LLC, as Company

TO

TOMPKINS TRUST COMPANY

ASSIGNMENT OF RENTS AND LEASES

\$7,440,000.00

September 26, 2017

Premises:

102 W Division Street

City of Syracuse

County of Onondaga and State of New York

SBL# 118.-04-02.0

PREPARED BY AND UPON RECORDATION RETURN TO:

The Wladis Law Firm, P.C.

P.O. Box 245

Syracuse, New York 13214

Attention: Scott R. Hatz, Esq.

ASSIGNMENT OF RENTS AND LEASES

THIS SETS FORTH AN ASSIGNMENT OF RENTS AND LEASES made as of September 26, 2017 by and among **CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY**, a public benefit corporation duly existing under the laws of the State of New York with offices at 201 East Washington Street, 7th Floor, Syracuse, New York 13202 ("Agency") and **OAK KNITTING MILL COMMONS LLC**, a New York limited liability company with a place of business at 102 W. Division Street, Syracuse, New York 13202 ("Company") in favor of **TOMPKINS TRUST COMPANY**, its successors and assigns whose principal office and place of business is P. O. Box 460, The Commons, Ithaca, New York 14851 ("Assignee").

WITNESSETH:

That in consideration of the sum of One Dollar (\$1.00) and other good and valuable consideration paid by Assignee to Company, receipt of which is hereby acknowledged, the Company and the Agency hereby GRANTS, TRANSFERS and ASSIGNS to the Assignee all of the Company's and the Agency's right, title and interest in and to:

I. Any and all leases, excepting therefrom those certain leases dated as of September 1, 2017 by and between the Agency and the Company (collectively, the "Agency Leases") (the "Leases") entered into covering or relating to space in the buildings and improvements constructed on or made to the property (the "Premises") described on the annexed **Schedule "A"**; and

II. All rents, income and profits arising from the leases and any extension of renewals of them and together with all rents, income and profits for the use and occupation of the Premises described in the Leases or in the Mortgage hereinafter referred to. (The term "Leases" whenever used in this Assignment shall also include any subleases of the Premises, excepting therefrom the Agency Leases).

THIS ASSIGNMENT is made for the purpose of securing:

A. The payment of an indebtedness in the principal sum of \$7,440,000.00 with interest according to and evidenced by a certain Note (the "Note") and a Mortgage, Assignment of Rents, Security Agreement and Fixture Filing (the "Mortgage"), each executed this same day, together with any and all modifications, extensions, consolidations, refundings, replacements and substitutions thereof.

B. Payment of all other sums with interest becoming due and payable to the Assignee under the provisions of this Assignment, the Note, and the Mortgage.

C. The performance and discharge of each and every obligation covenant and agreement of the Company contained in this Assignment, the Note, and the Mortgage.

D. Payment and performance of all obligations of Assignor arising from any Interest Rate Agreements. "Interest Rate Agreements" shall mean all agreements for any derivative or hedging product including, without limitation, interest rate or equity swaps, futures, options, caps, floors, collars or forwards now or hereafter entered into by Assignor with Assignee or any of its affiliates with respect to the Note.

THE COMPANY WARRANTS that the Company is the sole owner of the property described on **Schedule "A"**, subject only to the leasehold interest of the Agency.

THE COMPANY COVENANTS with the Assignee to observe and perform all the obligations imposed upon them under the leases and not to do or permit to be done anything to impair the security thereof; not to collect any of the rent, income and profits arising or accruing under said leases or from the Premises described in the Mortgage in advance of the time when the rent shall become due; not to execute any other assignment of lessor's interests in the leases or assignment of rents arising or accruing from the leases or from the Premises described in the Mortgage; not to subordinate the leases to any mortgage or other encumbrance or permit, consent or agree to such subordination without Assignee's prior written consent; not to alter, modify or change the terms of leases or give any consent or exercise any option required or permitted by such terms without the prior written consent of Assignee, or cancel or terminate the leases, or accept a surrender of the leases, or convey or transfer or suffer or permit a conveyance or transfer of the Premises demised thereby or of any interest in them so as to effect directly or indirectly, proximately or remotely a merger of the estates and rights of, or a termination or diminution of the obligations of, the lessees thereunder; not to consent to any assignment of the leases, except when in accordance with their terms, without the prior written consent of the assignee; at the Assignee's request to assign and transfer to the Assignee any and all subsequent leases upon all or any part of the Premises described in the leases or the Mortgage and to execute and deliver at the request of the Assignee all such further assurances and assignments in the Premises as the Assignee shall from time to time require.

THIS ASSIGNMENT is made on the following terms, covenants and conditions:

1. So long as there shall exist no default by the Company in the payment of the principal sum, interest or other charge secured hereby or in the performance of any obligation, covenant or agreement in this Assignment, the Note, the Mortgage or the Interest Rate Protection Agreement on the part of the Borrower to be performed, the Borrower shall have the right to collect at the time of, but not prior to, the date provided for the payment thereof, all rents, income and profits arising under the leases or from the Premises and to retain, use and enjoy the same.

2. Upon or at any time after default in the payment of the principal sum, interest and indebtedness secured hereby or in the performance of any obligation, covenant or agreement in this Assignment, the Note, the Mortgage or the Interest Rate Protection Agreement, or leases on the part of the Borrower to be performed, the Assignee without in any way waiving such default may, at its option, without notice and without regard to the adequacy of the security for the principal sum, interest and indebtedness secured hereby, either in person or by agent, with or without bringing any action or proceeding, or by a receiver appointed by a court, take possession of the Premises described in the leases and/or Mortgage and have, hold, manage, lease and operate the same on such terms and for such period of time as the Assignee may deem proper and either with or without taking possession of the Premises in its own name, demand, sue for or otherwise collect and receive all rents, income and profits of said Premises, including those past due and unpaid with full power to make from time to time all alterations, renovations, repairs or replacements to them as may seem proper to the Assignee and to apply such rents, income and profits or sum to the payment of:

(a) All expenses of managing the Premises, including without being limited thereto, the salaries, fees and wages of a managing agent and such other employees as the Assignee may deem necessary or desirable and all expenses of operating and maintaining the Premises, including, without being limited thereto, all taxes, charges, claims, assessments, water rents, sewer rents and any other liens, and premiums for all insurance which the Assignee may deem necessary or desirable, and the cost of all alterations, renovations, repairs or replacements, and all expenses incident to taking and retaining possession of the Premises; and

(b) The principal sum, interest and indebtedness secured hereby, together with all costs and attorneys' fees, in such order of priority as to any of the items mentioned in this paragraph 2 as the Assignee in its sole discretion may determine, any statute, law, custom or use to the contrary notwithstanding. The exercise by the Assignee of the option granted in this paragraph 2 and the collection of the rents, income, profits or sums and their application as provided above shall not be considered a waiver of any default by the Company under the Note, the Mortgage, or under the leases or this Assignment. It is not the intention of the parties that any entry by Assignee upon the Premises under the terms of this Assignment shall constitute the Assignee as "mortgagee in possession" in contemplation of law, except at the option of Assignee.

3. No security deposited by the tenants with the Company under the terms of the leases assigned has been transferred to Assignee who assumes no liability for any security so deposited provided, however, that upon default, Assignee may at its option demand the transfer of the security and assume responsibility therefor.

4. If Company receives notice that it has breached any covenant or defaulted in the terms of any of the leases, Company will promptly notify Assignee in writing, and will give Assignee reasonable opportunity to investigate, and Assignee shall have the right but not the responsibility to cure any default, and if possible, to correct the default or other breach and otherwise to protect its rights.

5. The Assignee shall not be liable for any loss sustained by the Borrower resulting from the Assignee's failure to let the Premises after default or from any other act or omission of the Assignee in managing the Premises after default unless the loss is caused by the willful misconduct and bad faith of the Assignee. Nor shall the Assignee be obligated to perform or discharge nor does the Assignee hereby undertake to perform or discharge any obligation, duty or liability under the leases, or under or by reason of this Assignment and the Borrower shall, and does hereby agree, to indemnify the Assignee for, and to hold the Assignee harmless from, any and all liability, loss or damage which may or might be incurred under the leases, or under or by reason of this assignment and from any and all claims and demands whatsoever which may be asserted against the Assignee by reason of any alleged obligations or undertakings on its part to perform or discharge any of the terms, covenants or agreements contained in the leases. Should the Assignee incur any such liability under the leases, or under or by reason of this Assignment or in defense of any such claims or demands, the amount thereof, including costs, expenses and reasonable attorneys' fees shall be secured hereby and the Borrower shall reimburse the assignee therefor immediately upon demand and upon the failure of the Company so to do the Assignee may, at its option, declare all sums secured hereby immediately due and payable. And it is further understood that this Assignment shall not operate to place responsibility for the control, care, management or repair of the Premises upon the assignee, nor for the carrying out of any of the terms and conditions of the leases; nor shall it operate to make the Assignee responsible or liable for any waste committed on the property by the tenants of any other parties, or for any dangerous or defective condition of the Premises, or for any negligence in the management, upkeep, repair or control of said Premises resulting in loss or injury or death to any tenant, licensee, employee or stranger.

6. Upon payment in full of the principal sum, interest and indebtedness secured hereby, this Assignment shall become and be void and of no effect but the affidavit, certificate, letter or statement of any officer, agent or attorney of the Assignee showing any part of the principal, interest or indebtedness to remain unpaid shall be and constitute conclusive evidence of the validity, effectiveness and continuing force of this Assignment and any person may, and is hereby authorized to, rely on it. The Company hereby authorizes and directs the lessees named in the leases or any other or future lessee or

occupant of the Premises described therein or in the Mortgage, upon receipt from the Assignee of written notice to the effect that a default exists under the Note, the Mortgage, or under this Assignment to pay over to the Assignee all rents, income and profits or sums arising or accruing under the leases or from the Premises described in the Mortgage and to continue so to do until otherwise notified by the Assignee.

7. The holder of the Note may take or release other security for the payment of the principal sum, interest and indebtedness, may release any party primarily or secondarily liable therefor and may apply any other security held by it to the satisfaction of the principal sum, interest or indebtedness without prejudice to any of its rights under this Assignment.

8. The provisions of the Mortgage shall govern with respect to the disposition of the proceeds of insurance and condemnation or eminent domain awards.

9. The term "leases", or "the leases" as used in this Assignment means the leases hereby assigned and any extension or renewal of them and any lease subsequently executed during the term of this Assignment covering the Premises described on **Schedule "A"** annexed.

10. Nothing contained in this Assignment and no act done or omitted by the Assignee pursuant to the powers and rights granted it in this Assignment shall be deemed to be a waiver by the holder of the Note of its rights and remedies under the Note, the Mortgage, and this Assignment is made and accepted without prejudice to any of the rights and remedies possessed by the holder of the Note under the terms of the Note and the Mortgage. The right of the holder of the Note to collect the principal sum, interest and indebtedness and to enforce any other security therefor, held by it may be exercised by the holder of the Note either prior to, simultaneously with, or subsequent to any action taken by Assignee hereunder.

11. This Assignment is made pursuant to Section 291-f of the Real Property Law to which reference is hereby made.

12. The obligations and agreements of the Agency contained herein and in the other Loan Documents and in any other instrument or document executed in connection herewith or therewith, and any instrument or documents supplemental hereto or thereto, shall be deemed the obligations and agreements of the Agency, and not of any member, officer, agent (other than the Company) or employee of the Agency in his individual capacity, and the members, officers, agents and employees of the Agency shall not be liable personally hereon or thereon or be subject to any personal liability or accountability based upon or in respect hereof or thereof or of any transaction contemplated hereby or thereby. The obligations and agreements of the Agency contained herein or therein shall not constitute or give rise to an obligation of the State or of the City of Syracuse, and neither the State nor the City of Syracuse shall be liable hereon or thereon, and, further, such obligations and agreements shall not constitute or give rise to a general obligation of the Agency, but rather shall constitute limited obligations of the Agency, payable solely from the revenues of the Agency derived and to be derived from the sale or other disposition of the Premises. No order or decree of specific performance with respect to any of the obligations of the Agency hereunder or thereunder shall be sought or enforced against the Agency unless (A) the party seeking such order or decree shall first have requested the Agency, in writing, to take the action sought in such order or decree of specific performance, and thirty (30) days shall have elapsed from the date of receipt of such request, and the Agency shall have refused to comply with such request (or, if compliance therewith would reasonably be expected to take longer than thirty (30) days, shall have failed to institute and diligently pursue action to cause compliance with such request) or failed to respond within such notice period, and (B) if the Agency refuses to comply with such request and the Agency's

refusal to comply is based on its reasonable expectation that it will incur fees and expenses, the party seeking such order or decree shall have placed in an account with the Agency an amount or undertaking sufficient to cover such reasonable fees and expenses, and (C) if the Agency refuses to comply with such request and the Agency's refusal to comply is based on its agents' (other than the Company) or employees' reasonable good faith belief or judgment that it or they shall be subject to potential liability, the party seeking such order or decree shall (1) agree to indemnify and hold harmless the Agency and its members, officers and agents (other than the Company) and employees against any liability incurred as a result of its compliance with such demand, and (2) if requested by the Agency, furnish to the agency satisfactory security to protect the Agency and its members, officers, agents (other than the Company) and employees against all liability expected to be incurred as a result of compliance with such request. Any failure to provide notice, indemnify or security to the Agency pursuant to this Paragraph shall not alter the full force and effect of any Event of Default under this Agreement.

13. Agency Executing at the Direction of Company. The Company directs the Agency to execute and deliver this Agreement to the Mortgagee, and further agrees to indemnify the Agency (its members, officers, directors, agents, servants and employees) for all fees and costs incurred in connection with the execution, delivery, recording, performing and enforcing of this Agreement, including but not limited to reasonable attorney's fees.

14. Subordination Provisions. Notwithstanding anything herein to the contrary, Assignee by accepting this Assignment, acknowledges and agrees that the rights of Assignee hereunder shall be subordinate to the rights of the Agency to receive payments in lieu of taxes pursuant to the Payment in Lieu of Tax Agreement between the Agency and the Company and dated even dated herewith and that such payments in lieu of taxes to be made by the Company to the Agency shall have the same force, priority and effect as a real property tax lien under New York State law against the Premises.

15. Hold Harmless Provisions.

(a) The Company hereby releases the Agency and its members, officers, agents and employees from, agrees that the Agency and its members, officers, agents and employees shall not be liable for, and agrees to indemnify, defend, and hold the Agency and its members, officers, agents and employees harmless from and against any and all claims arising as a result of the Agency's undertaking the Project, including but not limited to:

(1) Liability for loss or damage to property or bodily injury to or death of any and all persons that may be occasioned by any cause whatsoever pertaining to the Project Facility, or arising by reason of or in connection with the occupation or the use thereof, or the presence on, in, or about the Project Facility;

(2) All causes of action and attorney's fees and other expenses incurred in connection with any suits or actions which may arise as a result of any of the foregoing, provided that such losses, damages, liabilities, or expenses of the Agency are not incurred or do not result from the intentional wrongdoing of the Agency or any of its members, officers, agents or employees.

The foregoing indemnities shall apply notwithstanding the fault or negligence (other than gross negligence or willful misconduct) on the part of the Agency or any of its officers, members, agents, servants or employees and irrespective of any breach of statutory obligation or any rule of comparative or apportioned liability.

(b) In the event of any claim against the Agency or its members, officers, agents, or

employees by any employee of the Company, or any contractor of the Company, or anyone directly or indirectly employed by any of them, or any one for whose acts any of them may be liable, the obligations of the Company hereunder shall not be limited in any way by any limitation on the amount or type of damages, compensation, or benefits payable by or for the Company or such contractor under worker's compensation laws, disability benefit laws, or other employee benefit laws.

THIS ASSIGNMENT shall inure to the benefit of the Assignee and all holders of the Note and Mortgage and shall be binding upon the Company and the Agency, their successors and assigns and all lessees, tenants, subtenants and their assigns and all occupants and subsequent owners of the mortgaged Premises.

SIGNATURE PAGES APPEARS NEXT

IN WITNESS WHEREOF, the Company has executed this Assignment as of the date first above written.

OAK KNITTING MILL COMMONS LLC
By: OKM MM LLC
Its: Managing Member

By: 
Name: Timothy M. Lynn
Title: Manager

ACKNOWLEDGMENT

State of New York)


County of Onondaga) ss:

On this 20th day of September, 2017, before me, the undersigned, personally appeared Timothy M. Lynn, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that his/her/their signature(s) on the instrument, the individual(s), or the person(s) upon behalf of which the individual(s) acted, executed the instrument.


SCOTT R. HATZ
Notary Public, State of New York
No. 02HA4888687
Qualified in Onondaga Co.
Commission Exp. March 16, 2019

IN WITNESS WHEREOF, the Agency has executed this Assignment as of the date first above written.

CITY OF SYRACUSE INDUSTRIAL
DEVELOPMENT AGENCY

By: 
Name: William M. Ryan
Title: Chairman

ACKNOWLEDGMENT

State of New York)

County of Onondaga) ss:

On this 26th day of September 2017, before me, the undersigned, personally appeared William M. Ryan, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that his/her/their signature(s) on the instrument, the individual(s), or the person(s) upon behalf of which the individual(s) acted, executed the instrument.


Notary Public

LORI L. McROBBIE
Notary Public, State of New York
Qualified in Onondaga Co. No. 01MC505591
Commission Expires on Feb. 12, 2018.

SCHEDULE A

Legal Description

See Attached

SCHEDULE A

ALL THAT TRACT OR PARCEL OF LAND, situate in the City of Syracuse, County of Onondaga and State of New York, being part of Block "C" in said city, bounded and described as follows:

Beginning at the intersection of the easterly boundary of North Clinton Street with the northerly boundary of West Division Street; running thence N. $28^{\circ} 04' 00''$ W., along said easterly boundary of North Clinton Street, a distance of 32.49 feet to the southerly most corner of Lot 1 of Resubdivision of Block "C" Salina Marsh Lot according to a map of said tract filed in the Onondaga County Clerk's Office February 17, 1966 as Map No. 4781; thence northerly and northeasterly along the easterly and southeasterly boundaries of said Lot 1 Resubdivision of Block "C" Salina Marsh Lot, respectively, the following courses and distances: 1) northerly and northeasterly following a curve to the right, having a radius of 320.00 feet, an arc distance of 198.50 feet to an angle point; 2) N. $30^{\circ} 56' 40''$ W., 19.2 feet; 3) N. $59^{\circ} 24' 13''$ E., 157.72 feet to the common westerly boundary of Genant Drive and N.Y.S. Route No. 81; thence S. $26^{\circ} 30' 50''$ E., along said common westerly boundary of Genant Drive and N.Y.S. Route No. 81, a distance of 178.78 feet to the aforementioned northerly boundary of West Division Street; thence S. $59^{\circ} 22' 10''$ W., along said northerly boundary of West Division Street, a distance of 294.85 feet to the point of beginning.

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2017 Oct 06 PM03:40

UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

A. NAME & PHONE OF CONTACT AT FILER [optional]
 Scott R. Hatz, Esq. (315)445-1700

B. SEND ACKNOWLEDGMENT TO: (Name and Address)

The Wladis Law Firm, P.C.
 P.O. Box 245
 Syracuse, NY 13214, USA

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1. DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (1a or 1b) - do not abbreviate or combine names

1a. ORGANIZATION'S NAME Oak Knitting Mill Commons, LLC

OR

1b. INDIVIDUAL'S LAST NAME FIRST NAME MIDDLE NAME SUFFIX

1c. MAILING ADDRESS 100 Madison Street, Suite 1905 CITY Syracuse STATE NY POSTAL CODE 13202 COUNTRY USA

1d. SEE INSTRUCTIONS ADD'L INFO RE ORGANIZATION DEBTOR 1e. TYPE OF ORGANIZATION Limited Liability Co. 1f. JURISDICTION OF ORGANIZATION New York NONE

2. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (2a or 2b) - do not abbreviate or combine names

2a. ORGANIZATION'S NAME

OR

2b. INDIVIDUAL'S LAST NAME FIRST NAME MIDDLE NAME SUFFIX

2c. MAILING ADDRESS CITY STATE POSTAL CODE COUNTRY

2d. SEE INSTRUCTIONS ADD'L INFO RE ORGANIZATION DEBTOR 2e. TYPE OF ORGANIZATION 2f. JURISDICTION OF ORGANIZATION 2g. ORGANIZATIONAL ID #, if any NONE

3. SECURED PARTY'S NAME (or NAME of TOTAL ASSIGNEE of ASSIGNOR S/P) - insert only one secured party name (3a or 3b)

3a. ORGANIZATION'S NAME Tompkins Trust Company

OR

3b. INDIVIDUAL'S LAST NAME FIRST NAME MIDDLE NAME SUFFIX

3c. MAILING ADDRESS P.O. Box 460 CITY Ithaca STATE NY POSTAL CODE 14851 COUNTRY USA

4. This FINANCING STATEMENT covers the following collateral:

All of Debtor's existing or hereinafter acquired equipment and fixtures located at 102 West Division Street, Syracuse, New York, arising out of, or used in connection with the premises, together with any and all additions thereto and replacements and proceeds thereof.

5. ALTERNATIVE DESIGNATION [if applicable]: LESSEE/LESSOR CONSIGNEE/CONSIGNOR BAILEE/BAILOR SELLER/BUYER AG. LIEN NON-UCC FILING

6. This FINANCING STATEMENT is to be filed [for record] (or recorded) in the REAL ESTATE RECORDS. Attach Addendum [if applicable]. 7. Check to REQUEST SEARCH REPORT(S) on Debtor(s) [optional]. All Debtors Debtor 1 Debtor 2

8. OPTIONAL FILER REFERENCE DATA

Lisa Dell, County Clerk
401 Montgomery Street
Room 200
Syracuse, NY 13202
(315) 435-2226

Onondaga County Clerk Recording Cover Sheet

Received From :
CHICAGO -JOE

Method Returned : FILE CABINET

First DEBTOR

OAK KNITTING MILL COMMONS LLC

First SECURED PARTY

TOMPKINS TRUST COMPANY

Index Type : Ucc

File Num : 2017-00000675

Type of Instrument : Ucc1

Type of Transaction : Ucc Liens

Recording Fee: \$40.00

Recording Pages : 2

Recorded Information

State of New York

County of Onondaga

I hereby certify that the within and foregoing was
recorded in the Clerk's office for Onondaga
County, New York

On (Recorded Date) : 10/04/2017

At (Recorded Time) : 11:52:41 AM



Doc ID - 0252569900002

Lisa Dell
Lisa Dell, County Clerk



This sheet constitutes the Clerks endorsement required by Section 319 of Real Property Law of the State of New York

Entered By: RSWEENIE Printed On: 10/04/2017 At: 11:53:53AM

UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

A. NAME & PHONE OF CONTACT AT FILER [optional]

B. SEND ACKNOWLEDGMENT TO: (Name and Address)

Scott R. Hatz, Esq.
Wladis Law Firm, P.C.
6312 Fly Road
East Syracuse, New York 13057

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1. DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (1a or 1b) - do not abbreviate or combine names

1a. ORGANIZATION'S NAME OAK KNITTING MILL COMMONS, LLC				
OR	1b. INDIVIDUAL'S LAST NAME			
1c. MAILING ADDRESS 100 Madison Street, Suite 1905		CITY Syracuse	STATE NY	POSTAL CODE 13202
1d. SEE INSTRUCTIONS Not Applicable		ADD'L INFO RE ORGANIZATION DEBTOR	1e. TYPE OF ORGANIZATION Limited Liability Co	1f. JURISDICTION OF ORGANIZATION New York
1g. ORGANIZATIONAL ID #, if any				<input checked="" type="checkbox"/> NONE

2. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (2a or 2b) - do not abbreviate or combine names

2a. ORGANIZATION'S NAME CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY				
OR	2b. INDIVIDUAL'S LAST NAME			
2c. MAILING ADDRESS 201 East Washington Street		CITY Syracuse	STATE NY	POSTAL CODE 13202
2d. SEE INSTRUCTIONS Not Applicable		ADD'L INFO RE ORGANIZATION DEBTOR	2e. TYPE OF ORGANIZATION Public Benefit Corp	2f. JURISDICTION OF ORGANIZATION New York
2g. ORGANIZATIONAL ID #, if any				<input type="checkbox"/> NONE

3. SECURED PARTY'S NAME (or NAME of TOTAL ASSIGNEE of ASSIGNOR/S/P) - insert only one secured party name (3a or 3b)

3a. ORGANIZATION'S NAME TOMPKINS TRUST COMPANY				
OR	3b. INDIVIDUAL'S LAST NAME			
3c. MAILING ADDRESS P.O. Box 460		CITY Ithaca	STATE NY	POSTAL CODE 14851
3d. SEE INSTRUCTIONS Not Applicable		ADD'L INFO RE ORGANIZATION DEBTOR	3e. TYPE OF ORGANIZATION	3f. JURISDICTION OF ORGANIZATION
3g. ORGANIZATIONAL ID #, if any				<input type="checkbox"/> NONE

4. This FINANCING STATEMENT covers the following collateral:

See Exhibit A attached hereto and made a part hereof.

5. ALTERNATIVE DESIGNATION (if applicable):	LESSEE/LESSOR	CONSIGNEE/CONSIGNOR	BAILEE/BAILOR	SELLER/BUYER	AG. LIEN	NON-UCC FILING
6. This FINANCING STATEMENT is to be filed (for record) (or recorded) in the REAL ESTATE RECORDS. Attach Addendum if applicable.	7. Check to REQUEST SEARCH REPORT(S) on Debtor(s) (ADDITIONAL FEE) (optional)	All Debtors	Debtor 1	Debtor 2		
8. OPTIONAL FILER REFERENCE DATA						

EXHIBIT A
TO FINANCING STATEMENT FORM UCC-1
DATED SEPTEMBER 26, 2017
BETWEEN
OAK KNITTING MILL COMMONS, LLC
CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY
AND
TOMPKINS TRUST COMPANY

All rents, royalties, issues, proceeds and profits accruing and to accrue from the Premises as more particularly described in Exhibit A attached hereto and made a part hereof;

All buildings and improvements of every kind and description now or hereafter erected or placed on the Premises and all materials intended for construction, reconstruction, alteration and repair of such improvements now or hereafter erected thereon, all of which materials shall be deemed to be included within the Mortgaged Property (as hereinafter defined) immediately upon the delivery thereof to the Premises, and all fixtures and articles of personal property now or hereafter owned by Debtor and attached to or contained in and used in connection with the Premises, including, without limitation, all furniture, apparatus, machinery, equipment, motors, elevators, fittings, radiators, furnaces, stoves, microwave ovens, awnings, shades, screens, blinds, office equipment, trash and garbage removal equipment, carpeting and other furnishings, and all plumbing, heating, lighting, cooking, laundry, ventilating, refrigerating, incinerating, air conditioning, conveyor, security, sprinkler and other equipment, and all fixtures and appurtenances thereof; and all renewals or replacements thereof or articles in substitution therefor, whether or not the same are or shall be attached to such improvements in any manner; it being intended that all the above-described property owned by Debtor and placed by Debtor on the Premises shall, so far as permitted by law, be deemed to be fixtures and a part of the realty; all of the property described in this paragraph is hereinafter sometimes collectively called the "Improvements";

Any and all warranty claims, maintenance contracts and other contract rights, instruments, documents, chattel papers and general intangibles with respect to or arising from the Premises, the Improvements and the balance of the Mortgaged Property, and all cash and non-cash proceeds and products thereof; and

All awards and other compensation heretofore or hereafter to be made to the present and all subsequent owners of the Mortgaged Property for any taking by eminent domain, either permanent or temporary, of all or any part of the Mortgaged Property or any easement or other appurtenance thereof, including severance and consequential damage and change in grade of streets and any and all refunds of impositions or other charges relating to the Mortgaged Property.

The property described above is herein called the "Premises" to the extent that such property is realty, and the "Collateral" to the extent that such property is personalty. The Premises and the Collateral are herein collectively called the "Mortgaged Property."

UCC FINANCING STATEMENT ADDENDUM

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

9. NAME OF FIRST DEBTOR (1a or 1b) ON RELATED FINANCING STATEMENT

9a. ORGANIZATION'S NAME
Oak Knitting Mill Commons, LLC

OR

9b. INDIVIDUAL'S LAST NAME FIRST NAME MIDDLE NAME, SUFFIX

10. MISCELLANEOUS:

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

11. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME - Insert only one name (11a or 11b) - do not abbreviate or combine names

11a. ORGANIZATION'S NAME

OR

11b. INDIVIDUAL'S LAST NAME FIRST NAME MIDDLE NAME SUFFIX

11c. MAILING ADDRESS CITY STATE POSTAL CODE COUNTRY

11d. SEE INSTRUCTIONS ADD'L INFO RE ORGANIZATION DEBTOR 11e. TYPE OF ORGANIZATION 11f. JURISDICTION OF ORGANIZATION 11g. ORGANIZATIONAL ID #, if any

Not Applicable NONE

12. ADDITIONAL SECURED PARTY'S of ASSIGNOR S/P'S NAME - insert only one name (12a or 12b)

12a. ORGANIZATION'S NAME

OR

12b. INDIVIDUAL'S LAST NAME FIRST NAME MIDDLE NAME SUFFIX

12c. MAILING ADDRESS CITY STATE POSTAL CODE COUNTRY

13. This FINANCING STATEMENT covers timber to be cut or as-extracted collateral, or is filed as a fixture filing.

14. Description of real estate:
See Schedule A attached hereto and made a part hereof.

15. Name and address of a RECORD OWNER of above-described real estate (if Debtor does not have a record interest):

16. Additional collateral description:

17. Check only if applicable and check only one box.
 Debtor is a Trust or Trustee acting with respect to property held in trust or Decedent's Estate

18. Check only if applicable and check only one box.
 Debtor is a TRANSMITTING UTILITY
 Filed in connection with a Manufactured-Home Transaction -- effective 30 years
 Filed in connection with a Public-Finance Transaction -- effective 30 years

SCHEDULE A

ALL THAT TRACT OR PARCEL OF LAND, situate in the City of Syracuse, County of Onondaga and State of New York, being part of Block "C" in said city, bounded and described as follows:

Beginning at the intersection of the easterly boundary of North Clinton Street with the northerly boundary of West Division Street; running thence N. 28° 04' 00" W., along said easterly boundary of North Clinton Street, a distance of 32.49 feet to the southerly most corner of Lot 1 of Resubdivision of Block "C" Salina Marsh Lot according to a map of said tract filed in the Onondaga County Clerk's Office February 17, 1966 as Map No. 4781; thence northerly and northeasterly along the easterly and southeasterly boundaries of said Lot 1 Resubdivision of Block "C" Salina Marsh Lot, respectively, the following courses and distances: 1) northerly and northeasterly following a curve to the right, having a radius of 320.00 feet, an arc distance of 198.50 feet to an angle point; 2) N. 30° 56' 40" W., 19.2 feet; 3) N. 59° 24' 13" E., 157.72 feet to the common westerly boundary of Genant Drive and N.Y.S. Route No. 81; thence S. 26° 30' 50" E., along said common westerly boundary of Genant Drive and N.Y.S. Route No. 81, a distance of 178.78 feet to the aforementioned northerly boundary of West Division Street; thence S. 59° 22' 10" W., along said northerly boundary of West Division Street, a distance of 294.85 feet to the point of beginning.

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SURVEY- on file with the Agency

No. 102 West Division Street
Part of Block "C"
City of Syracuse
Onondaga County, New York

Prepared by: Ianuzi & Romans Land Surveying, P.C.

Dated: July 5, 1999

Revisions: 1/5/02; 11/30/15; 12/28/15; 8/16/17

File No.: 2882.001

19

**GENERAL CERTIFICATE OF THE
CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY**

This certificate is made in connection with the execution by the City of Syracuse Industrial Development Agency (the "**Agency**") of the Project Agreement, the Company Lease, the Agency Lease, the Mortgage, the PILOT Agreement and any other document now or hereafter executed by the Agency (collectively, the "**Agency Documents**") with respect to a project (the "**Project**") undertaken at the request of Oak Knitting Mill Commons LLC (the "**Company**") consisting of: (A)(i) the acquisition of an interest in approximately 1 acre of real property improved by an existing four story approximately 68,000 square foot building (the "**Building**") located at 102 West Division Street, in the City of Syracuse, New York (the "**Land**"); (ii) the renovation of the building to house approximately 18 two-bedroom and 20 one-bedroom market-rate apartment units on floors 2-4, a fitness center and community room; approximately 5,000 square feet of commercial space on the first floor; and approximately fifty-two (52) parking spaces, all located on the Land (collectively, the "**Facility**"); (iii) the acquisition and installation in and at the Land and Facility of furniture, fixtures and equipment (the "**Equipment**" and together with the Land and the Facility, the "**Project Facility**"); (B) the granting of certain financial assistance in the form of exemptions from real property tax, State and local sales and use tax and mortgage recording tax (as limited by Section 874 of the General Municipal Law) (collectively the "**Financial Assistance**"); (C) the appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, reconstruction, renovation, equipping and completion of the Project Facility; and (D) the lease of the Land and Facility by the Agency pursuant to a lease agreement and the acquisition of an interest in the Equipment pursuant to a bill of sale from the Company to the Agency; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement.

Capitalized terms used herein which are not otherwise defined herein and which are defined in the Agency Lease Agreement dated as of September 1, 2017 (the "**Agency Lease**"), between the Agency and the Company, and shall have the meanings ascribed to such terms in the Agency Lease except that, for purposes of this certificate: (A) all definitions with respect to any document shall be deemed to refer to such document only as it exists as of the date of this certificate and not as of any future date; and (B) all definitions with respect to any Person shall be deemed to refer to such Person only as it exists as of the date of this certificate and not as of any future date or to any successor or assign.

I, the undersigned Chairman of the Agency, Do Hereby Certify:

1. I am an officer of the Agency and am duly authorized to execute and deliver this certificate in the name of the Agency.

2. The Agency is an industrial development agency duly established under Title 1 of Article 18-A of the General Municipal Law of the State of New York (the "**State**"), as amended (the "**Enabling Act**") and Chapter 641 of the Laws of 1979 of the State (said Chapter with the Enabling Act, the "**Act**") (a certified copy of Chapter 641 of the Laws of 1979 of the State is

attached hereto as **Exhibit “A”**), and it is a corporate governmental agency constituting a public benefit corporation of the State.

3. The Act empowers the Agency, among other things, to acquire, construct reconstruct, lease, improve, maintain, equip, sell and dispose of land and any building or other improvement, and all real and personal property, including, but not limited to, machinery and equipment deemed necessary in connection therewith, whether or not now in existence or under construction, which shall be suitable for manufacturing, warehousing, research, commercial, recreation or industrial facilities, including industrial pollution control facilities, in order to advance job opportunities, health, general prosperity and the economic welfare of the people of the City of Syracuse and the State and to improve their standard of living. The Act further authorizes the Agency to lease any and all of its facilities on such terms and conditions as it deems advisable, to acquire, construct, lease, improve, and equip one or more projects as defined in the Act, to mortgage any or all of its facilities and to pledge the revenues and receipts from the sale or transfer of its facilities.

4. The Agency has full legal power and authority to own its property, conduct its business and execute, deliver, and perform its obligations under the Agency Documents and has taken all actions and obtained all approvals required in connection therewith by the Act and any other applicable laws and regulations, and no legislation has been enacted affecting the powers or authority of the Agency to execute and deliver the Agency Documents, affecting the financing of the Project, or affecting the validity thereof or of the Agency Documents, or contesting the existence and powers of the Agency or the appointment of the members and officers of the Agency to their respective offices.

5. Pursuant to the Act, the governing body of the City of Syracuse, New York, for whose benefit the Agency was established, duly filed or caused to be filed within six (6) months after the effective date of Chapter 641 of the Laws of 1979 of the State in the office of the Secretary of State of the State the Certificate of Establishment of the Agency pursuant to Section 926 of the New York General Municipal Law. The Certificate of Establishment of the Agency described in the preceding sentence also named the members and officers of the Agency as appointed by the Mayor of the City of Syracuse. Attached hereto as **Exhibit “B”** are certified copies of said Certificates of Establishment and copies of the Certificates of Appointment relating to all of the current members of the Agency, who are:

William M. Ryan	Chairman
M. Catherine Richardson	Vice Chairman
Steven P. Thompson	Secretary
Donald Schoenwald	Treasurer
Kenneth Kinsey	Member

6. Attached hereto as **Exhibit “C”** is a true, correct and complete copy of the by-laws of the Agency, together with all amendments thereto or modifications thereof; and said by-laws as so amended and modified are in full force and effect in accordance with their terms as of the date of this certificate.

7. That a resolution determining that the acquisition, reconstruction, renovation and equipping of the Project constitutes a Project and describing the financial assistance in connection therewith and authorizing a public hearing (the “**Public Hearing Resolution**”) was adopted by the Agency on October 18, 2016 and remains in full force and effect and has not been rescinded, repealed or modified. A copy of the Public Hearing Resolution is attached hereto at **Exhibit “D.”**

8. Attached hereto as **Exhibit “E”** is proof of publication of a notice of the public hearing with respect to the Project (the “**Public Hearing Notice**”), required pursuant to Section 859-a of the Act and held on November 15, 2016, and proof of mailing of notice thereof pursuant to Section 859-a of the Act to the chief executive officers of the affected tax jurisdictions (as defined in Section 854(16) of the Act) on October 31, 2016.

9. That a resolution classifying a certain Project as a Type 1 Action and declaring the intent of The City of Syracuse Industrial Development Agency to be Lead Agency for purposes of a coordinated review pursuant to the State Environmental Quality Review Act (the “**SEQRA Lead Agency Resolution**”) was adopted by the Agency on November 15, 2016 and remains in full force and has not been rescinded, repealed or modified. A copy of the SEQRA Lead Agency Resolution is attached hereto at **Exhibit “F.”**

10. That a resolution determining that the acquisition, reconstruction, renovation, equipping and completion of a certain project at the request of Oak Knitting Mill Commons LLC will not have a significant effect on the environment (the “**SEQRA Resolution**”) was adopted by the Agency on December 20, 2016 and remains in full force and effect and has not been rescinded, repealed or modified. A copy of the SEQRA Resolution is attached hereto at **Exhibit “G.”**

11. That a resolution approving the undertaking of the acquisition, reconstruction, renovation, equipping and completion of a commercial mixed-use facility; appointing the Company as agent of the Agency for the purpose of the acquisition, reconstruction, renovation and equipping of the Project, and authorizing the execution and delivery of an agreement between the Agency and the Company (the “**Inducement Resolution**”) was adopted by the Agency on December 20, 2016 and remains in full force and effect and has not been rescinded, repealed or modified. A copy of the Inducement Resolution is attached hereto at **Exhibit “H.”**

12. That a resolution approving a payment in lieu of tax schedule and authorizing the execution and delivery of certain documents by the Agency in connection with the Project was adopted by the Agency on December 20, 2016 (the “**PILOT Resolution**”) and remained in full force and effect and has not been rescinded, repealed or modified. A copy of the PILOT Resolution is attached hereto to **Exhibit “I”**.

13. That a resolution authorizing the execution and delivery of certain documents by the Agency in connection with the Project was adopted by the Agency on December 20, 2016 (the “**Final Approving Resolution**”) and remains in full force and effect and has not been rescinded, repealed or modified. A copy of the Final Approving Resolution is attached hereto at **Exhibit “J”**.

14. That a resolution approving the issuance of a temporary sales tax appointment letter and the execution and delivery of certain documents by the Agency in connection therewith was adopted by the Agency on January 24, 2017 (the “*Temporary Appointment Resolution*”) and remains in full force and effect and has not been rescinded, repealed or modified. A copy of the Temporary Appointment Resolution is attached hereto at **Exhibit “K”**.

15. That a resolution approving an extension of the sales tax appointment of the Company as agent of the Agency until October 31, 2017 and authorizing the execution of any and all necessary documents (the “*Extension Resolution*”) and remains in full force and effect and has not been rescinded, repealed or modified. A copy of the Extension Resolution is attached hereto at **Exhibit “L”**.

16. The execution, delivery and performance of all Agency Documents, certificates and documents required to be executed, delivered and performed by the Agency in order to carry out, give effect to and consummate the transactions contemplated by the Agency Documents have been duly authorized by all necessary action of the Agency, and the Agency Documents have been duly authorized, executed and delivered. The Agency Documents are in full force and effect on and as of the date hereof, and no authority or proceeding for the execution, delivery or performance of the Agency Documents has been materially amended, repealed, revoked or rescinded; and no event or circumstance has occurred or exists which constitutes, or with the giving of notice or the passage of time would constitute, a default on the part of the Agency under the Agency Documents.

17. The execution, delivery, and performance of the Agency Documents, the consummation of the transactions therein contemplated and compliance with the provisions of each do not and will not: (a) violate the Act or the by-laws of the Agency; (b) require consent (which has not heretofore been received) under or result in a breach or default of any credit agreement, purchase agreement, indenture, deed of trust, commitment, guaranty, lease, or other agreement or instrument to which the Agency is a party or by which the Agency may be bound or affected; or (c) conflict with or violate any existing law, rule, regulation, judgment, order, writ, injunction, or decree of any government, governmental instrumentality, or court, domestic or foreign, having jurisdiction over the Agency or any of its Property.

18. The Agency has not received written notice that any event of default has occurred and is continuing, or that any event has occurred which with the lapse of time or the giving of notice or both would constitute an event of default by any party to the Agency Documents.

19. There is no action, suit, proceeding or investigation at law or in equity, before or by any court, public board or body of the United States of America or the State of New York, pending or, to the best of my knowledge, threatened against or affecting the Agency (or to my knowledge any basis therefor): (a) wherein an unfavorable decision or finding would adversely affect (i) the Inducement Resolution, the Final Approving Resolution, the Company Lease, the Agency Lease or the other Agency Documents; or (ii) the existence or organization of the Agency; or (iii) restrain or enjoin the financing, acquisition or construction of the Project or the performance by the Agency of the Agency Documents; or (b) in any manner questioning the proceedings or authority of the financing of the Project, or affecting the validity thereof or of the

Agency Documents, or contesting the existence and powers of the Agency or the appointment of the directors and officers of the Agency to their respective offices.

20. September 26, 2017 has been duly designated as the date for the Closing.

21. The Agency has complied with all agreements and satisfied all conditions on its part to be performed or satisfied at or prior to the Closing Date.

22. In accordance with the Act, the Agency has determined:

(a) to assist the Company's acquisition, reconstruction, renovation, equipping and completion of the Project Facility;

(b) to grant the Financial Assistance to the Company;

(c) to designate the Company as the Agency's agent for the acquisition, reconstruction, renovation, equipping and completion of the Project Facility and to authorize the Company to appoint additional agents;

(d) that the Project will promote employment opportunities and prevent economic deterioration in the City by the preservation and/or the creation of both full and part-time jobs; and

(e) to pledge its interest in the Company Lease and the Agency Lease (except the Agency's Unassigned Rights) to the Mortgagee and grant the Mortgagee a security interest in the Agency's leasehold interest in the Project Facility.

23. That I did officially cause all certificates necessary for the financing and included in the official transcript of closing, to be executed, as required, in the name of the Agency by the signing of each of such certificates with the signature of the (Vice) Chairman of the Agency.

24. That I did officially cause the following Agency Documents to be executed in the name of the Agency by the signing of each of such Agency Documents with the signature of the William M. Ryan, Chairman of the Agency:

(a) the Project Agreement between the Agency and the Company;

(b) the Company Lease from the Company to the Agency pursuant to which the Company agrees to lease the Land and the Facility to the Agency;

(c) the Agency Lease from the Agency to the Company pursuant to which the Agency agrees to sublease the Project Facility to the Company; and

(d) the Mortgage(s) pursuant to which the Mortgagee(s) has been granted a security interest in the Project Facility.

25. No member, officer or employee of the Agency having power to: (i) negotiate, prepare, authorize or approve any of the Agency Documents; (ii) audit bills or claims under any of the Agency Documents; or (iii) appoint an officer or employee who has any of the powers or duties set forth in (i) or (ii):

(a) directly or indirectly owns any stock of the Company;

(b) is a partner, director or employee of the Company;

(c) is related to the Company within the meaning of Section 800.3(a) of the New York General Municipal Law.

No member, officer, or employee of the Agency has publicly disclosed, in a writing included as part of the official minutes of the Agency, any Interest (as defined in Section 800.3 of the New York General Municipal Law), direct or indirect, in the Developer.

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WITNESS, as of the 1st day of September, 2017.

**CITY OF SYRACUSE INDUSTRIAL
DEVELOPMENT AGENCY**

By: 

William M. Ryan, Chairman

EXHIBIT "A"

**CHAPTER 641 OF THE LAWS OF 1979
OF THE STATE OF NEW YORK**

LAWS OF NEW YORK, 1979

CHAPTER 641

AN ACT to amend the general municipal law, in relation to creating and establishing for the city of Syracuse industrial development agency and, providing for its functions and duties

Became a law July 11, 1979, with the approval of the Governor. Passed on Home Rule request pursuant to Article IX, section 2 (b) (2) of the Constitution, by a majority vote, three-fifths being present.

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. The general municipal law is amended by adding a new section nine hundred twenty-six to read as follows:

§ 926. *City of Syracuse industrial development agency. (a) For the benefit of the city of Syracuse and the inhabitants thereof, an industrial development agency, to be known as the CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY, is hereby established for the accomplishment of any or all of the purposes specified in title one of article eighteen-A of this chapter. It shall constitute a body corporate and politic, and be perpetual in duration. It shall consist of five members who shall be appointed by the mayor of the city of Syracuse and its chairman shall be designated by such mayor. It shall have the powers and duties now or hereafter conferred by title one of article eighteen-A of this chapter upon industrial development agencies. It shall organize in a manner prescribed by and be subject to the provisions of title one of article eighteen-A of this chapter. The agency, its members, officers and employees, and its operations and activities shall in all respects be governed by the provisions of title one of article eighteen-A of this chapter.*

(b) The city shall have the power to make, or contract to make grants or loans, including but not limited to grants or loans of money, to the agency in such amounts, upon such terms and conditions and for such period or periods of time as in the judgment of the city and the agency are necessary or appropriate for the accomplishment of any of the purposes of the agency.

§ 2. This act shall take effect immediately.

EXHIBIT "B"

**AGENCY'S CERTIFICATE OF ESTABLISHMENT
AND
CERTIFICATES OF APPOINTMENT OF CURRENT MEMBERS**

CERTIFICATE OF THE CITY OF SYRACUSE
INDUSTRIAL DEVELOPMENT AGENCY

Pursuant to Article 18-A of the General Municipal Law, Lee Alexander, Mayor of the City of Syracuse, certifies as follows:

1) The name of the industrial development agency herein is the City of Syracuse Industrial Development Agency.

2) Chapter 641 of the Laws of 1979, the special act of the New York State Legislature establishing the City of Syracuse Industrial Development Agency, was adopted by the New York State Legislature on June 16, 1979 and signed by the Governor on July 18, 1979.

3) The names of the Chairman and the Members, respectively, of the City of Syracuse Industrial Development Agency and their terms of office are as follows:

(a)	Frank L. Canino	Chairman
	David M. Garber	Member
	David S. Michel	Member
	Erwin G. Schultz	Member
	Irwin L. Davis	Member

(b) The term of office of the Chairman and of the Members of the City of Syracuse Industrial Development Agency is at the pleasure of the Mayor and continues until a successor is appointed and has qualified.

4) The facts establishing the need for the creation of a City of Syracuse Industrial Development Agency are as follows:

Expansion of its industrial-commercial base is essential to the City of Syracuse, especially in a time of mounting economic pressures. To achieve this goal of expansion, the City has designed a comprehensive economic development program, requiring an Industrial Development Agency.

The existing potential for economic development will be augmented by the financial incentives of an Industrial Development Agency. Various City agencies and departments, such as the Department of Community Development and the Office of Federal and State Aid Coordination will interface with the Syracuse Industrial Development Agency to strengthen the business and industrial climate of the community.

Access to the Department of Community Development will make available to the Syracuse Industrial Development Agency an array of staff assistance, technical expertise, and various other development services. The City's Office of Federal and State Aid Coordination will provide assistance to it in locating, analyzing, and obtaining various forms of federal and state assistance and participation.

STATE OF NEW YORK
DEPARTMENT OF STATE

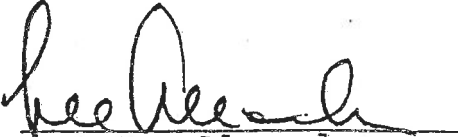
FILED JUL 20 1979

Carl A. Peterson

Secretary of State


The Syracuse Industrial Development Agency, in combination with, and utilizing these and other resources, will greatly enhance the City's ability to compete for, and successfully attract, the commercial and industrial enterprises necessary for continued economic health and growth.

July 20, 1979


Lee Alexander
Mayor

STATE OF NEW YORK
DEPARTMENT OF STATE

FILED JUL 20 1979


Secretary of State

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CITY OF SYRACUSE
DEPARTMENT OF LAW
OFFICE OF THE MAYOR

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DEPARTMENT OF STATE

Stephanie A. Miner, Mayor

**CERTIFICATE OF APPOINTMENT TO THE
CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY**

Pursuant to Article 18-A of the General Municipal Law of the State of New York, Stephanie A. Miner, Mayor of the City of Syracuse, hereby certifies the appointment of the following person as a Member and officer of the City of Syracuse Industrial Development Agency:

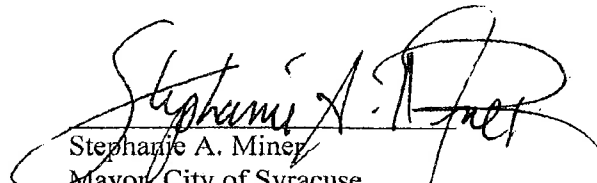
Mr. William Ryan - Member/Chairman

The following Member and Officer of the City of Syracuse Industrial Development Agency shall no longer serve as Member or Officer of said Agency:

Mr. Irwin Davis -Member/Chairman

No Member or Officer of the City of Syracuse Industrial development Agency shall receive any compensation for the discharge of their duties as Member or Officer of the Agency, but shall be entitled to necessary expenses incurred in the discharge of their duties as such Member or Officer.

The appointment herein set forth shall be effective as of January 15, 2010.


Stephanie A. Miner
Mayor, City of Syracuse



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FEB 16 2010

OFFICE OF THE MAYOR

DEPARTMENT OF STATE

Stephanie A. Miner

CERTIFICATE OF APPOINTMENT TO THE
CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY

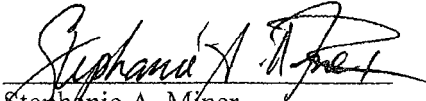
Pursuant to Article 18-A of the General Municipal Law of the State of New York,
Stephanie A. Miner, Mayor of the City of Syracuse, hereby certifies the appointment of
the following person as a ~~Member~~ ^{AN OFFICER} of the City of Syracuse Industrial Development
Agency:

M. Catherine Richardson

- Member/Vice Chair

No Member or Officer of the City of Syracuse Industrial development Agency shall
receive any compensation for the discharge of their duties as Member or Officer of the
Agency, but shall be entitled to necessary expenses incurred in the discharge of their
duties as such Member or Officer.

The appointment herein set forth shall be effective as of February 12, 2010.


Stephanie A. Miner
Mayor, City of Syracuse



OFFICE OF THE MAYOR

Stephanie A. Miner, Mayor

CERTIFICATE OF APPOINTMENT TO THE
CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY

Pursuant to Article 18-A of the General Municipal Law of the State of New York, Stephanie A. Miner, Mayor of the City of Syracuse, hereby certifies the appointment of the following person as a Member of the City of Syracuse Industrial Development Agency:

Mr. Donald Schoenwald

- Member

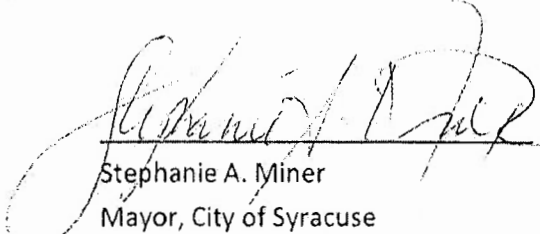
The following Member and Officer of the City of Syracuse Industrial Development Agency shall no longer serve as Member or Officer of said Agency:

Mr. Kenneth Mokrzycki

- Member

No Member or Officer of the City of Syracuse Industrial Development Agency shall receive any compensation for the discharge of their duties as Member or Officer of the Agency, but shall be entitled to necessary expenses incurred in the discharge of their duties as such Member or Officer.

The appointment herein set forth shall be effective as of March 1, 2011.



Stephanie A. Miner
Mayor, City of Syracuse



OFFICE OF THE MAYOR

Stephanie A. Miner, Mayor

**CERTIFICATE OF APPOINTMENT TO THE
CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY**

Pursuant to Article 18-A of the General Municipal Law of the State of New York, Stephanie A. Miner, Mayor of the City of Syracuse, hereby certifies the appointment of the following person as a Member of the City of Syracuse Industrial Development Agency:

Mr. Steve Thompson

- Member/Secretary

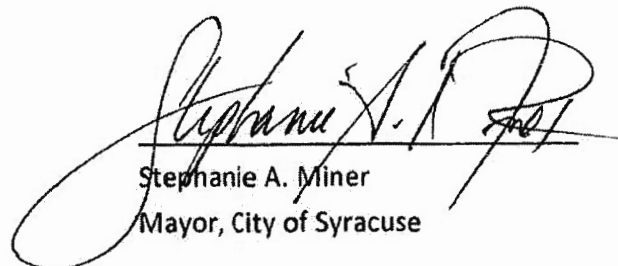
The following Member and Officer of the City of Syracuse Industrial Development Agency shall no longer serve as Member or Officer of said Agency:

Mr. John Gamage

- Member/Secretary

No Member or Officer of the City of Syracuse Industrial Development Agency shall receive any compensation for the discharge of their duties as Member or Officer of the Agency, but shall be entitled to necessary expenses incurred in the discharge of their duties as such Member or Officer.

The appointment herein set forth shall be effective as of January 6, 2014.



Stephanie A. Miner
Mayor, City of Syracuse



OFFICE OF THE MAYOR

Stephanie A. Miner, Mayor

**CERTIFICATE OF APPOINTMENT TO THE
CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY**

Pursuant to Article 18-A of the General Municipal Law of the State of New York, Stephanie A. Miner, Mayor of the City of Syracuse, hereby certifies the appointment of the following person as a Member of the City of Syracuse Industrial Development Agency:

Mr. Kenneth Kinsey

- Member

The following Member and Officer of the City of Syracuse Industrial Development Agency shall no longer serve as Member or Officer of said Agency:

Ms. Pamela Hunter

- Member

No Member or Officer of the City of Syracuse Industrial Development Agency shall receive any compensation for the discharge of their duties as Member or Officer of the Agency, but shall be entitled to necessary expenses incurred in the discharge of their duties as such Member or Officer.

The appointment herein set forth shall be effective as of January 13, 2016.

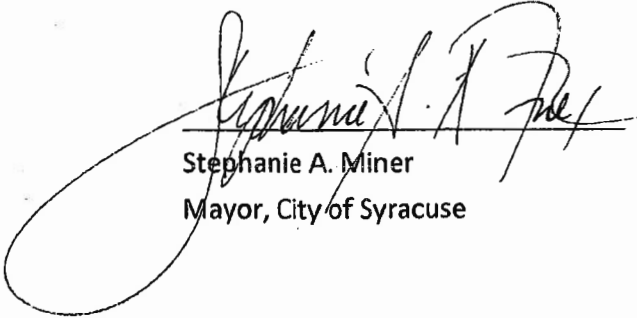

Stephanie A. Miner
Mayor, City of Syracuse

EXHIBIT "C"

AGENCY'S BY-LAWS

**BY-LAWS OF
THE CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY
(as amended August 18, 2009)**

Article I

THE AGENCY

Section 1. Name

The name of the agency shall be "City of Syracuse Industrial Development Agency", and it shall be referred to in these by-laws as the Agency.

Section 2. Seal

The seal of the Agency shall be in such form as may be determined by the members of the Agency.

Section 3. Office

The principal office of the Agency shall be located in the City of Syracuse, New York, County of Onondaga, and State of New York. The Agency may have such other offices at such other places as the members of the Agency may, from time to time, designate by resolution.

Article II

MEMBERS

Section 1. Members

(a) There shall be five members of the Agency. All references in these by-laws to members shall be references to Members of the Agency. The persons designated in the certificates of appointment filed in the office of the Secretary of State as members of the Agency and their successors in office and such other persons as may, from time to time, be appointed as

Members of the Agency by the Mayor of the City of Syracuse, or by special act of the Legislature, shall constitute all the members.

(b) Members shall hold office at the pleasure of the Mayor and shall continue to hold office until his or her successor is appointed and has qualified. The Mayor may remove any Member at his discretion, with or without cause.

(c) Upon the resignation or removal of a Member, a successor shall be selected by the Mayor.

(d) Members may resign at any time by giving written notice to the Mayor and to the Chairman of the Agency. Unless otherwise specified in the notice the resignation shall take effect upon receipt of the notice by the Chairman or the Mayor. Acceptance of the resignation shall not be necessary to make it effective.

Section 2. Meeting of the Members

(a) The Annual Meeting of the members shall be held on such date or dates as shall be fixed, from time to time, by the Members of the Agency. The first Annual Meeting of Members shall be held on a date within twelve (12) months after the filing of the Certificate of the Agency with the Secretary of State as required by General Municipal Law §856 (l) (a). Each successive Annual Meeting of Members shall be held on a date not more than twelve (12) months following the preceding Annual Meeting of Members.

(b) Regular meetings of the Agency may be held at such time and place as, from time to time, may be determined by the Members.

(c) Upon the written request of the Mayor, the Chairman or two (2) Members of the Agency, the Chairman of the Agency shall call a special meeting of the Members. Special meetings may be held on such date or dates as may be fixed in the call for such special meetings.

The call for a special meeting may be personally delivered to each Member of the Agency or may be mailed to the business or home address of such Member. A waiver of notice may be signed by any Member failing to receive a proper notice.

Section 3. Procedure at Meetings of Members

(a) The Chairman shall preside over the meetings of the Agency. In the absence of the Chairman, the Vice-Chairman shall preside. In the absence of both the Chairman and Vice-Chairman, any Member directed by the Chairman may preside.

(b) At all meetings of Members, a majority of the Members of the Agency shall constitute a quorum for the purpose of transacting business. If less than a quorum is present for any meeting, the Members then present may adjourn the meeting to such other time or until a quorum is present. Except to the extent provided for by law, all actions shall be by a majority of the votes cast, provided that the majority of the votes cast shall be at least equal to a quorum.

(c) When determined by the Agency that a matter pending before it is confidential in nature, it may, upon motion, establish an executive session and exclude any non-member from such session.

(d) Order of business

At all meetings of the Agency, the following shall be the order of business:

- (1) Roll Call;
- (2) Proof of Notice of Meeting;
- (3) Reading and approval of the minutes of the previous meeting;
- (4) bills and communications;
- (5) Report of the Treasurer;
- (6) Reports of Committees;

- (7) Unfinished business;
- (8) New business;
- (9) Adjournment.

The order of business may be altered or suspended at any meeting by the Members of the Agency.

(e) All resolutions shall be in writing and shall be recorded in the journal of the proceedings of the Agency.

Article III

OFFICERS AND PERSONNEL

Section 1. Officers

The officers of the Agency shall be Chairman or Co-Chairman, Vice-Chairman, Secretary and Treasurer and such other offices as may be prescribed, from time to time, by the Agency. The Chairman or Co-Chairman and other officers shall be appointed by the Mayor of the City of Syracuse and may be removed with or without cause at his discretion. Each officer shall be a Member of the Agency during his or her term of office.

Section 2. Chairman or Co-Chairmen

The Chairman shall be chief executive officer of the Agency, and shall serve as an ex officio member of all duly constituted committees, shall supervise the general management and the affairs of the Agency, and shall carry out the orders and resolutions of the Agency. Except as otherwise authorized by resolution of the Agency, the Chairman shall execute (manually and by facsimile signature) all agreements, contracts, deeds, bonds, notes or other evidence of indebtedness and any other instruments of the Agency on behalf of the Agency. The Mayor may from time to time appoint two Co-Chairmen in place of the Chairman. During their term of office the Co-

Chairmen shall share equally the duties, rights, powers and responsibilities of the Chairman. The action of either Co-Chairman or execution (manually or by facsimile signature) by either Co-Chairman of any agreement, contract, deed, bond, note or other evidence of indebtedness or any other instrument of the Agency on behalf of the Agency shall have the same force and effect as such action or execution by the Chairman.

Section 3. Vice-Chairman

The Vice-Chairman shall have all the powers and functions of the Chairman or Co-Chairmen in the absence or disability of the Chairman or Co-Chairmen, as the case may be. The Vice-Chairman shall perform such other duties as the Members of the Agency shall prescribe or as delegated by the Chairman or Co-Chairmen.

Section 4. Secretary

The Secretary shall keep the minutes of the Agency, shall have the custody of the seal of the Agency and shall affix and attest the same to documents when duly authorized by the Agency, shall attest to the giving or serving of all notices of the Agency, shall have charge of such books and papers as the Members of the Agency may order, shall attest to such correspondence as may be assigned, and shall perform all the duties incidental to his office.

Section 5. Treasurer

The Treasurer shall have the care and custody of all the funds and securities of the Agency, shall deposit such funds in the name of the Agency, in such bank or trust company as the members of the Agency may elect, shall sign such instrument as may require the Treasurer's signature, but only with the approval of the Chairman or Co-Chairman, as the case may be, shall at all reasonable times exhibit the books and accounts of the Agency to the Mayor or any Member of

the Agency, and at the end of each fiscal year shall present an annual report setting forth in full the financial condition of the Agency.

Section 6. Additional Personnel

The Agency, with the consent of the Mayor, may appoint an Administrative or Executive Director to supervise the administration of the business and affairs of the Agency, subject to the direction of the Agency. The Agency may, from time to time, employ such other personnel as it deems necessary to execute its powers, duties and functions as prescribed by the New York State Industrial Development Agency Act (General Municipal Law, Article 18-A), as amended, and all other laws of the State of New York applicable thereto.

Section 7. Compensation of Chairman, Co-Chairmen, Members, Officers, and Other Personnel

The Chairman, Co-Chairmen, Members and Officers shall receive no compensation for their services but shall be entitled to the necessary expenses, including traveling expenses, incurred in the discharge of their duties. The compensation of other personnel, including the Administrative Director, shall be determined by the Members of the Agency.

Article IV

AMENDMENTS

Section 1. Amendments to By-Laws

These by-laws may be amended or revised, from time to time, by a two-third (2/3) vote of the Agency, but no such amendment or revision shall be adopted unless written notice of the proposed action shall have been given by mail to each Member and the Mayor at least ten (10) days prior to the date of the meeting at which it is proposed that such action be taken; provided, however,

that this provision and other provisions relating to the appointment, renewal and terms of office of Members and officers may be amended only with the prior written approval of the Mayor.

Article V

MISCELLANEOUS

Section 1. Sureties and Bonds

In case the Agency shall so require, any officer, employee or agent of the Agency shall execute to the Agency a bond in such sum and with such surety or sureties as the Agency may direct, conditioned upon the faithful performance of his or her duties to the Agency and including responsibility for negligence and for the accounting for all property, funds or securities of the Agency which may come into the hands of the officer, employee or agent.

Section 2. Indemnification

(a) Upon compliance by a Member or Officer of the Agency (including a former Member or Officer, the estate of a Member or Officer or a judicially appointed personal representative thereof) (referred to in this Section 2 collectively as "Member") with the provisions of subdivision (i) of this Section 2, the Agency shall provide for the defense of the Member in any civil action or proceeding, state or federal, arising out of any alleged act or omission which occurred or allegedly occurred while the Member was acting within the scope of the public employment or duties of such Member. This duty to provide for a defense shall not arise where such civil action or proceeding is brought by or at the behest of the Agency.

(b) Subject to the conditions set forth in paragraph (a) of this subdivision, the Member shall be entitled to be represented by private counsel of the Member's choice in any civil action or proceeding whenever the chief legal officer of the Agency or other counsel designated by the

Agency determines that a conflict of interest exists, or whenever a court, upon appropriate motion or otherwise by a special proceeding, determines that a conflict of interest exists and that the Member is entitled to be represented by counsel of the Member's choice, provided, however, that the chief legal officer or other counsel designated by the Agency may require, as a condition to payment of the fees and expenses of such representation, that appropriate groups of such Members be represented by the same counsel. Reasonable attorneys' fees and litigation expenses shall be paid by the Agency to such private counsel from time to time during the pendency of the civil action or proceeding with the approval of a majority of the Members of the Agency eligible to vote thereon.

(c) Any dispute with respect to representation of multiple Members by a single counsel or the amount of litigation expenses or the reasonableness of attorneys' fees shall be resolved by the court upon motion or by way of a special proceeding.

(d) Where the Member delivers process and a written request for a defense to the Agency under subdivision (i) of this Section 2, the Agency shall take the necessary steps on behalf of the Member to avoid entry of a default judgment pending resolution of any question pertaining to the obligation to provide for a defense.

(e) The Agency shall indemnify and save harmless its Members in the amount of any judgment obtained against such Members in a State or Federal court, or in the amount of any settlement of a claim, provided that the act or omission from which such judgment or claim arose occurred while the Member was acting within the scope of the Member's public employment or duties; provided further that in the case of a settlement, the duty to indemnify and save harmless shall be conditioned upon the approval of the amount of settlement by a majority of the Members of the Agency eligible to vote thereon.

(f) Except as otherwise provided by law, the duty to indemnify and save harmless prescribed by this Section 2 shall not arise where the injury or damage resulted from intentional wrongdoing or recklessness on the part of the Member seeking indemnification.

(g) Nothing in this subdivision shall authorize the Agency to indemnify or save harmless any Member with respect to punitive or exemplary damages, fines or penalties; provided, however, that the Agency shall indemnify and save harmless its Members in the amount of any costs, attorneys' fees, damages, fines or penalties which may be imposed by reason of an adjudication that the Member, acting within the scope of the Member's public employment or duties, has, without willfulness or intent on the Member's part, violated a prior order, judgment, consent decree or stipulation of settlement entered in any court of the State or of the United States.

(h) Upon entry of a final judgment against the Member, or upon the settlement of the claim, the Member shall serve a copy of such judgment or settlement, personally or by certified or registered mail within thirty (30) days of the date of entry or settlement, upon the Chairman and the chief administrative officer of the Agency; and if not inconsistent with the provisions of this Section 2, the amount of such judgment or settlement shall be paid by the Agency.

(i) The duty to defend or indemnify and save harmless prescribed by this Section 2 shall be conditioned upon: (i) delivery by the Member to the Chairman of the Agency and the chief legal officer of the Agency or to its chief administrative officer of a written request to provide for such Member's defense together with the original or a copy of any summons, complaint, process, notice, demand or pleading within ten (10) days after the Member is served with such document, and (ii) the full cooperation of the Member in the defense of such action or

proceeding and in defense of any action or proceeding against the Agency based upon the same act or omission, and in the prosecution of any appeal.

(j) The benefits of this Section shall inure only to Members as defined in subdivision (a) of this Section 2 and shall not enlarge or diminish the rights of any other party.

(k) This Section 2 shall not in any way affect the obligation of any claimant to give notice to the Agency under Section 10 of the Court of Claims Act, Section 880 of the General Municipal Law, or any other provision of law.

(l) The Agency is hereby authorized and empowered to purchase insurance from any insurance company created by or under the laws of the State, or authorized by law to transact business in the State, against any liability imposed by the provisions of this Section 2, or to act as a self-insurer with respect thereto. The provisions of this Section 2 shall not be construed to impair, alter, limit or modify the rights and obligations of any insurer under any policy of insurance.

(m) All payments made under the terms of this Section 2, whether for insurance or otherwise, shall be deemed to be for a public purpose and shall be audited and paid in the same manner as other public charges.

(n) Except as otherwise specifically provided in this Section 2, the provisions of this Section 2 shall not be construed in any way to impair, alter, limit, modify, abrogate or restrict any immunity to liability available to or conferred upon any Member of the Agency by, in accordance with, or by reason of, any other provision of State or Federal statutory or common law. The benefits under this Section 2 shall supplement, and be available in addition to, defense or indemnification protection conferred by any law or enactment. This Section 2 is intended to confer upon Members of the Agency all of the benefits of Section 18 of the Public Officers Law

and to impose upon the Agency liability for costs incurred under the provisions hereof and thereof.

Section 3. Fiscal Year

The fiscal year of the Agency shall be fixed by the Members, subject to the applicable law.

Section 4. Powers of the Agency

The Agency shall have all the powers of an Industrial Development Agency authorized by Article 18-A of the General Municipal Law and shall have the power to do all things necessary or convenient to carry out its purposes and exercise the powers authorized herein.

EXHIBIT "D"

PUBLIC HEARING RESOLUTION

RESOLUTION

A regular meeting of the City of Syracuse Industrial Development Agency was convened in public session on October 18, 2016, at 8:30 o'clock a.m. in the Common Council Chambers, City Hall, 233 East Washington Street, Syracuse, New York.

The meeting was called to order by the Chairman and upon the roll being duly called, the following members were:

PRESENT: William Ryan, Catherine Richardson, Esq., Steven Thompson, Donald Schoenwald, Esq., Kenneth Kinsey

THE FOLLOWING PERSONS WERE ALSO PRESENT: Staff Present: Honora Spillane, Judith DeLaney, Meghan Ryan, Esq., Susan Katzoff, Esq., John Vavonese, Debra Ramsey-Burns; Others: Tim Lynn, Larry Losty, Matt Paulus, Joe Hucko, Alexander Marion, Elnore Davis; Media Present: Rick Moriarty

The following resolution was offered by Donald Schoenwald and seconded by Steven Thompson:

RESOLUTION DETERMINING THAT THE ACQUISITION, RECONSTRUCTION, RENOVATION, EQUIPPING AND COMPLETION OF A COMMERCIAL FACILITY AT THE REQUEST OF THE COMPANY CONSTITUTES A PROJECT; DESCRIBING THE FINANCIAL ASSISTANCE IN CONNECTION THEREWITH; AND AUTHORIZING A PUBLIC HEARING

WHEREAS, the City of Syracuse Industrial Development Agency (the "**Agency**") is authorized and empowered by Title 1 of Article 18-A of the General Municipal Law of the State of New York (the "**State**"), as amended, together with Chapter 641 of the Laws of 1979 of the State of New York, as amended from time to time (collectively, the "**Act**"), to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial, research and recreation facilities, for the purpose of promoting economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State, to improve their recreation opportunities, prosperity and standard of living; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to grant "financial assistance" (as defined in the Act) in connection with the acquisition, reconstruction and equipping of one or more "projects" (as defined in the Act); and

WHEREAS, by application dated October 6, 2016 (the “*Application*”), Oak Knitting Mill Commons LLC, or an entity to be formed (the “*Company*”), requested the Agency undertake a project (the “*Project*”) consisting of: (A)(i) the acquisition of an interest in approximately 1 acre of real property improved by an existing four story approximately 68,000 square foot building (the “*Building*”) located at 102 West Division Street, in the City of Syracuse, New York (the “*Land*”); (ii) the renovation of the building to house approximately 18 two-bedroom and 20 one-bedroom market-rate apartment units on floors 2-4, a fitness center and community room; approximately 5,000 square feet of commercial space on the first floor; and approximately fifty-two (52) parking spaces, all located on the Land (collectively, the “*Facility*”); (iii) the acquisition and installation in and at the Land and Facility of furniture, fixtures and equipment (the “*Equipment*” and together with the Land and the Facility, the “*Project Facility*”); (B) the granting of certain financial assistance in the form of exemptions from real property tax, State and local sales and use tax and mortgage recording tax (collectively the “*Financial Assistance*”); (C) the appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, reconstruction, renovation, equipping and completion of the Project Facility; and (D) the lease of the Land and Facility by the Agency pursuant to a lease agreement and the acquisition of an interest in the Equipment pursuant to a bill of sale from the Company to the Agency; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law of the State of New York, as amended, and the regulations of the Department of Environmental Conservation of the State of New York promulgated thereunder (collectively referred to hereinafter as “*SEQRA*”), the Agency is required to make a determination with respect to the environmental impact of any “action” (as said quoted term is defined in SEQRA) to be taken by the Agency and the approval of the Project constitutes such an action; and

WHEREAS, the Agency has not yet made a determination under SEQRA; and

WHEREAS, the Agency has not approved undertaking the Project or granting the Financial Assistance; and

WHEREAS, the Project will not be used primarily for retail; and

WHEREAS, the grant of Financial Assistance to the Project is subject to, among other things, the Agency finding after a public hearing pursuant to Section 859-a of the Act that the Project will serve the public purposes of the Act by promoting economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State or increasing the overall number of permanent, private sector jobs in the State.

NOW, THEREFORE, be it resolved by the members of the City of Syracuse Industrial Development Agency, as follows:

(1) Based upon the representations made by the Company to the Agency, the Agency makes the following findings and determinations:

(A) The Project constitutes a “project” within the meaning of the Act; and

(B) The Financial Assistance contemplated with respect to the Project consists of assistance in the form of exemptions from real property taxes, State and local sales and use taxation and mortgage recording tax.

(C) The Project will not be used primarily for retail; and

(2) The Agency hereby directs that pursuant to Section 859-a of the Act, a public hearing with respect to the Project and Financial Assistance shall be scheduled with notice thereof published, and such notice, as applicable, shall further be sent to affected tax jurisdictions within which the Project is located.

(3) The Secretary or the Executive Director of the Agency is hereby authorized to and may distribute copies of this Resolution to the Company and to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this Resolution.

(4) A copy of this Resolution shall be placed on file in the office of the Agency where the same shall be available for public inspection during business hours.

The question of the adoption of the foregoing resolution was duly put to vote on a roll call, which resulted as follows:

	<u>AYE</u>	<u>NAY</u>
William Ryan	X	
M. Catherine Richardson, Esq.	X	
Donald Schoenwald, Esq.	X	
Steven Thompson	X	
Kenneth Kinsey	X	

The foregoing Resolution was thereupon declared duly adopted.

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


I, the undersigned Secretary of the City of Syracuse Industrial Development Agency, **DO HEREBY CERTIFY** that I have compared the annexed extract of the minutes of the meeting of the City of Syracuse Industrial Development Agency (the “*Agency*”) held on October 18, 2016, with the original thereof on file in my office, and that the same (including all exhibits) is a true and correct copy of the proceedings of the Agency and of the whole of such original insofar as the same relates to the subject matters referred to therein.

I FURTHER CERTIFY that (i) all members of the Agency had due notice of such meeting, (ii) pursuant to Section 104 of the Public Officers Law (Open Meetings Law), such meeting was open to the general public and public notice of the time and place of such meeting was duly given in accordance with such Section 104, (iii) the meeting was in all respects duly held, and (iv) there was a quorum present throughout.

I FURTHER CERTIFY that, as of the date hereof, the attached resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have set my hand and affixed the seal of the Agency this 5th day of November, 2016.

City of Syracuse Industrial Development Agency



Steven P. Thompson, Secretary

(S E A L)

EXHIBIT "E"

**NOTICE OF PUBLIC HEARING WITH EVIDENCE OF PUBLICATION AND COPIES
OF LETTERS TO AFFECTED TAX JURISDICTIONS PURSUANT TO SECTIONS
859-a OF THE ACT**

The Post-Standard

LEGAL AFFIDAVIT

INV#: 0007900482

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BARCLAY DAMON LLP
ONE PARK PLACE
300 S STATE ST
SYRACUSE, NY 13202

Name: BARCLAY DAMON LLP

Sales Rep: Pamela Gallagher

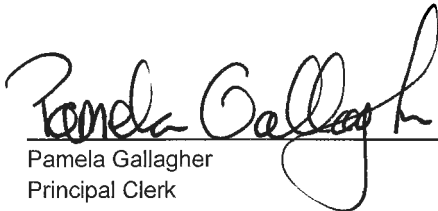
Account Number: 1056027

INV#: 0007900482

Date	Position	Description	P.O. Number	Ad Size
11/03/2016	Other Legals NY	NOTICE OF PUBLIC HEARING NOTICE IS HEREBY GIVEN that	matter #3083622	1 x 128.00 CL

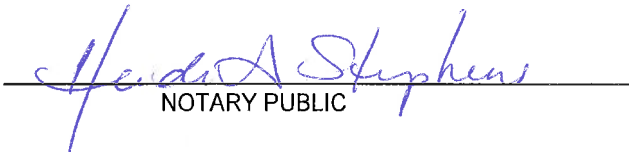
State of New York, County of Onondaga ss. Pamela Gallagher, of the City of Syracuse, in said County, being duly sworn, doth depose and says: this person is the Principal Clerk in the office of THE POST-STANDARD, a public newspaper, published in the City of Syracuse, Onondaga County, New York and that the notice, is an accurate and true copy of the ad as printed in said newspaper, was printed and published in the regular edition and issue of said newspaper on the following days, viz.:

Post-Standard 11/03/2016



Pamela Gallagher
Principal Clerk

An Authorized Designee of the President, Timothy R. Kennedy
Subscribed and sworn to before me, this 3rd day of November
2016



NOTARY PUBLIC

FOR QUESTIONS CONCERNING THIS AFFIDAVIT,
PLEASE CONTACT PAMELA GALLAGHER AT

HEIDI A. STEPHENS
Notary Public - State of New York
No. 01ST6290718
Qualified in Onondaga County
My Commission Expires: 10/7/2017

Date	Position	Description	P.O. Number	Ad Size
11/03/2016	Other Legals NY	NOTICE OF PUBLIC HEARING NOTICE IS HEREBY GIVEN that a	matter #3083622	1 x 128.00 CL

NOTICE OF PUBLIC HEARING NOTICE IS HEREBY GIVEN that a public hearing pursuant to Section 859-a of the New York General Municipal Law, will be held by the City of Syracuse Industrial Development Agency (the "Agency") on the 15th day of November, 2016, at 8:30 o'clock a.m., local time, at 233 East Washington Street, Common Council Chambers, City Hall, Syracuse, New York, in connection with the following matter: Oak Knitting Mill Commons LLC, or an entity to be formed (the "Company"), has requested the Agency undertake a project (the "Project") consisting of: (A)(i) the acquisition of an interest in approximately 1 acre of real property improved by an existing four story approximately 68,000 square foot building (the "Building") located at 102 West Division Street, in the City of Syracuse, New York (the "Land"); (ii) the renovation of the building to house approximately 18 two-bedroom and 20 one-bedroom market-rate apartment units on floors 2-4, a fitness center and community room; approximately 5,000 square feet of commercial space on the first floor; and approximately fifty-two (52) parking spaces, all located on the Land (collectively, the "Facility"); (iii) the acquisition and installation in and at the Land and Facility of furniture, fixtures and equipment (the "Equipment" and together with the Land and the Facility, the "Project Facility"); (B) the granting of certain financial assistance in the form of exemptions from real property tax, state and

property tax, state and local sales and use tax and mortgage recording tax (collectively the "Financial Assistance"); (C) the appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, reconstruction, renovation, equipping and completion of the Project Facility; and (D) the lease of the Land and Facility by the Agency pursuant to a lease agreement and the acquisition of an interest in the Equipment pursuant to a bill of sale from the Company to the Agency; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement. The Company shall be the initial owner or operator of the Project Facility. The Agency will at the above-stated time and place hear all persons with views with respect to the proposed Financial Assistance to the Company, the proposed owner/operator, the location of the Project Facility and the nature of the Project. A copy of the application filed by the Company with the Agency with respect to the Project, including an analysis of the costs and benefits of the Project, is available for public inspection during business hours at the office of the Agency located at City Hall Commons, 7th Floor, 201 East Washington Street, Syracuse, New York. Dated: October 31, 2016 CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY

BARCLAY DAMON^{LLP}

Susan R. Katzoff
Partner

October 31, 2016

VIA CERTIFIED MAIL
7008 1300 0000 1722 4036

Honorable Stephanie A. Miner
Mayor, City of Syracuse
City Hall
233 East Washington Street
Syracuse, New York 13202

VIA CERTIFIED MAIL
7008 1300 0000 1722 4029

Honorable Joanne M. Mahoney
County Executive, Onondaga County
John Mulroy Civic Center, 14th Floor
421 Montgomery Street
Syracuse, New York 13202

Re: City of Syracuse Industrial Development Agency (the "*Agency*")
Oak Knitting Mill Commons LLC (the "*Company*")
Oak Knitting Mill Commons LLC Project

Dear Mayor and County Executive:

Enclosed herewith please find a Notice of Public Hearing in relation to the above-referenced project. The proposed project (the "*Project*") consists of: (A)(i) the acquisition of an interest in approximately 1 acre of real property improved by an existing four story approximately 68,000 square foot building (the "*Building*") located at 102 West Division Street, in the City of Syracuse, New York (the "*Land*"); (ii) the renovation of the building to house approximately 18 two-bedroom and 20 one-bedroom market-rate apartment units on floors 2-4, a fitness center and community room; approximately 5,000 square feet of commercial space on the first floor; and approximately fifty-two (52) parking spaces, all located on the Land (collectively, the "*Facility*"); (iii) the acquisition and installation in and at the Land and Facility of furniture, fixtures and equipment (the "*Equipment*" and together with the Land and the Facility, the "*Project Facility*"); (B) the granting of certain financial assistance in the form of exemptions from real property tax, State and local sales and use tax and mortgage recording tax (collectively the "*Financial Assistance*"); (C) the appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, reconstruction, renovation, equipping and completion of the Project Facility; and (D) the lease of the Land and Facility by the Agency pursuant to a lease agreement and the acquisition of an interest in the Equipment pursuant to a

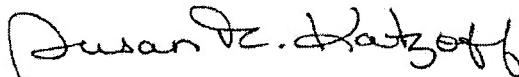
October 31, 2016
Page 2

bill of sale from the Company to the Agency; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement.

General Municipal Law Section 859-a requires that notice of the Public Hearing be given to the chief executive officer of each affected tax jurisdiction in which the Project is located.

As stated in the notice, the public hearing is scheduled for **November 15, 2016** at 8:30 a.m. in the Common Council Chambers at City Hall.

Very truly yours,



Susan R. Katzoff

SRK/llm
Enclosure

cc: Meghan Ryan, Esq., City of Syracuse, via email (w/Enclosure)
Honora Spillane, City of Syracuse Industrial Development Agency, via email (w/Enclosure)
Judy DeLaney, City of Syracuse Industrial Development Agency, via email (w/Enclosure)

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that a public hearing pursuant to Section 859-a of the New York General Municipal Law, will be held by the City of Syracuse Industrial Development Agency (the "Agency") on the 15th day of November, 2016, at 8:30 o'clock a.m., local time, at 233 East Washington Street, Common Council Chambers, City Hall, Syracuse, New York, in connection with the following matter:

Oak Knitting Mill Commons LLC, or an entity to be formed (the "Company"), has requested the Agency undertake a project (the "Project") consisting of: (A)(i) the acquisition of an interest in approximately 1 acre of real property improved by an existing four story approximately 68,000 square foot building (the "Building") located at 102 West Division Street, in the City of Syracuse, New York (the "Land"); (ii) the renovation of the building to house approximately 18 two-bedroom and 20 one-bedroom market-rate apartment units on floors 2-4, a fitness center and community room; approximately 5,000 square feet of commercial space on the first floor; and approximately fifty-two (52) parking spaces, all located on the Land (collectively, the "Facility"); (iii) the acquisition and installation in and at the Land and Facility of furniture, fixtures and equipment (the "Equipment" and together with the Land and the Facility, the "Project Facility"); (B) the granting of certain financial assistance in the form of exemptions from real property tax, State and local sales and use tax and mortgage recording tax (collectively the "Financial Assistance"); (C) the appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, reconstruction, renovation, equipping and completion of the Project Facility; and (D) the lease of the Land and Facility by the Agency pursuant to a lease agreement and the acquisition of an interest in the Equipment pursuant to a bill of sale from the Company to the Agency; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement.

The Company shall be the initial owner or operator of the Project Facility.

The Agency will at the above-stated time and place hear all persons with views with respect to the proposed Financial Assistance to the Company, the proposed owner/operator, the location of the Project Facility and the nature of the Project.

A copy of the application filed by the Company with the Agency with respect to the Project, including an analysis of the costs and benefits of the Project, is available for public inspection during business hours at the office of the Agency located at City Hall Commons, 7th Floor, 201 East Washington Street, Syracuse, New York.

Dated: October 31, 2016

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Honorable Stephanie A. Miner
Mayor, City of Syracuse
233 East Washington Street
Syracuse, New York 13202



9590 9402 2129 6132 4537 72

2. Article Number (Transfer from carrier label)

7008 1300 0000 1722 4036

PS Form 3811, July 2015 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

A. Signature

[Handwritten Signature]

- Agent
- Addressee

B. Received by (Printed Name)

C. Date of Delivery

11-1-16

D. Is delivery address different from item 1? Yes
If YES, enter delivery address below: No

3. Service Type

- Adult Signature
- Adult Signature Restricted Delivery
- Certified Mail®
- Certified Mail Restricted Delivery
- Collect on Delivery
- Collect on Delivery Restricted Delivery
- Insured Mail
- Insured Mail Restricted Delivery (over \$500)
- Priority Mail Express®
- Registered Mail™
- Registered Mail Restricted Delivery
- Return Receipt for Merchandise
- Signature Confirmation™
- Signature Confirmation Restricted Delivery

Domestic Return Receipt

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
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1. Article Addressed to:

Honorable Joanne M. Mahoney
County Executive, Onondaga County
John Mulroy Civic Center, 14th Floor
421 Montgomery Street
Syracuse, New York 13202



9590 9402 2129 6132 4537 41

2. Article Number (Transfer from carrier label)

7008 1300 0000 1722 4029

PS Form 3811, July 2015 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

A. Signature

[Handwritten Signature]

- Agent
- Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? Yes
If YES, enter delivery address below: No

3. Service Type

- Adult Signature
- Adult Signature Restricted Delivery
- Certified Mail®
- Certified Mail Restricted Delivery
- Collect on Delivery
- Collect on Delivery Restricted Delivery
- Insured Mail
- Insured Mail Restricted Delivery (over \$500)
- Priority Mail Express®
- Registered Mail™
- Registered Mail Restricted Delivery
- Return Receipt for Merchandise
- Signature Confirmation™
- Signature Confirmation Restricted Delivery

Domestic Return Receipt

7008 1300 0000 1722 4029

PS Form 3800, August 2006

Sent to: *[Handwritten Signature]*

Street, Apt. No., or PO Box No. *[Handwritten Address]*

City, State, ZIP+4 *[Handwritten Address]*

See Reverse for Instructions

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$

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EXHIBIT "F"

SEQRA LEAD RESOLUTION

RESOLUTION

A regular meeting of the City of Syracuse Industrial Development Agency was convened in public session on November 15, 2016, at 8:30 o'clock a.m. in the Common Council Chambers, City Hall, 233 East Washington Street, Syracuse, New York.

The meeting was called to order by the Chairman and upon the roll being duly called, the following members were:

PRESENT: William Ryan, M. Catherine Richardson, Esq., Donald Schoenwald, Esq., Steven Thompson Kenneth Kinsey

THE FOLLOWING PERSONS WERE ALSO PRESENT: Staff Present: Honora Spillane, Judith DeLaney, Meghan Ryan, Esq., Susan Katzoff, Esq., John Vavonese, Debra Ramsey-Burns, Meghan Ryan, Esq.; Others: Timothy Lynn, Esq., Barry Lentz, Aggie Lane, Michael Wicker, Dave Delvecchio, Suzanne Slack, Donna Harris, Lauryn LaBorde, Ted Trespasz, Esq., Jeff Githens, Mark Riley, Robert Smith, Esq.; Media Present: Rick Moriarty

The following resolution was offered by Donald Schoenwald and seconded by Steven Thompson:

RESOLUTION CLASSIFYING A CERTAIN PROJECT AS A TYPE I ACTION AND DECLARING THE INTENT OF THE CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY TO BE LEAD AGENCY FOR PURPOSES OF A COORDINATED REVIEW PURSUANT TO THE STATE ENVIRONMENTAL QUALITY REVIEW ACT

WHEREAS, the City of Syracuse Industrial Development Agency (the "**Agency**") is authorized and empowered by Title 1 of Article 18-A of the General Municipal Law of the State of New York (the "**State**"), as amended, together with Chapter 641 of the Laws of 1979 of the State of New York, as amended from time to time (collectively, the "**Act**"), to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial, research and recreation facilities, for the purpose of promoting economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State, to improve their recreation opportunities, prosperity and standard of living; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to grant "financial assistance" (as defined in the Act) in connection with the acquisition, reconstruction and equipping of one or more "projects" (as defined in the Act); and

WHEREAS, by application dated October 6, 2016 (the “*Application*”), Oak Knitting Mill Commons LLC, or an entity to be formed (the “*Company*”), requested the Agency undertake a project (the “*Project*”) consisting of: (A)(i) the acquisition of an interest in approximately 1 acre of real property improved by an existing four story approximately 68,000 square foot building (the “*Building*”) located at 102 West Division Street, in the City of Syracuse, New York (the “*Land*”); (ii) the renovation of the building to house approximately 18 two-bedroom and 20 one-bedroom market-rate apartment units on floors 2-4, a fitness center and community room; approximately 5,000 square feet of commercial space on the first floor; and approximately fifty-two (52) parking spaces, all located on the Land (collectively, the “*Facility*”); (iii) the acquisition and installation in and at the Land and Facility of furniture, fixtures and equipment (the “*Equipment*” and together with the Land and the Facility, the “*Project Facility*”); (B) the granting of certain financial assistance in the form of exemptions from real property tax, State and local sales and use tax and mortgage recording tax (collectively the “*Financial Assistance*”); (C) the appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, reconstruction, renovation, equipping and completion of the Project Facility; and (D) the lease of the Land and Facility by the Agency pursuant to a lease agreement and the acquisition of an interest in the Equipment pursuant to a bill of sale from the Company to the Agency; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law of the State of New York, as amended, and the regulations of the Department of Environmental Conservation of the State of New York promulgated thereunder (collectively referred to hereinafter as “*SEQRA*”), the Agency is required to make a determination whether the “action” (as said quoted term is defined in SEQRA) to be taken by the Agency may have a “significant impact on the environment” (as said quoted term is utilized in SEQRA) and the preliminary agreement of the Agency to undertake the Project constitutes such an action; and

WHEREAS, to aid the Agency in determining whether undertaking the Project may have a significant impact upon the environment, the Company has prepared and submitted to the Agency an Environmental Assessment Form (the “*EAF*”) with respect to the Project, a copy of which is attached here as Exhibit A, with a copy of the EAF on file at the office of the Agency; and

WHEREAS, the Agency has examined the EAF in order to classify the Project; and

WHEREAS, the Agency has not approved the Project or the grant of Financial Assistance to the Project; and

NOW, THEREFORE, be it resolved by the members of the City of Syracuse Industrial Development Agency as follows:

(1) Based upon an examination of the EAF prepared by the Company, the criteria contained in 6 NYCRR §617.7(c), and based further upon the Agency’s knowledge of the area surrounding the Project Facility, all the representations made by the Company in connection with

the Project, and such further investigation of the Project and its environmental impacts as the Agency has deemed appropriate, the Agency makes the following findings and determinations with respect to the Project pursuant to SEQRA:

(A) The Project consists of the components described above in the third WHEREAS clause of this resolution; and

(B) The Project constitutes a “Type I Action” (as said quoted term is defined in SEQRA); and

(C) As a consequence of the foregoing, the Agency hereby declares its intent to act as “Lead Agency” (as said term is defined in SEQRA) with respect to a coordinated agency review of the Project pursuant to SEQRA; and

(D) The Agency’s counsel shall arrange for publication and distribution of its notice of intent to be “Lead Agency” and is hereby authorized to take such actions as are necessary and appropriate to assist the Agency in fulfilling the requirements under SEQRA for the Project and to work with the Company’s environmental consultant in connection therewith.

(2) A copy of this Resolution, together with the attachments hereto, shall be placed on file in the office of the Agency where the same shall be available for public inspection during business hours.

(3) This Resolution shall take effect immediately

The question of the adoption of the foregoing resolution was duly put to vote on a roll call, which resulted as follows:

	<u>AYE</u>	<u>NAY</u>
William M. Ryan	X	
M. Catherine Richardson	X	
Donald Schoenwald	X	
Steven Thompson	X	
Kenneth Kinsey	X	

The foregoing Resolution was thereupon declared duly adopted.

EXHIBIT A

ENVIRONMENTAL ASSESSMENT FORM

**Full Environmental Assessment Form
Part 1 - Project and Setting**

Instructions for Completing Part 1

Part 1 is to be completed by the applicant or project sponsor. Responses become part of the application for approval or funding, are subject to public review, and may be subject to further verification.

Complete Part 1 based on information currently available. If additional research or investigation would be needed to fully respond to any item, please answer as thoroughly as possible based on current information; indicate whether missing information does not exist, or is not reasonably available to the sponsor; and, when possible, generally describe work or studies which would be necessary to update or fully develop that information.

Applicants/sponsors must complete all items in Sections A & B. In Sections C, D & E, most items contain an initial question that must be answered either "Yes" or "No". If the answer to the initial question is "Yes", complete the sub-questions that follow. If the answer to the initial question is "No", proceed to the next question. Section F allows the project sponsor to identify and attach any additional information. Section G requires the name and signature of the project sponsor to verify that the information contained in Part 1 is accurate and complete.

A. Project and Sponsor Information.

Name of Action or Project: Oak Knitting Mill		
Project Location (describe, and attach a general location map): 102 West Division Street, Syracuse, NY 13204		
Brief Description of Proposed Action (include purpose or need): Oak Knitting Mill is a vacant 70,000 sq ft warehouse in Syracuse NY. The project will be a certified historic rehabilitation project in accordance with SHPO and NPS. The plan is to construct 38 market rate apartments and 4,000 sq ft of commercial space.		
Name of Applicant/Sponsor: Oak Knitting Mill Commons LLC		Telephone: 315 415 4633 E-Mail: tim@morrisroelynn.com
Address: 100 Madison Street, Suite 1905		
City/PO: Syracuse	State: NY	Zip Code: 13202
Project Contact (if not same as sponsor; give name and title/role): Tim Lynn, Manager		Telephone: E-Mail:
Address:		
City/PO:	State:	Zip Code:
Property Owner (if not same as sponsor):		Telephone: E-Mail:
Address:		
City/PO:	State:	Zip Code:

B. Government Approvals

B. Government Approvals, Funding, or Sponsorship. ("Funding" includes grants, loans, tax relief, and any other forms of financial assistance.)		
Government Entity	If Yes: Identify Agency and Approval(s) Required	Application Date (Actual or projected)
a. City Council, Town Board, <input type="checkbox"/> Yes <input type="checkbox"/> No or Village Board of Trustees		
b. City, Town or Village <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Planning Board or Commission	City of Syracuse Building Permits Syracuse Landmark Preservation Board	Estimated January 31, 2017
c. City Council, Town or <input type="checkbox"/> Yes <input type="checkbox"/> No Village Zoning Board of Appeals		
d. Other local agencies <input type="checkbox"/> Yes <input type="checkbox"/> No		
e. County agencies <input type="checkbox"/> Yes <input type="checkbox"/> No		
f. Regional agencies <input type="checkbox"/> Yes <input type="checkbox"/> No		
g. State agencies <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	State Historic Preservation Office	Estimated November 30, 2016
h. Federal agencies <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	National Park Service	Estimated November 30, 2016
i. Coastal Resources.		
i. Is the project site within a Coastal Area, or the waterfront area of a Designated Inland Waterway?		<input type="checkbox"/> Yes <input type="checkbox"/> No
ii. Is the project site located in a community with an approved Local Waterfront Revitalization Program?		<input type="checkbox"/> Yes <input type="checkbox"/> No
iii. Is the project site within a Coastal Erosion Hazard Area?		<input type="checkbox"/> Yes <input type="checkbox"/> No

C. Planning and Zoning

C.1. Planning and zoning actions.	
Will administrative or legislative adoption, or amendment of a plan, local law, ordinance, rule or regulation be the only approval(s) which must be granted to enable the proposed action to proceed? <input type="checkbox"/> Yes <input type="checkbox"/> No	
<ul style="list-style-type: none"> • If Yes, complete sections C, F and G. • If No, proceed to question C.2 and complete all remaining sections and questions in Part I 	
C.2. Adopted land use plans.	
a. Do any municipally- adopted (city, town, village or county) comprehensive land use plan(s) include the site where the proposed action would be located?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
If Yes, does the comprehensive plan include specific recommendations for the site where the proposed action would be located?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
b. Is the site of the proposed action within any local or regional special planning district (for example: Greenway Brownfield Opportunity Area (BOA); designated State or Federal heritage area; watershed management plan; or other?)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If Yes, identify the plan(s):	

c. Is the proposed action located wholly or partially within an area listed in an adopted municipal open space plan, or an adopted municipal farmland protection plan?	
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
If Yes, identify the plan(s):	

C.3. Zoning	
a. Is the site of the proposed action located in a municipality with an adopted zoning law or ordinance. If Yes, what is the zoning classification(s) including any applicable overlay district?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Lakefront District	
b. Is the use permitted or allowed by a special or conditional use permit?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
c. Is a zoning change requested as part of the proposed action? If Yes,	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
i. What is the proposed new zoning for the site? _____	
C.4. Existing community services.	
a. In what school district is the project site located?	Syracuse City School District
b. What police or other public protection forces serve the project site?	Syracuse City Police Department
c. Which fire protection and emergency medical services serve the project site?	Syracuse City Fire Department
d. What parks serve the project site?	Syracuse Inner Harbor

D. Project Details

D.1. Proposed and Potential Development	
a. What is the general nature of the proposed action (e.g., residential, industrial, commercial, recreational; if mixed, include all components)? Commercial, Residential	
b. a. Total acreage of the site of the proposed action?	_____ .99 acres
b. Total acreage to be physically disturbed?	_____ 7 acres
c. Total acreage (project site and any contiguous properties) owned or controlled by the applicant or project sponsor?	_____ 99 acres
c. Is the proposed action an expansion of an existing project or use?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
i. If Yes, what is the approximate percentage of the proposed expansion and identify the units (e.g., acres, miles, housing units, square feet)? % _____ Units: _____	
d. Is the proposed action a subdivision, or does it include a subdivision?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If Yes,	
i. Purpose or type of subdivision? (e.g., residential, industrial, commercial; if mixed, specify types) _____	
ii. Is a cluster/conservation layout proposed? <input type="checkbox"/> Yes <input type="checkbox"/> No	
iii. Number of lots proposed? _____	
iv. Minimum and maximum proposed lot sizes? Minimum _____ Maximum _____	
e. Will proposed action be constructed in multiple phases?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
i. If No, anticipated period of construction: _____ months	
ii. If Yes:	
• Total number of phases anticipated _____	
• Anticipated commencement date of phase 1 (including demolition) _____ month _____ year	
• Anticipated completion date of final phase _____ month _____ year	
• Generally describe connections or relationships among phases, including any contingencies where progress of one phase may determine timing or duration of future phases: _____	

f. Does the project include new residential uses? Yes No
 If Yes, show numbers of units proposed.

	One Family	Two Family	Three Family	Multiple Family (four or more)
Initial Phase	_____	_____	_____	38
At completion of all phases	_____	_____	_____	38 Total

g. Does the proposed action include new non-residential construction (including expansions)? Yes No
 If Yes,
 i. Total number of structures _____
 ii. Dimensions (in feet) of largest proposed structure: _____ height; _____ width; and _____ length
 iii. Approximate extent of building space to be heated or cooled: _____ square feet

h. Does the proposed action include construction or other activities that will result in the impoundment of any liquids, such as creation of a water supply, reservoir, pond, lake, waste lagoon or other storage? Yes No
 If Yes,
 i. Purpose of the impoundment: _____
 ii. If a water impoundment, the principal source of the water: Ground water Surface water streams Other specify: _____
 iii. If other than water, identify the type of impounded/contained liquids and their source. _____
 iv. Approximate size of the proposed impoundment. Volume: _____ million gallons; surface area: _____ acres
 v. Dimensions of the proposed dam or impounding structure: _____ height; _____ length
 vi. Construction method/materials for the proposed dam or impounding structure (e.g., earth fill, rock, wood, concrete): _____

D.2. Project Operations

a. Does the proposed action include any excavation, mining, or dredging, during construction, operations, or both? Yes No
 (Not including general site preparation, grading or installation of utilities or foundations where all excavated materials will remain onsite)
 If Yes:
 i. What is the purpose of the excavation or dredging? _____
 ii. How much material (including rock, earth, sediments, etc.) is proposed to be removed from the site?
 • Volume (specify tons or cubic yards): _____
 • Over what duration of time? _____
 iii. Describe nature and characteristics of materials to be excavated or dredged, and plans to use, manage or dispose of them. _____

 iv. Will there be onsite dewatering or processing of excavated materials? Yes No
 If yes, describe. _____

 v. What is the total area to be dredged or excavated? _____ acres
 vi. What is the maximum area to be worked at any one time? _____ acres
 vii. What would be the maximum depth of excavation or dredging? _____ feet
 viii. Will the excavation require blasting? Yes No
 ix. Summarize site reclamation goals and plan: _____

b. Would the proposed action cause or result in alteration of, increase or decrease in size of, or encroachment into any existing wetland, waterbody, shoreline, beach or adjacent area? Yes No
 If Yes:
 i. Identify the wetland or waterbody which would be affected (by name, water index number, wetland map number or geographic description): _____

ii. Describe how the proposed action would affect that waterbody or wetland, e.g. excavation, fill, placement of structures, or alteration of channels, banks and shorelines. Indicate extent of activities, alterations and additions in square feet or acres:

iii. Will proposed action cause or result in disturbance to bottom sediments? Yes No
If Yes, describe: _____

iv. Will proposed action cause or result in the destruction or removal of aquatic vegetation? Yes No
If Yes:

- acres of aquatic vegetation proposed to be removed: _____
- expected acreage of aquatic vegetation remaining after project completion: _____
- purpose of proposed removal (e.g. beach clearing, invasive species control, boat access): _____
- proposed method of plant removal: _____
- if chemical/herbicide treatment will be used, specify product(s): _____

v. Describe any proposed reclamation/mitigation following disturbance: _____

c. Will the proposed action use, or create a new demand for water? Yes No

If Yes:

i. Total anticipated water usage/demand per day: _____ 3515 gallons/day

ii. Will the proposed action obtain water from an existing public water supply? Yes No

If Yes:

- Name of district or service area: Municipal Syracuse Water Supply
- Does the existing public water supply have capacity to serve the proposal? Yes No
- Is the project site in the existing district? Yes No
- Is expansion of the district needed? Yes No
- Do existing lines serve the project site? Yes No

iii. Will line extension within an existing district be necessary to supply the project? Yes No

If Yes:

- Describe extensions or capacity expansions proposed to serve this project: _____

• Source(s) of supply for the district: N/A

iv. Is a new water supply district or service area proposed to be formed to serve the project site? Yes No

If Yes:

- Applicant/sponsor for new district: _____
- Date application submitted or anticipated: _____
- Proposed source(s) of supply for new district: _____

v. If a public water supply will not be used, describe plans to provide water supply for the project: _____

vi. If water supply will be from wells (public or private), maximum pumping capacity: _____ gallons/minute.

d. Will the proposed action generate liquid wastes? Yes No

If Yes:

i. Total anticipated liquid waste generation per day: _____ gallons/day

ii. Nature of liquid wastes to be generated (e.g., sanitary wastewater, industrial; if combination, describe all components and approximate volumes or proportions of each): _____

residential sanitary sewer effluent

iii. Will the proposed action use any existing public wastewater treatment facilities? Yes No

If Yes:

- Name of wastewater treatment plant to be used: Syracuse Metropolitan wastewater Treatment Plant
- Name of district: _____
- Does the existing wastewater treatment plant have capacity to serve the project? Yes No
- Is the project site in the existing district? Yes No
- Is expansion of the district needed? Yes No

- Do existing sewer lines serve the project site? Yes No
 - Will line extension within an existing district be necessary to serve the project? Yes No
- If Yes:
- Describe extensions or capacity expansions proposed to serve this project: _____

iv. Will a new wastewater (sewage) treatment district be formed to serve the project site? Yes No

If Yes:

- Applicant/sponsor for new district: _____
- Date application submitted or anticipated: _____
- What is the receiving water for the wastewater discharge? _____

v. If public facilities will not be used, describe plans to provide wastewater treatment for the project, including specifying proposed receiving water (name and classification if surface discharge, or describe subsurface disposal plans):

vi. Describe any plans or designs to capture, recycle or reuse liquid waste: _____

e. Will the proposed action disturb more than one acre and create stormwater runoff, either from new point sources (i.e. ditches, pipes, swales, curbs, gutters or other concentrated flows of stormwater) or non-point source (i.e. sheet flow) during construction or post construction? Yes No

If Yes:

i. How much impervious surface will the project create in relation to total size of project parcel?

_____ Square feet or _____ .8 acres (impervious surface)

_____ Square feet or _____ .99 acres (parcel size)

ii. Describe types of new point sources. Stormwater runoff will be collected into a new on-site stormwater sewer system.

iii. Where will the stormwater runoff be directed (i.e. on-site stormwater management facility/structures, adjacent properties, groundwater, on-site surface water or off-site surface waters)?

An on-site stormwater management facility will be designed and constructed to treat stormwater quantity and quality.

- If to surface waters, identify receiving water bodies or wetlands: _____
Onondaga Lake

- Will stormwater runoff flow to adjacent properties? Yes No

iv. Does proposed plan minimize impervious surfaces, use pervious materials or collect and re-use stormwater? Yes No

f. Does the proposed action include, or will it use on-site, one or more sources of air emissions, including fuel combustion, waste incineration, or other processes or operations? Yes No

If Yes, identify:

i. Mobile sources during project operations (e.g., heavy equipment, fleet or delivery vehicles)

ii. Stationary sources during construction (e.g., power generation, structural heating, batch plant, crushers)

iii. Stationary sources during operations (e.g., process emissions, large boilers, electric generation)

g. Will any air emission sources named in D.2.f (above), require a NY State Air Registration, Air Facility Permit, or Federal Clean Air Act Title IV or Title V Permit? Yes No

If Yes:

i. Is the project site located in an Air quality non-attainment area? (Area routinely or periodically fails to meet ambient air quality standards for all or some parts of the year) Yes No

ii. In addition to emissions as calculated in the application, the project will generate:

- _____ Tons/year (short tons) of Carbon Dioxide (CO₂)
- _____ Tons/year (short tons) of Nitrous Oxide (N₂O)
- _____ Tons/year (short tons) of Perfluorocarbons (PFCs)
- _____ Tons/year (short tons) of Sulfur Hexafluoride (SF₆)
- _____ Tons/year (short tons) of Carbon Dioxide equivalent of Hydrofluorocarbons (HFCs)
- _____ Tons/year (short tons) of Hazardous Air Pollutants (HAPs)

h. Will the proposed action generate or emit methane (including, but not limited to, sewage treatment plants, landfills, composting facilities)? Yes No

If Yes:

i. Estimate methane generation in tons/year (metric): _____

ii. Describe any methane capture, control or elimination measures included in project design (e.g., combustion to generate heat or electricity, flaring): _____

i. Will the proposed action result in the release of air pollutants from open-air operations or processes, such as quarry or landfill operations? Yes No

If Yes: Describe operations and nature of emissions (e.g., diesel exhaust, rock particulates/dust): _____

j. Will the proposed action result in a substantial increase in traffic above present levels or generate substantial new demand for transportation facilities or services? Yes No

If Yes:

i. When is the peak traffic expected (Check all that apply): Morning Evening Weekend
 Randomly between hours of _____ to _____.

ii. For commercial activities only, projected number of semi-trailer truck trips/day: _____

iii. Parking spaces: Existing _____ Proposed _____ Net increase/decrease _____

iv. Does the proposed action include any shared use parking? Yes No

v. If the proposed action includes any modification of existing roads, creation of new roads or change in existing access, describe: _____

vi. Are public/private transportation service(s) or facilities available within 1/2 mile of the proposed site? Yes No

vii. Will the proposed action include access to public transportation or accommodations for use of hybrid, electric or other alternative fueled vehicles? Yes No

viii. Will the proposed action include plans for pedestrian or bicycle accommodations for connections to existing pedestrian or bicycle routes? Yes No

k. Will the proposed action (for commercial or industrial projects only) generate new or additional demand for energy? Yes No

If Yes:

i. Estimate annual electricity demand during operation of the proposed action: _____

ii. Anticipated sources/suppliers of electricity for the project (e.g., on-site combustion, on-site renewable, via grid/local utility, or other): _____

iii. Will the proposed action require a new, or an upgrade to, an existing substation? Yes No

l. Hours of operation. Answer all items which apply.

i. During Construction:

- Monday - Friday: _____ 7 am to 5 pm _____
- Saturday: _____ 7 am to 5 pm _____
- Sunday: _____
- Holidays: _____

ii. During Operations:

- Monday - Friday: _____ 7 am to 5 pm _____
- Saturday: _____
- Sunday: _____
- Holidays: _____

m. Will the proposed action produce noise that will exceed existing ambient noise levels during construction, operation, or both? Yes No
 If yes:
 i. Provide details including sources, time of day and duration:
 During construction noises may be produced by normal construction activities during the day. _____

ii. Will proposed action remove existing natural barriers that could act as a noise barrier or screen? Yes No
 Describe: _____

n. Will the proposed action have outdoor lighting? Yes No
 If yes:
 i. Describe source(s), location(s), height of fixture(s), direction/aim, and proximity to nearest occupied structures:
 18' high light poles with either LED light fixtures. _____

ii. Will proposed action remove existing natural barriers that could act as a light barrier or screen? Yes No
 Describe: _____

o. Does the proposed action have the potential to produce odors for more than one hour per day? Yes No
 If Yes, describe possible sources, potential frequency and duration of odor emissions, and proximity to nearest occupied structures: _____

p. Will the proposed action include any bulk storage of petroleum (combined capacity of over 1,100 gallons) or chemical products 185 gallons in above ground storage or any amount in underground storage? Yes No
 If Yes:
 i. Product(s) to be stored _____
 ii. Volume(s) _____ per unit time _____ (e.g., month, year)
 iii. Generally describe proposed storage facilities: _____

q. Will the proposed action (commercial, industrial and recreational projects only) use pesticides (i.e., herbicides, insecticides) during construction or operation? Yes No
 If Yes:
 i. Describe proposed treatment(s): _____

ii. Will the proposed action use Integrated Pest Management Practices? Yes No

r. Will the proposed action (commercial or industrial projects only) involve or require the management or disposal of solid waste (excluding hazardous materials)? Yes No
 If Yes:
 i. Describe any solid waste(s) to be generated during construction or operation of the facility:
 • Construction: _____ tons per _____ (unit of time)
 • Operation: _____ tons per _____ (unit of time)
 ii. Describe any proposals for on-site minimization, recycling or reuse of materials to avoid disposal as solid waste:
 • Construction: _____
 • Operation: _____
 iii. Proposed disposal methods/facilities for solid waste generated on-site:
 • Construction: _____
 • Operation: _____

s. Does the proposed action include construction or modification of a solid waste management facility? Yes No
 If Yes:
 i. Type of management or handling of waste proposed for the site (e.g., recycling or transfer station, composting, landfill, or other disposal activities): _____
 ii. Anticipated rate of disposal/processing:
 • _____ Tons/month, if transfer or other non-combustion/thermal treatment, or
 • _____ Tons/hour, if combustion or thermal treatment
 iii. If landfill, anticipated site life: _____ years

t. Will proposed action at the site involve the commercial generation, treatment, storage, or disposal of hazardous waste? Yes No
 If Yes:
 i. Name(s) of all hazardous wastes or constituents to be generated, handled or managed at facility: _____

 ii. Generally describe processes or activities involving hazardous wastes or constituents: _____

 iii. Specify amount to be handled or generated _____ tons/month
 iv. Describe any proposals for on-site minimization, recycling or reuse of hazardous constituents: _____

 v. Will any hazardous wastes be disposed at an existing offsite hazardous waste facility? Yes No
 If Yes: provide name and location of facility: _____

 If No: describe proposed management of any hazardous wastes which will not be sent to a hazardous waste facility:

E. Site and Setting of Proposed Action

E.1. Land uses on and surrounding the project site

a. Existing land uses.
 i. Check all uses that occur on, adjoining and near the project site.
 Urban Industrial Commercial Residential (suburban) Rural (non-farm)
 Forest Agriculture Aquatic Other (specify): _____
 ii. If mix of uses, generally describe:

b. Land uses and covertypes on the project site.

Land use or Covertype	Current Acreage	Acreage After Project Completion	Change (Acres +/-)
• Roads, buildings, and other paved or impervious surfaces	.8	.8	0
• Forested			
• Meadows, grasslands or brushlands (non-agricultural, including abandoned agricultural)			
• Agricultural (includes active orchards, field, greenhouse etc.)			
• Surface water features (lakes, ponds, streams, rivers, etc.)			
• Wetlands (freshwater or tidal)			
• Non-vegetated (bare rock, earth or fill)			
• Other Describe: lawns/landscape _____	.2	.2	0

c. Is the project site presently used by members of the community for public recreation? Yes No
 i. If Yes: explain: _____

d. Are there any facilities serving children, the elderly, people with disabilities (e.g., schools, hospitals, licensed day care centers, or group homes) within 1500 feet of the project site? Yes No
 If Yes,
 i. Identify Facilities: _____

e. Does the project site contain an existing dam? Yes No
 If Yes:
 i. Dimensions of the dam and impoundment:
 • Dam height: _____ feet
 • Dam length: _____ feet
 • Surface area: _____ acres
 • Volume impounded: _____ gallons OR acre-feet
 ii. Dam's existing hazard classification: _____
 iii. Provide date and summarize results of last inspection: _____

f. Has the project site ever been used as a municipal, commercial or industrial solid waste management facility, or does the project site adjoin property which is now, or was at one time, used as a solid waste management facility? Yes No
 If Yes:
 i. Has the facility been formally closed? Yes No
 • If yes, cite sources/documentation: _____
 ii. Describe the location of the project site relative to the boundaries of the solid waste management facility: _____
 iii. Describe any development constraints due to the prior solid waste activities: _____

g. Have hazardous wastes been generated, treated and/or disposed of at the site, or does the project site adjoin property which is now or was at one time used to commercially treat, store and/or dispose of hazardous waste? Yes No
 If Yes:
 i. Describe waste(s) handled and waste management activities, including approximate time when activities occurred: _____

h. Potential contamination history. Has there been a reported spill at the proposed project site, or have any remedial actions been conducted at or adjacent to the proposed site? Yes No
 If Yes:
 i. Is any portion of the site listed on the NYSDEC Spills Incidents database or Environmental Site Remediation database? Check all that apply: Yes No
 Yes – Spills Incidents database Provide DEC ID number(s): _____
 Yes – Environmental Site Remediation database Provide DEC ID number(s): _____
 Neither database
 ii. If site has been subject of RCRA corrective activities, describe control measures: _____
 iii. Is the project within 2000 feet of any site in the NYSDEC Environmental Site Remediation database? Yes No
 If yes, provide DEC ID number(s): _____
 iv. If yes to (i), (ii) or (iii) above, describe current status of site(s): _____

v. Is the project site subject to an institutional control limiting property uses? Yes No

- If yes, DEC site ID number: _____
- Describe the type of institutional control (e.g., deed restriction or easement): _____
- Describe any use limitations: _____
- Describe any engineering controls: _____
- Will the project affect the institutional or engineering controls in place? Yes No
- Explain: _____

E.2. Natural Resources On or Near Project Site

a. What is the average depth to bedrock on the project site? _____ >10 feet

b. Are there bedrock outcroppings on the project site? Yes No
 If Yes, what proportion of the site is comprised of bedrock outcroppings? _____ %

c. Predominant soil type(s) present on project site: Urban _____ 100 %
 _____ %
 _____ %

d. What is the average depth to the water table on the project site? Average: _____ feet

e. Drainage status of project site soils: Well Drained: _____ % of site
 Moderately Well Drained: _____ % of site
 Poorly Drained _____ 100 % of site

f. Approximate proportion of proposed action site with slopes: 0-10%: _____ 90 % of site
 10-15%: _____ 10 % of site
 15% or greater: _____ % of site

g. Are there any unique geologic features on the project site? Yes No
 If Yes, describe: _____

h. Surface water features.

i. Does any portion of the project site contain wetlands or other waterbodies (including streams, rivers, ponds or lakes)? Yes No

ii. Do any wetlands or other waterbodies adjoin the project site? Yes No

If Yes to either i or ii, continue. If No, skip to E.2.i.

iii. Are any of the wetlands or waterbodies within or adjoining the project site regulated by any federal, state or local agency? Yes No

iv. For each identified regulated wetland and waterbody on the project site, provide the following information:

- Streams: Name _____ Classification _____
- Lakes or Ponds: Name Onondaga Lake Classification Impaired seg
- Wetlands: Name _____ Approximate Size _____
- Wetland No. (if regulated by DEC) _____

v. Are any of the above water bodies listed in the most recent compilation of NYS water quality-impaired waterbodies? Yes No
 If yes, name of impaired water body/bodies and basis for listing as impaired: _____
Onondaga Lake, metals, PCB's, Dioxin

i. Is the project site in a designated Floodway? Yes No

j. Is the project site in the 100 year Floodplain? Yes No

k. Is the project site in the 500 year Floodplain? Yes No

l. Is the project site located over, or immediately adjoining, a primary, principal or sole source aquifer? Yes No
 If Yes:
 i. Name of aquifer: _____

m. Identify the predominant wildlife species that occupy or use the project site: _____

n. Does the project site contain a designated significant natural community? Yes No
 If Yes:
 i. Describe the habitat/community (composition, function, and basis for designation): _____

 ii. Source(s) of description or evaluation: _____
 iii. Extent of community/habitat:
 • Currently: _____ acres
 • Following completion of project as proposed: _____ acres
 • Gain or loss (indicate + or -): _____ acres

o. Does project site contain any species of plant or animal that is listed by the federal government or NYS as endangered or threatened, or does it contain any areas identified as habitat for an endangered or threatened species? Yes No

p. Does the project site contain any species of plant or animal that is listed by NYS as rare, or as a species of special concern? Yes No

q. Is the project site or adjoining area currently used for hunting, trapping, fishing or shell fishing? Yes No
 If yes, give a brief description of how the proposed action may affect that use: _____

E.3. Designated Public Resources On or Near Project Site

a. Is the project site, or any portion of it, located in a designated agricultural district certified pursuant to Agriculture and Markets Law, Article 25-AA, Section 303 and 304? Yes No
 If Yes, provide county plus district name/number: _____

b. Are agricultural lands consisting of highly productive soils present? Yes No
 i. If Yes: acreage(s) on project site? _____
 ii. Source(s) of soil rating(s): _____

c. Does the project site contain all or part of, or is it substantially contiguous to, a registered National Natural Landmark? Yes No
 If Yes:
 i. Nature of the natural landmark: Biological Community Geological Feature
 ii. Provide brief description of landmark, including values behind designation and approximate size/extent: _____

d. Is the project site located in or does it adjoin a state listed Critical Environmental Area? Yes No
 If Yes:
 i. CEA name: _____
 ii. Basis for designation: _____
 iii. Designating agency and date: _____

e. Does the project site contain, or is it substantially contiguous to, a building, archaeological site, or district which is listed on, or has been nominated by the NYS Board of Historic Preservation for inclusion on, the State or National Register of Historic Places?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
If Yes:	
i. Nature of historic/archaeological resource: <input type="checkbox"/> Archaeological Site <input checked="" type="checkbox"/> Historic Building or District	
ii. Name: Oak Knitting Company	
iii. Brief description of attributes on which listing is based: An industrial property constructed in the 19th century, purposely located near the NY Central Railroad, the Erie Lackawanna Railroad, & Oswego Canal.	
f. Is the project site, or any portion of it, located in or adjacent to an area designated as sensitive for archaeological sites on the NY State Historic Preservation Office (SHPO) archaeological site inventory?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
g. Have additional archaeological or historic site(s) or resources been identified on the project site?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If Yes:	
i. Describe possible resource(s): _____	
ii. Basis for identification: _____	
h. Is the project site within five miles of any officially designated and publicly accessible federal, state, or local scenic or aesthetic resource?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If Yes:	
i. Identify resource: _____	
ii. Nature of, or basis for, designation (e.g., established highway overlook, state or local park, state historic trail or scenic byway, etc.): _____	
iii. Distance between project and resource: _____ miles.	
i. Is the project site located within a designated river corridor under the Wild, Scenic and Recreational Rivers Program 6 NYCRR 666?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If Yes:	
i. Identify the name of the river and its designation: _____	
ii. Is the activity consistent with development restrictions contained in 6NYCRR Part 666?	<input type="checkbox"/> Yes <input type="checkbox"/> No

F. Additional Information

Attach any additional information which may be needed to clarify your project.

If you have identified any adverse impacts which could be associated with your proposal, please describe those impacts plus any measures which you propose to avoid or minimize them.

G. Verification

I certify that the information provided is true to the best of my knowledge.

Applicant/Sponsor Name, Jonathan deForest Date 11/18/2016

Signature  Title Executive Vice President / Principal

Full Environmental Assessment Form
Part 2 - Identification of Potential Project Impacts

Agency Use Only [If applicable]

Project:
 Date:

Part 2 is to be completed by the lead agency. Part 2 is designed to help the lead agency inventory all potential resources that could be affected by a proposed project or action. We recognize that the lead agency's reviewer(s) will not necessarily be environmental professionals. So, the questions are designed to walk a reviewer through the assessment process by providing a series of questions that can be answered using the information found in Part 1. To further assist the lead agency in completing Part 2, the form identifies the most relevant questions in Part 1 that will provide the information needed to answer the Part 2 question. When Part 2 is completed, the lead agency will have identified the relevant environmental areas that may be impacted by the proposed activity.

If the lead agency is a state agency and the action is in any Coastal Area, complete the Coastal Assessment Form before proceeding with this assessment.

Tips for completing Part 2:

- Review all of the information provided in Part 1.
- Review any application, maps, supporting materials and the Full EAF Workbook.
- Answer each of the 18 questions in Part 2.
- If you answer "Yes" to a numbered question, please complete all the questions that follow in that section.
- If you answer "No" to a numbered question, move on to the next numbered question.
- Check appropriate column to indicate the anticipated size of the impact.
- Proposed projects that would exceed a numeric threshold contained in a question should result in the reviewing agency checking the box "Moderate to large impact may occur."
- The reviewer is not expected to be an expert in environmental analysis.
- If you are not sure or undecided about the size of an impact, it may help to review the sub-questions for the general question and consult the workbook.
- When answering a question consider all components of the proposed activity, that is, the "whole action".
- Consider the possibility for long-term and cumulative impacts as well as direct impacts.
- Answer the question in a reasonable manner considering the scale and context of the project.

1. Impact on Land Proposed action may involve construction on, or physical alteration of, the land surface of the proposed site. (See Part 1. D.1) <i>If "Yes", answer questions a - j. If "No", move on to Section 2.</i>			
	<input checked="" type="checkbox"/> NO	<input type="checkbox"/> YES	
	Relevant Part I Question(s)	No, or small impact may occur	Moderate to large impact may occur
a. The proposed action may involve construction on land where depth to water table is less than 3 feet.	E2d	<input type="checkbox"/>	<input type="checkbox"/>
b. The proposed action may involve construction on slopes of 15% or greater.	E2f	<input type="checkbox"/>	<input type="checkbox"/>
c. The proposed action may involve construction on land where bedrock is exposed, or generally within 5 feet of existing ground surface.	E2a	<input type="checkbox"/>	<input type="checkbox"/>
d. The proposed action may involve the excavation and removal of more than 1,000 tons of natural material.	D2a	<input type="checkbox"/>	<input type="checkbox"/>
e. The proposed action may involve construction that continues for more than one year or in multiple phases.	D1e	<input type="checkbox"/>	<input type="checkbox"/>
f. The proposed action may result in increased erosion, whether from physical disturbance or vegetation removal (including from treatment by herbicides).	D2e, D2q	<input type="checkbox"/>	<input type="checkbox"/>
g. The proposed action is, or may be, located within a Coastal Erosion hazard area.	B1i	<input type="checkbox"/>	<input type="checkbox"/>
h. Other impacts: _____ _____		<input type="checkbox"/>	<input type="checkbox"/>

2. Impact on Geological Features
 The proposed action may result in the modification or destruction of, or inhibit access to, any unique or unusual land forms on the site (e.g., cliffs, dunes, minerals, fossils, caves). (See Part 1. E.2.g) NO YES
If "Yes", answer questions a - c. If "No", move on to Section 3.

	Relevant Part I Question(s)	No, or small impact may occur	Moderate to large impact may occur
a. Identify the specific land form(s) attached: _____	E2g	<input type="checkbox"/>	<input type="checkbox"/>
b. The proposed action may affect or is adjacent to a geological feature listed as a registered National Natural Landmark. Specific feature: _____	E3c	<input type="checkbox"/>	<input type="checkbox"/>
c. Other impacts: _____		<input type="checkbox"/>	<input type="checkbox"/>

3. Impacts on Surface Water
 The proposed action may affect one or more wetlands or other surface water bodies (e.g., streams, rivers, ponds or lakes). (See Part 1. D.2, E.2.h) NO YES
If "Yes", answer questions a - l. If "No", move on to Section 4.

	Relevant Part I Question(s)	No, or small impact may occur	Moderate to large impact may occur
a. The proposed action may create a new water body.	D2b, D1h	<input type="checkbox"/>	<input type="checkbox"/>
b. The proposed action may result in an increase or decrease of over 10% or more than a 10 acre increase or decrease in the surface area of any body of water.	D2b	<input type="checkbox"/>	<input type="checkbox"/>
c. The proposed action may involve dredging more than 100 cubic yards of material from a wetland or water body.	D2a	<input type="checkbox"/>	<input type="checkbox"/>
d. The proposed action may involve construction within or adjoining a freshwater or tidal wetland, or in the bed or banks of any other water body.	E2h	<input type="checkbox"/>	<input type="checkbox"/>
e. The proposed action may create turbidity in a waterbody, either from upland erosion, runoff or by disturbing bottom sediments.	D2a, D2h	<input type="checkbox"/>	<input type="checkbox"/>
f. The proposed action may include construction of one or more intake(s) for withdrawal of water from surface water.	D2c	<input type="checkbox"/>	<input type="checkbox"/>
g. The proposed action may include construction of one or more outfall(s) for discharge of wastewater to surface water(s).	D2d	<input type="checkbox"/>	<input type="checkbox"/>
h. The proposed action may cause soil erosion, or otherwise create a source of stormwater discharge that may lead to siltation or other degradation of receiving water bodies.	D2e	<input type="checkbox"/>	<input type="checkbox"/>
i. The proposed action may affect the water quality of any water bodies within or downstream of the site of the proposed action.	E2h	<input type="checkbox"/>	<input type="checkbox"/>
j. The proposed action may involve the application of pesticides or herbicides in or around any water body.	D2q, E2h	<input type="checkbox"/>	<input type="checkbox"/>
k. The proposed action may require the construction of new, or expansion of existing, wastewater treatment facilities.	D1a, D2d	<input type="checkbox"/>	<input type="checkbox"/>

I. Other impacts: _____ _____		<input type="checkbox"/>	<input type="checkbox"/>
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4. Impact on groundwater
 The proposed action may result in new or additional use of ground water, or may have the potential to introduce contaminants to ground water or an aquifer. NO YES
 (See Part 1. D.2.a, D.2.c, D.2.d, D.2.p, D.2.q, D.2.t)
 If "Yes", answer questions a - h. If "No", move on to Section 5.

	Relevant Part I Question(s)	No, or small impact may occur	Moderate to large impact may occur
a. The proposed action may require new water supply wells, or create additional demand on supplies from existing water supply wells.	D2c	<input type="checkbox"/>	<input type="checkbox"/>
b. Water supply demand from the proposed action may exceed safe and sustainable withdrawal capacity rate of the local supply or aquifer. Cite Source: _____	D2c	<input type="checkbox"/>	<input type="checkbox"/>
c. The proposed action may allow or result in residential uses in areas without water and sewer services.	D1a, D2c	<input type="checkbox"/>	<input type="checkbox"/>
d. The proposed action may include or require wastewater discharged to groundwater.	D2d, E2l	<input type="checkbox"/>	<input type="checkbox"/>
e. The proposed action may result in the construction of water supply wells in locations where groundwater is, or is suspected to be, contaminated.	D2c, E1f, E1g, E1h	<input type="checkbox"/>	<input type="checkbox"/>
f. The proposed action may require the bulk storage of petroleum or chemical products over ground water or an aquifer.	D2p, E2l	<input type="checkbox"/>	<input type="checkbox"/>
g. The proposed action may involve the commercial application of pesticides within 100 feet of potable drinking water or irrigation sources.	E2h, D2q, E2l, D2c	<input type="checkbox"/>	<input type="checkbox"/>
h. Other impacts: _____ _____		<input type="checkbox"/>	<input type="checkbox"/>

5. Impact on Flooding
 The proposed action may result in development on lands subject to flooding. NO YES
 (See Part 1. E.2)
 If "Yes", answer questions a - g. If "No", move on to Section 6.

	Relevant Part I Question(s)	No, or small impact may occur	Moderate to large impact may occur
a. The proposed action may result in development in a designated floodway.	E2i	<input type="checkbox"/>	<input type="checkbox"/>
b. The proposed action may result in development within a 100 year floodplain.	E2j	<input type="checkbox"/>	<input type="checkbox"/>
c. The proposed action may result in development within a 500 year floodplain.	E2k	<input type="checkbox"/>	<input type="checkbox"/>
d. The proposed action may result in, or require, modification of existing drainage patterns.	D2b, D2e	<input type="checkbox"/>	<input type="checkbox"/>
e. The proposed action may change flood water flows that contribute to flooding.	D2b, E2i, E2j, E2k	<input type="checkbox"/>	<input type="checkbox"/>
f. If there is a dam located on the site of the proposed action, is the dam in need of repair, or upgrade?	E1e	<input type="checkbox"/>	<input type="checkbox"/>

g. Other impacts: _____		<input type="checkbox"/>	<input type="checkbox"/>
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6. Impacts on Air The proposed action may include a state regulated air emission source. <input checked="" type="checkbox"/> NO <input type="checkbox"/> YES (See Part 1. D.2.f., D.2.h, D.2.g) If "Yes", answer questions a - f. If "No", move on to Section 7.			
	Relevant Part I Question(s)	No, or small impact may occur	Moderate to large impact may occur
a. If the proposed action requires federal or state air emission permits, the action may also emit one or more greenhouse gases at or above the following levels: i. More than 1000 tons/year of carbon dioxide (CO ₂) ii. More than 3.5 tons/year of nitrous oxide (N ₂ O) iii. More than 1000 tons/year of carbon equivalent of perfluorocarbons (PFCs) iv. More than .045 tons/year of sulfur hexafluoride (SF ₆) v. More than 1000 tons/year of carbon dioxide equivalent of hydrochloroflourocarbons (HFCs) emissions vi. 43 tons/year or more of methane	D2g D2g D2g D2g D2g D2h	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
b. The proposed action may generate 10 tons/year or more of any one designated hazardous air pollutant, or 25 tons/year or more of any combination of such hazardous air pollutants.	D2g	<input type="checkbox"/>	<input type="checkbox"/>
c. The proposed action may require a state air registration, or may produce an emissions rate of total contaminants that may exceed 5 lbs. per hour, or may include a heat source capable of producing more than 10 million BTU's per hour.	D2f, D2g	<input type="checkbox"/>	<input type="checkbox"/>
d. The proposed action may reach 50% of any of the thresholds in "a" through "c", above.	D2g	<input type="checkbox"/>	<input type="checkbox"/>
e. The proposed action may result in the combustion or thermal treatment of more than 1 ton of refuse per hour.	D2s	<input type="checkbox"/>	<input type="checkbox"/>
f. Other impacts: _____		<input type="checkbox"/>	<input type="checkbox"/>

7. Impact on Plants and Animals The proposed action may result in a loss of flora or fauna. (See Part 1. E.2. m.-q.) <input checked="" type="checkbox"/> NO <input type="checkbox"/> YES If "Yes", answer questions a - j. If "No", move on to Section 8.			
	Relevant Part I Question(s)	No, or small impact may occur	Moderate to large impact may occur
a. The proposed action may cause reduction in population or loss of individuals of any threatened or endangered species, as listed by New York State or the Federal government, that use the site, or are found on, over, or near the site.	E2o	<input type="checkbox"/>	<input type="checkbox"/>
b. The proposed action may result in a reduction or degradation of any habitat used by any rare, threatened or endangered species, as listed by New York State or the federal government.	E2o	<input type="checkbox"/>	<input type="checkbox"/>
c. The proposed action may cause reduction in population, or loss of individuals, of any species of special concern or conservation need, as listed by New York State or the Federal government, that use the site, or are found on, over, or near the site.	E2p	<input type="checkbox"/>	<input type="checkbox"/>
d. The proposed action may result in a reduction or degradation of any habitat used by any species of special concern and conservation need, as listed by New York State or the Federal government.	E2p	<input type="checkbox"/>	<input type="checkbox"/>

e. The proposed action may diminish the capacity of a registered National Natural Landmark to support the biological community it was established to protect.	E3c	<input type="checkbox"/>	<input type="checkbox"/>
f. The proposed action may result in the removal of, or ground disturbance in, any portion of a designated significant natural community. Source: _____	E2n	<input type="checkbox"/>	<input type="checkbox"/>
g. The proposed action may substantially interfere with nesting/breeding, foraging, or over-wintering habitat for the predominant species that occupy or use the project site.	E2m	<input type="checkbox"/>	<input type="checkbox"/>
h. The proposed action requires the conversion of more than 10 acres of forest, grassland or any other regionally or locally important habitat. Habitat type & information source: _____	E1b	<input type="checkbox"/>	<input type="checkbox"/>
i. Proposed action (commercial, industrial or recreational projects, only) involves use of herbicides or pesticides.	D2q	<input type="checkbox"/>	<input type="checkbox"/>
j. Other impacts: _____		<input type="checkbox"/>	<input type="checkbox"/>

8. Impact on Agricultural Resources			
The proposed action may impact agricultural resources. (See Part 1. E.3.a. and b.)		<input checked="" type="checkbox"/> NO	<input type="checkbox"/> YES
<i>If "Yes", answer questions a - h. If "No", move on to Section 9.</i>			
	Relevant Part I Question(s)	No, or small impact may occur	Moderate to large impact may occur
a. The proposed action may impact soil classified within soil group 1 through 4 of the NYS Land Classification System.	E2c, E3b	<input type="checkbox"/>	<input type="checkbox"/>
b. The proposed action may sever, cross or otherwise limit access to agricultural land (includes cropland, hayfields, pasture, vineyard, orchard, etc).	E1a, E1b	<input type="checkbox"/>	<input type="checkbox"/>
c. The proposed action may result in the excavation or compaction of the soil profile of active agricultural land.	E3b	<input type="checkbox"/>	<input type="checkbox"/>
d. The proposed action may irreversibly convert agricultural land to non-agricultural uses, either more than 2.5 acres if located in an Agricultural District, or more than 10 acres if not within an Agricultural District.	E1b, E3a	<input type="checkbox"/>	<input type="checkbox"/>
e. The proposed action may disrupt or prevent installation of an agricultural land management system.	E1 a, E1 b	<input type="checkbox"/>	<input type="checkbox"/>
f. The proposed action may result, directly or indirectly, in increased development potential or pressure on farmland.	C2c, C3, D2c, D2d	<input type="checkbox"/>	<input type="checkbox"/>
g. The proposed project is not consistent with the adopted municipal Farmland Protection Plan.	C2c	<input type="checkbox"/>	<input type="checkbox"/>
h. Other impacts: _____		<input type="checkbox"/>	<input type="checkbox"/>

9. Impact on Aesthetic Resources
 The land use of the proposed action are obviously different from, or are in sharp contrast to, current land use patterns between the proposed project and a scenic or aesthetic resource. (Part 1. E.1.a, E.1.b, E.3.h.)
 NO YES
If "Yes", answer questions a - g. If "No", go to Section 10.

	Relevant Part I Question(s)	No, or small impact may occur	Moderate to large impact may occur
a. Proposed action may be visible from any officially designated federal, state, or local scenic or aesthetic resource.	E3h	<input type="checkbox"/>	<input type="checkbox"/>
b. The proposed action may result in the obstruction, elimination or significant screening of one or more officially designated scenic views.	E3h, C2b	<input type="checkbox"/>	<input type="checkbox"/>
c. The proposed action may be visible from publicly accessible vantage points: i. Seasonally (e.g., screened by summer foliage, but visible during other seasons) ii. Year round	E3h	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>
d. The situation or activity in which viewers are engaged while viewing the proposed action is: i. Routine travel by residents, including travel to and from work ii. Recreational or tourism based activities	E3h E2q, E1c	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>
e. The proposed action may cause a diminishment of the public enjoyment and appreciation of the designated aesthetic resource.	E3h	<input type="checkbox"/>	<input type="checkbox"/>
f. There are similar projects visible within the following distance of the proposed project: 0-1/2 mile 1/2 -3 mile 3-5 mile 5+ mile	D1a, E1a, D1f, D1g	<input type="checkbox"/>	<input type="checkbox"/>
g. Other impacts: _____ _____		<input type="checkbox"/>	<input type="checkbox"/>

10. Impact on Historic and Archeological Resources
 The proposed action may occur in or adjacent to a historic or archaeological resource. (Part 1. E.3.e, f. and g.)
 NO YES
If "Yes", answer questions a - e. If "No", go to Section 11.

	Relevant Part I Question(s)	No, or small impact may occur	Moderate to large impact may occur
a. The proposed action may occur wholly or partially within, or substantially contiguous to, any buildings, archaeological site or district which is listed on or has been nominated by the NYS Board of Historic Preservation for inclusion on the State or National Register of Historic Places.	E3e	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b. The proposed action may occur wholly or partially within, or substantially contiguous to, an area designated as sensitive for archaeological sites on the NY State Historic Preservation Office (SHPO) archaeological site inventory.	E3f	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c. The proposed action may occur wholly or partially within, or substantially contiguous to, an archaeological site not included on the NY SHPO inventory. Source: _____	E3g	<input checked="" type="checkbox"/>	<input type="checkbox"/>

d. Other impacts: _____ _____		<input type="checkbox"/>	<input type="checkbox"/>
e. If any of the above (a-d) are answered "Moderate to large impact may occur", continue with the following questions to help support conclusions in Part 3:			
i. The proposed action may result in the destruction or alteration of all or part of the site or property.	E3e, E3g, E3f	<input type="checkbox"/>	<input type="checkbox"/>
ii. The proposed action may result in the alteration of the property's setting or integrity.	E3e, E3f, E3g, E1a, E1b	<input type="checkbox"/>	<input type="checkbox"/>
iii. The proposed action may result in the introduction of visual elements which are out of character with the site or property, or may alter its setting.	E3e, E3f, E3g, E3h, C2, C3	<input type="checkbox"/>	<input type="checkbox"/>

11. Impact on Open Space and Recreation
 The proposed action may result in a loss of recreational opportunities or a reduction of an open space resource as designated in any adopted municipal open space plan. NO YES
 (See Part 1. C.2.c, E.1.c., E.2.q.)
 If "Yes", answer questions a - e. If "No", go to Section 12.

	Relevant Part I Question(s)	No, or small impact may occur	Moderate to large impact may occur
a. The proposed action may result in an impairment of natural functions, or "ecosystem services", provided by an undeveloped area, including but not limited to stormwater storage, nutrient cycling, wildlife habitat.	D2e, E1b, E2h, E2m, E2o, E2n, E2p	<input type="checkbox"/>	<input type="checkbox"/>
b. The proposed action may result in the loss of a current or future recreational resource.	C2a, E1c, C2c, E2q	<input type="checkbox"/>	<input type="checkbox"/>
c. The proposed action may eliminate open space or recreational resource in an area with few such resources.	C2a, C2c, E1c, E2q	<input type="checkbox"/>	<input type="checkbox"/>
d. The proposed action may result in loss of an area now used informally by the community as an open space resource.	C2c, E1c	<input type="checkbox"/>	<input type="checkbox"/>
e. Other impacts: _____ _____		<input type="checkbox"/>	<input type="checkbox"/>

12. Impact on Critical Environmental Areas
 The proposed action may be located within or adjacent to a critical environmental area (CEA). (See Part 1. E.3.d) NO YES
 If "Yes", answer questions a - c. If "No", go to Section 13.

	Relevant Part I Question(s)	No, or small impact may occur	Moderate to large impact may occur
a. The proposed action may result in a reduction in the quantity of the resource or characteristic which was the basis for designation of the CEA.	E3d	<input type="checkbox"/>	<input type="checkbox"/>
b. The proposed action may result in a reduction in the quality of the resource or characteristic which was the basis for designation of the CEA.	E3d	<input type="checkbox"/>	<input type="checkbox"/>
c. Other impacts: _____ _____		<input type="checkbox"/>	<input type="checkbox"/>

13. Impact on Transportation
 The proposed action may result in a change to existing transportation systems. NO YES
 (See Part 1. D.2.j)
 If "Yes", answer questions a - f. If "No", go to Section 14.

	Relevant Part I Question(s)	No, or small impact may occur	Moderate to large impact may occur
a. Projected traffic increase may exceed capacity of existing road network.	D2j	<input type="checkbox"/>	<input type="checkbox"/>
b. The proposed action may result in the construction of paved parking area for 500 or more vehicles.	D2j	<input type="checkbox"/>	<input type="checkbox"/>
c. The proposed action will degrade existing transit access.	D2j	<input type="checkbox"/>	<input type="checkbox"/>
d. The proposed action will degrade existing pedestrian or bicycle accommodations.	D2j	<input type="checkbox"/>	<input type="checkbox"/>
e. The proposed action may alter the present pattern of movement of people or goods.	D2j	<input type="checkbox"/>	<input type="checkbox"/>
f. Other impacts: _____ _____		<input type="checkbox"/>	<input type="checkbox"/>

14. Impact on Energy
 The proposed action may cause an increase in the use of any form of energy. NO YES
 (See Part 1. D.2.k)
 If "Yes", answer questions a - e. If "No", go to Section 15.

	Relevant Part I Question(s)	No, or small impact may occur	Moderate to large impact may occur
a. The proposed action will require a new, or an upgrade to an existing, substation.	D2k	<input type="checkbox"/>	<input type="checkbox"/>
b. The proposed action will require the creation or extension of an energy transmission or supply system to serve more than 50 single or two-family residences or to serve a commercial or industrial use.	D1f, D1q, D2k	<input type="checkbox"/>	<input type="checkbox"/>
c. The proposed action may utilize more than 2,500 MWhrs per year of electricity.	D2k	<input type="checkbox"/>	<input type="checkbox"/>
d. The proposed action may involve heating and/or cooling of more than 100,000 square feet of building area when completed.	D1g	<input type="checkbox"/>	<input type="checkbox"/>
e. Other Impacts: _____ _____			

15. Impact on Noise, Odor, and Light
 The proposed action may result in an increase in noise, odors, or outdoor lighting. NO YES
 (See Part 1. D.2.m., n., and o.)
 If "Yes", answer questions a - f. If "No", go to Section 16.

	Relevant Part I Question(s)	No, or small impact may occur	Moderate to large impact may occur
a. The proposed action may produce sound above noise levels established by local regulation.	D2m	<input type="checkbox"/>	<input type="checkbox"/>
b. The proposed action may result in blasting within 1,500 feet of any residence, hospital, school, licensed day care center, or nursing home.	D2m, E1d	<input type="checkbox"/>	<input type="checkbox"/>
c. The proposed action may result in routine odors for more than one hour per day.	D2o	<input type="checkbox"/>	<input type="checkbox"/>

d. The proposed action may result in light shining onto adjoining properties.	D2n	<input type="checkbox"/>	<input type="checkbox"/>
e. The proposed action may result in lighting creating sky-glow brighter than existing area conditions.	D2n, E1a	<input type="checkbox"/>	<input type="checkbox"/>
f. Other impacts: _____ _____		<input type="checkbox"/>	<input type="checkbox"/>

16. Impact on Human Health

The proposed action may have an impact on human health from exposure to new or existing sources of contaminants. (See Part 1.D.2.q., E.1. d. f. g. and h.)
If "Yes", answer questions a - m. If "No", go to Section 17.

NO

YES

	Relevant Part I Question(s)	No, or small impact may occur	Moderate to large impact may occur
a. The proposed action is located within 1500 feet of a school, hospital, licensed day care center, group home, nursing home or retirement community.	E1d	<input type="checkbox"/>	<input type="checkbox"/>
b. The site of the proposed action is currently undergoing remediation.	E1g, E1h	<input type="checkbox"/>	<input type="checkbox"/>
c. There is a completed emergency spill remediation, or a completed environmental site remediation on, or adjacent to, the site of the proposed action.	E1g, E1h	<input type="checkbox"/>	<input type="checkbox"/>
d. The site of the action is subject to an institutional control limiting the use of the property (e.g., easement or deed restriction).	E1g, E1h	<input type="checkbox"/>	<input type="checkbox"/>
e. The proposed action may affect institutional control measures that were put in place to ensure that the site remains protective of the environment and human health.	E1g, E1h	<input type="checkbox"/>	<input type="checkbox"/>
f. The proposed action has adequate control measures in place to ensure that future generation, treatment and/or disposal of hazardous wastes will be protective of the environment and human health.	D2t	<input type="checkbox"/>	<input type="checkbox"/>
g. The proposed action involves construction or modification of a solid waste management facility.	D2q, E1f	<input type="checkbox"/>	<input type="checkbox"/>
h. The proposed action may result in the unearthing of solid or hazardous waste.	D2q, E1f	<input type="checkbox"/>	<input type="checkbox"/>
i. The proposed action may result in an increase in the rate of disposal, or processing, of solid waste.	D2r, D2s	<input type="checkbox"/>	<input type="checkbox"/>
j. The proposed action may result in excavation or other disturbance within 2000 feet of a site used for the disposal of solid or hazardous waste.	E1f, E1g E1h	<input type="checkbox"/>	<input type="checkbox"/>
k. The proposed action may result in the migration of explosive gases from a landfill site to adjacent off site structures.	E1f, E1g	<input type="checkbox"/>	<input type="checkbox"/>
l. The proposed action may result in the release of contaminated leachate from the project site.	D2s, E1f, D2r	<input type="checkbox"/>	<input type="checkbox"/>
m. Other impacts: _____ _____			

17. Consistency with Community Plans

The proposed action is not consistent with adopted land use plans.
(See Part 1. C.1, C.2. and C.3.)

NO

YES

If "Yes", answer questions a - h. If "No", go to Section 18.

	Relevant Part I Question(s)	No, or small impact may occur	Moderate to large impact may occur
a. The proposed action's land use components may be different from, or in sharp contrast to, current surrounding land use pattern(s).	C2, C3, D1a E1a, E1b	<input type="checkbox"/>	<input type="checkbox"/>
b. The proposed action will cause the permanent population of the city, town or village in which the project is located to grow by more than 5%.	C2	<input type="checkbox"/>	<input type="checkbox"/>
c. The proposed action is inconsistent with local land use plans or zoning regulations.	C2, C2, C3	<input type="checkbox"/>	<input type="checkbox"/>
d. The proposed action is inconsistent with any County plans, or other regional land use plans.	C2, C2	<input type="checkbox"/>	<input type="checkbox"/>
e. The proposed action may cause a change in the density of development that is not supported by existing infrastructure or is distant from existing infrastructure.	C3, D1c, D1d, D1f, D1d, E1b	<input type="checkbox"/>	<input type="checkbox"/>
f. The proposed action is located in an area characterized by low density development that will require new or expanded public infrastructure.	C4, D2c, D2d D2j	<input type="checkbox"/>	<input type="checkbox"/>
g. The proposed action may induce secondary development impacts (e.g., residential or commercial development not included in the proposed action)	C2a	<input type="checkbox"/>	<input type="checkbox"/>
h. Other: _____ _____		<input type="checkbox"/>	<input type="checkbox"/>

18. Consistency with Community Character

The proposed project is inconsistent with the existing community character.
(See Part 1. C.2, C.3, D.2, E.3)

NO

YES

If "Yes", answer questions a - g. If "No", proceed to Part 3.

	Relevant Part I Question(s)	No, or small impact may occur	Moderate to large impact may occur
a. The proposed action may replace or eliminate existing facilities, structures, or areas of historic importance to the community.	E3e, E3f, E3g	<input type="checkbox"/>	<input type="checkbox"/>
b. The proposed action may create a demand for additional community services (e.g. schools, police and fire)	C4	<input type="checkbox"/>	<input type="checkbox"/>
c. The proposed action may displace affordable or low-income housing in an area where there is a shortage of such housing.	C2, C3, D1f D1g, E1a	<input type="checkbox"/>	<input type="checkbox"/>
d. The proposed action may interfere with the use or enjoyment of officially recognized or designated public resources.	C2, E3	<input type="checkbox"/>	<input type="checkbox"/>
e. The proposed action is inconsistent with the predominant architectural scale and character.	C2, C3	<input type="checkbox"/>	<input type="checkbox"/>
f. Proposed action is inconsistent with the character of the existing natural landscape.	C2, C3 E1a, E1b E2g, E2h	<input type="checkbox"/>	<input type="checkbox"/>
g. Other impacts: _____ _____		<input type="checkbox"/>	<input type="checkbox"/>

PRINT FULL FORM

Project : _____

Date : _____

Full Environmental Assessment Form
Part 3 - Evaluation of the Magnitude and Importance of Project Impacts
and
Determination of Significance

Part 3 provides the reasons in support of the determination of significance. The lead agency must complete Part 3 for every question in Part 2 where the impact has been identified as potentially moderate to large or where there is a need to explain why a particular element of the proposed action will not, or may, result in a significant adverse environmental impact.

Based on the analysis in Part 3, the lead agency must decide whether to require an environmental impact statement to further assess the proposed action or whether available information is sufficient for the lead agency to conclude that the proposed action will not have a significant adverse environmental impact. By completing the certification on the next page, the lead agency can complete its determination of significance.

Reasons Supporting This Determination:

To complete this section:

- Identify the impact based on the Part 2 responses and describe its magnitude. Magnitude considers factors such as severity, size or extent of an impact.
- Assess the importance of the impact. Importance relates to the geographic scope, duration, probability of the impact occurring, number of people affected by the impact and any additional environmental consequences if the impact were to occur.
- The assessment should take into consideration any design element or project changes.
- Repeat this process for each Part 2 question where the impact has been identified as potentially moderate to large or where there is a need to explain why a particular element of the proposed action will not, or may, result in a significant adverse environmental impact.
- Provide the reason(s) why the impact may, or will not, result in a significant adverse environmental impact
- For Conditional Negative Declarations identify the specific condition(s) imposed that will modify the proposed action so that no significant adverse environmental impacts will result.
- Attach additional sheets, as needed.

See attached.

Determination of Significance - Type 1 and Unlisted Actions

SEQR Status: Type 1 Unlisted

Identify portions of EAF completed for this Project: Part 1 Part 2 Part 3

Upon review of the information recorded on this EAF, as noted, plus this additional support information related project materials

and considering both the magnitude and importance of each identified potential impact, it is the conclusion of the Syracuse Industrial Development Agency _____ as lead agency that:

A. This project will result in no significant adverse impacts on the environment, and, therefore, an environmental impact statement need not be prepared. Accordingly, this negative declaration is issued.

B. Although this project could have a significant adverse impact on the environment, that impact will be avoided or substantially mitigated because of the following conditions which will be required by the lead agency:

There will, therefore, be no significant adverse impacts from the project as conditioned, and, therefore, this conditioned negative declaration is issued. A conditioned negative declaration may be used only for UNLISTED actions (see 6 NYCRR 617.d).


C. This Project may result in one or more significant adverse impacts on the environment, and an environmental impact statement must be prepared to further assess the impact(s) and possible mitigation and to explore alternatives to avoid or reduce those impacts. Accordingly, this positive declaration is issued.

Name of Action: Oak Knitting Mill Commons LLC Project

Name of Lead Agency: Syracuse Industrial Development Agency

Name of Responsible Officer in Lead Agency: William Ryan

Title of Responsible Officer: Chairman

Signature of Responsible Officer in Lead Agency: 

Date: 11-15-16

Signature of Preparer (if different from Responsible Officer)

Date:

For Further Information:

Contact Person: Honora Spillane, Deputy Commissioner - Dept. of Neighborhood and Business Development

Address: City Hall Commons - 7th Fl., 201 E. Washington Street, Syracuse, NY 13202

Telephone Number: 315-473-3275

E-mail:

For Type 1 Actions and Conditioned Negative Declarations, a copy of this Notice is sent to:

Chief Executive Officer of the political subdivision in which the action will be principally located (e.g., Town / City / Village of)

Other involved agencies (if any)

Applicant (if any)

Environmental Notice Bulletin: <http://www.dec.ny.gov/enb/enb.html>

PRINT FULL FORM

EXHIBIT "G"

SEQRA RESOLUTION

SEQRA RESOLUTION

A regular meeting of the City of Syracuse Industrial Development Agency was convened in public session on December 20, 2016, at 8:30 o'clock a.m. in the Common Council Chambers, City Hall, 233 East Washington Street, Syracuse, New York.

The meeting was called to order by the Chairman and upon the roll being duly called, the following members were:

PRESENT: William Ryan, Donald Schoenwald, Esq., Steven Thompson, Kenneth Kinsey

EXCUSED: Catherine Richardson, Esq.

THE FOLLOWING PERSONS WERE ALSO PRESENT: Staff Present: Honora Spillane, Judith DeLaney, Meghan Ryan, Esq., Susan Katzoff, Esq., John Vavonese, Meghan Ryan, Esq.; Others: Barry Lentz, Paul Curtin, Carol Zenzel, Esq., Timothy Lynn, Esq., Donna Harris, Leann West, Aggie Lane, Michael Wicker, James Trasher, Mark Riley, Rich Punchanski, David Delvecchio, Ed Riley, Richard Engel, Esq., Alex Marion; Media Present: Rick Moriarty

The following resolution was offered by Donald Schoenwald and seconded by Kenneth Kinsey:

RESOLUTION DETERMINING THAT THE ACQUISITION, RECONSTRUCTION, RENOVATION, EQUIPPING AND COMPLETION OF A CERTAIN PROJECT AT THE REQUEST OF OAK KNITTING MILL COMMONS LLC WILL NOT HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT

WHEREAS, the City of Syracuse Industrial Development Agency (the "**Agency**") is authorized and empowered by Title 1 of Article 18-A of the General Municipal Law of the State of New York (the "**State**"), as amended, together with Chapter 641 of the Laws of 1979 of the State of New York, as amended from time to time (collectively, the "**Act**"), to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial, research and recreation facilities, for the purpose of promoting economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State, to improve their recreation opportunities, prosperity and standard of living; and

WHEREAS, Oak Knitting Mill Commons LLC, or an entity to be formed (the "**Company**"), by application dated October 6, 2016 (the "**Application**"), requested the Agency undertake a project (the "**Project**") consisting of: (A)(i) the acquisition of an interest in approximately 1 acre of real property improved by an existing four story approximately 68,000 square foot building (the "**Building**") located at 102 West Division Street, in the City of Syracuse, New York (the "**Land**"); (ii) the renovation of the building to house approximately 18

two-bedroom and 20 one-bedroom market-rate apartment units on floors 2-4, a fitness center and community room; approximately 5,000 square feet of commercial space on the first floor; and approximately fifty-two (52) parking spaces, all located on the Land (collectively, the "**Facility**"); (iii) the acquisition and installation in and at the Land and Facility of furniture, fixtures and equipment (the "**Equipment**" and together with the Land and the Facility, the "**Project Facility**"); (B) the granting of certain financial assistance in the form of exemptions from real property tax, State and local sales and use tax and mortgage recording tax (collectively the "**Financial Assistance**"); (C) the appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, reconstruction, renovation, equipping and completion of the Project Facility; and (D) the lease of the Land and Facility by the Agency pursuant to a lease agreement and the acquisition of an interest in the Equipment pursuant to a bill of sale from the Company to the Agency; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement; and

WHEREAS, pursuant to State Environmental Quality Review Act ("**SEQRA**"), the Agency is required to make a determination with respect to the environmental impact of any "action" (as defined by SEQRA) to be taken by the Agency and the approval of the Project and grant of Financial Assistance constitute such an action; and

WHEREAS, to aid the Agency in determining whether the acquisition, construction, and equipping of the Project may have a significant effect upon the environment, the Company has prepared and submitted to the Agency an Environmental Assessment Form (the "**EAF**"), and copies of said EAF are on file in the office of the Agency and are readily accessible to the public; and

WHEREAS, by resolution adopted November 15, 2016 (the "**Lead Agency Resolution**"), the Agency appointed itself "lead agency" for purposes of a conducting a coordinated environmental review under SEQRA; and

WHEREAS, as a result of its careful review and examination of the Project and correspondence from other involved agencies, the Agency finds that, on balance, and after careful consideration of all relevant Project documentation, it has more than adequate information to evaluate all of the relevant benefits and potential impacts; and

WHEREAS, the Agency has prepared a negative declaration that summarizes its consideration of various factors in accordance with SEQRA; and

NOW, THEREFORE, be it resolved by the members of the City of Syracuse Industrial Development Agency, as follows:

(1) Based upon an examination of the EAF prepared by the Company, the criteria contained in 6 NYCRR §617.7(c), and based further upon the Agency's knowledge of the area surrounding the Project Facility, all the representations made by the Company in connection with the Project, and such further investigation of the Project and its environmental effects as the Agency has deemed appropriate, the Agency makes the following findings and determinations

with respect to the Project pursuant to SEQRA:

(a) The Project consists of the components described above in the second WHEREAS clause of this resolution and constitutes a “project” as such term is defined in the Act;

(b) The Project constitutes a “Type 1 Action” (as said quoted term is defined in SEQRA);

(c) The Agency declared itself “Lead Agency” (as said quoted term is defined in SEQRA) with respect to a coordinated review of the Project pursuant to SEQRA;

(d) The Project will not have a significant effect on the environment, and the Agency will not require the preparation of an Environmental Impact Statement with respect to the Project; and

(e) As a consequence of the foregoing, the Agency has prepared a Negative Declaration with respect to the Project, a copy of which is attached hereto as Exhibit “A”, which shall be filed in the office of the Agency in a file that is readily accessible to the public.

(2) A copy of this Resolution, together with the attachments hereto, shall be placed on file in the office of the Agency where the same shall be available for public inspection during business hours.

(3) The Secretary of the Agency is hereby authorized and directed to distribute copies of this Resolution to the Company and to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this Resolution.

The question of the adoption of the foregoing resolution was duly put to vote on a roll call, which resulted as follows:

	<u>AYE</u>	<u>NAY</u>
William Ryan	X	
Donald Schoenwald, Esq.	X	
Steven Thompson	X	
Kenneth Kinsey	X	

The foregoing resolution was thereupon declared duly adopted.


STATE OF NEW YORK)
) **SS.:**
COUNTY OF ONONDAGA)

I, the undersigned Secretary of the City of Syracuse Industrial Development Agency, **DO HEREBY CERTIFY** that I have compared the annexed extract of the minutes of the meeting of the City of Syracuse Industrial Development Agency (the “**Agency**”) held on December 20, 2016, with the original thereof on file in my office, and that the same (including all exhibits) is a true and correct copy of the proceedings of the Agency and of the whole of such original insofar as the same relates to the subject matters referred to therein.

I FURTHER CERTIFY that (i) all members of the Agency had due notice of such meeting, (ii) pursuant to Section 104 of the Public Officers Law (Open Meetings Law), such meeting was open to the general public and public notice of the time and place of such meeting was duly given in accordance with such Section 104, (iii) the meeting was in all respects duly held, and (iv) there was a quorum present throughout.

I FURTHER CERTIFY that, as of the date hereof, the attached resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this 24 day of January, 2017.

City of Syracuse Industrial Development Agency


Steven P. Thompson, Secretary

(S E A L)

EXHIBIT "A"

NEGATIVE DECLARATION

NEGATIVE DECLARATION

NOTICE OF DETERMINATION OF NO SIGNIFICANT EFFECT ON THE ENVIRONMENT

In accordance with Article 8 (State Environmental Quality Review a/k/a SEQR) of the Environmental Conservation Law (the "Act"), and the statewide regulations under the Act (6 NYCRR Part 617) (the "Regulations"), the City of Syracuse Industrial Development Agency ("Agency") has considered the proposed Oak Knitting Mill Commons LLC Project, which is more accurately described below. The Agency has determined: (i) that the proposed project is a Type I Action pursuant to the Regulations; (ii) that the Agency has engaged in an environmental review of the Project; (iii) that upon conducting said review, the Agency has determined that the Project will result in no major environmental impacts and therefore will not have a significant effect on the environment; and (iv) therefore that an environmental impact statement is not required to be prepared with respect to said Project. THIS NOTICE IS A NEGATIVE DECLARATION FOR THE PURPOSES OF THE ACT.

1. Agency:

The Agency is the City of Syracuse Industrial Development Agency, Syracuse, New York.

2. Contact for Further Information:

Contact Person:
Ms. Honora Spillane, Deputy Commissioner

Address:
City of Syracuse Dept. of Neighborhood and Business Development
City Hall Commons - 7th Floor
201 E. Washington St.
Syracuse, NY 13202
Telephone Number: (315) 473-3275

3. Project Description:

Oak Knitting Mill Commons LLC, or an entity to be formed (the "**Company**"), by application dated October 6, 2016 (the "**Application**"), has requested the Agency undertake a project (the "**Project**") consisting of: (A)(i) the acquisition of an interest in approximately 1 acre of real property improved by an existing four story approximately 68,000 square foot building (the "**Building**") located at 102

West Division Street, in the City of Syracuse, New York (the "**Land**"); (ii) the renovation of the building to house approximately 18 two-bedroom and 20 one-bedroom market-rate apartment units on floors 2-4, a fitness center and community room; approximately 5,000 square feet of commercial space on the first floor; and approximately fifty-two (52) parking spaces, all located on the Land (collectively, the "**Facility**"); (iii) the acquisition and installation in and at the Land and Facility of furniture, fixtures and equipment (the "**Equipment**" and together with the Land and the Facility, the "**Project Facility**"); (B) the granting of certain financial assistance in the form of exemptions from real property tax, State and local sales and use tax and mortgage recording tax (collectively the "**Financial Assistance**"); (C) the appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, reconstruction, renovation, equipping and completion of the Project Facility; and (D) the lease of the Land and Facility by the Agency pursuant to a lease agreement and the acquisition of an interest in the Equipment pursuant to a bill of sale from the Company to the Agency; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement.

4. Project Location:

The Project involves property located at 102 West Division Street in the City of Syracuse.

5. Reasons for Determination of Non-Significance:

See Exhibit "A" attached hereto.

DATED: December 20, 2016

CITY OF SYRACUSE INDUSTRIAL
DEVELOPMENT AGENCY

By: _____

William M. Ryan, Chairman

Negative Declaration Exhibit A

Criteria for Determining Significance

As proposed, the reasonably anticipated environmental effects of the aforementioned Oak Knitting Mill Commons LLC Project will not be significant. This conclusion results from the thorough evaluation of the Project's attributes and their environmental effects against the criteria provided in NYSDEC regulations at 6 NYCRR §617 et. seq. A summary of this evaluation follows.

Determination of Environmental Significance

To determine whether the Project may have a significant effect on the environment, the impacts that may be reasonably expected to result from the proposed Project must be compared to criteria specified in NYSDEC regulations. (6 NYCRR §617.7). These criteria are considered indicators of significant effects on the environment.

Criterion 1

A substantial adverse change in existing a) air quality; b) ground or surface water quality or quantity; c) traffic levels; d) noise levels; e) a substantial increase in solid waste production; f) a substantial increase in potential for erosion, flooding, leaching or drainage problems.

a) Air quality

The Project primarily involves the acquisition, renovation, reconstruction and equipping of the Facility and will result in physical improvements to the interior and exterior of the Facility. The Project may involve the potential for minor, temporary changes in air quality in the area immediately surrounding the site during the period of renovation and construction. Any potentially hazardous materials located on-site, such as lead-based materials, will be removed from the Facility prior to their renovation and reconstruction and disposed of in accordance with all local, state and federal laws, thereby reducing the potential for such materials to become airborne and migrate off-site. The Company and its contractors will take all necessary measures to mitigate any short-term renovation and construction-related impacts (i.e., keeping windows closed as much as possible during renovation and reconstruction activities, using proper ventilation equipment, limiting the use of dumpsters and dump trucks for construction debris, watering construction debris to reduce dust and prevent airborne migration, etc.).

b) Ground or surface water quality or quantity

The Project is located in an urban area adjacent to I-81 and involves the renovation of existing improvements to facilitate use of the property for commercial and residential purposes.

As such, the Project is not expected to result in an adverse change in ground or surface water quality or quantity.

c) Traffic levels

The Project is intended to attract new businesses and visitors to the Project Facility. Levels of service at nearby intersections are not anticipated to change dramatically as a result of the Project. Further, the Project will provide adequate parking for tenants and customers

d) Noise levels

The Project is unlikely to result in any impacts related to noise quality given the Facility's proximity to I-81. Should the Project result in changes in noise quality due to typical construction-related activities, such changes will be minor and temporary in nature. Any such impacts to noise quality will be mitigated to the extent possible by using appropriate mufflers on heavy equipment and restricting construction hours (e.g., 7:00 a.m. to 5:00 p.m. from Monday through Friday). Accordingly, the Agency determines that any noise-related impacts associated with the Project will be insignificant.

e) Substantial increase in solid waste production

The Project will result in the generation of solid waste, but such waste will be disposed of by a licensed contractor at an existing solid waste facility in accordance with applicable laws and regulations. As such, the Agency does not anticipate any adverse impacts associated with solid waste production.

f) Substantial increase in potential for erosion, flooding, leaching or drainage problems

The Project is located in an urban area and primarily involves the renovation of existing improvements and impervious surfaces. As such, the Project is not expected to result in an increase in the potential for erosion, flooding, leaching or drainage problems.

Criterion 2

The removal or destruction of large quantities of vegetation or fauna; substantial interference with the movement of any resident or migratory fish or wildlife species; impacts on a significant habitat area; substantial adverse effects on a threatened or endangered species of animal or plant, or the habitat of such a species; or other significant adverse effects to natural resources.

As noted above, the Project site consists of an improved parcel in an urban setting, and the Project will result in physical improvements to the interior and exterior of the Project Facility. Therefore, the Project will not have any impact on vegetation or fauna, the movement of any fish or wildlife species, or other natural resources. No known significant habitat areas

have been identified, and there are no known threatened or endangered species of plants or animals in the immediate vicinity of the Project area.

Criterion 3

The encouraging or attracting of a large number of people to a place or places for more than a few days, compared to the number of people who would come to such place absent the action.

The Project is intended primarily to attract new tenants and customers to the downtown area. It is anticipated that a portion of the individuals that the Project attracts to the site will be current City residents. As such, the City's population is not expected to increase significantly, nor will the Project create significant increases in traffic volumes in the surrounding area, as noted above.

Criterion 4

The creation of a material conflict with a community's current plans or goals as officially approved or adopted.

The Project is consistent with the Agency's goal of effectuating financial assistance for specific projects located within the City of Syracuse, as well as the City's desire to revitalize the greater downtown area.

Criterion 5

The impairment of the character or quality of important historical, archaeological, architectural or aesthetic resources or of existing community or neighborhood character.

The Project Facility is historic and is located in close proximity to the Franklin Square Historic District. The Project involves both exterior and interior renovations to the Project Facility, which are intended to revitalize the Facility for the purpose of attracting residential and commercial tenants while taking advantage of the ongoing development in the greater downtown area. The Project is anticipated to improve the character and quality of the surrounding area and therefore is not expected to adversely impact existing resources in the area, many of which have undergone similar renovation efforts in the recent past.

Criterion 6

A major change in the use of either the quantity or type of energy.

The Project is not anticipated to result in a major change in the quantity or type of energy used so as to require extraordinary services or actions on the part of energy providers.

Criterion 7

The creation of a hazard to human health.

The Agency does not expect the Project to create any human health hazards. All demolition and construction materials will be disposed of off-site in accordance with local, state, and federal regulations. The Company will contract with properly licensed private haulers for the transport and disposal of these materials from the Project area. Where necessary, hazardous materials or substances will be characterized prior to disposal and proper records (*e.g.*, bill of lading or waste manifests) will be maintained, and the Company will consult with representatives of the City regarding any such materials to ensure their proper removal and disposal. In addition, the Company will provide and/or complete a pre-demolition asbestos-containing material/lead-based paint survey(s) prior to any demolition, renovation or construction activities. The Company will engage properly licensed contractors to remove any such materials from the Project area.

Criterion 8

A substantial change in the use, or intensity of use, of land including agricultural, open space or recreational resources, or in its capacity to support existing uses.

The Project will result in some physical changes to the Project Facility so as to facilitate its preservation and attract residential and commercial tenants. The Project does not constitute a substantial change that is unable to be supported by current land use patterns. Further, the Project is consistent with the City's land use plan, will enhance the greater downtown area, and will compliment similar revitalization efforts in the City (*i.e.*, Armory Square, Hanover Square, Clinton Square and Montgomery Street).

Criterion 9

The creation of material demand for other actions which would result in one of the above consequences.

The Project itself is not expected to create any demand for other actions (*e.g.*, additional public services) that would result in significant adverse consequences described by the above criteria.

Criterion 10

Changes in two or more elements of the environment, no one of which has a significant effect on the environment, but when considered together result in a substantial adverse impact on the environment.

The Project will not effect multiple changes to the environment which, when considered together, would be considered significant.

Criterion 11

Two or more related actions undertaken, funded or approved by an agency, none of which has or would have a significant effect on the environment, but when considered cumulatively would meet one or more of the criteria in this section.

This criterion deals with the issue of cumulative impacts of multiple actions under SEQRA. No cumulative impacts have been identified and none are expected.

EXHIBIT "H"

INDUCEMENT RESOLUTION

INDUCEMENT RESOLUTION

A regular meeting of the City of Syracuse Industrial Development Agency was convened in public session on December 20, 2016 at 8:30 o'clock a.m., local time, in the Common Council Chambers, City Hall, 233 East Washington Street, Syracuse, New York.

The meeting was called to order by the Chairman and upon the roll being duly called, the following members were:

PRESENT: William Ryan, Donald Schoenwald, Esq., Steven Thompson, Kenneth Kinsey

EXCUSED: Catherine Richardson, Esq.

THE FOLLOWING PERSONS WERE ALSO PRESENT: Staff Present: Honora Spillane, Judith DeLaney, Meghan Ryan, Esq., Susan Katzoff, Esq., John Vavonese, Meghan Ryan, Esq.; Others: Barry Lentz, Paul Curtin, Carol Zenzel, Esq., Timothy Lynn, Esq., Donna Harris, Leann West, Aggie Lane, Michael Wicker, James Trasher, Mark Riley, Rich Punchanski, David Delvecchio, Ed Riley, Richard Engel, Esq., Alex Marion; Media Present: Rick Moriarty

The following resolution was offered by Donald Schoenwald and seconded by Kenneth Kinsey:

RESOLUTION AUTHORIZING THE ACQUISITION, RECONSTRUCTION, RENOVATION, EQUIPPING AND COMPLETION OF A COMMERCIAL MIXED-USE FACILITY; APPOINTING THE COMPANY AS AGENT OF THE AGENCY FOR THE PURPOSE OF THE ACQUISITION, RECONSTRUCTION, RENOVATION AND EQUIPPING OF THE PROJECT; AND AUTHORIZING THE EXECUTION AND DELIVERY OF AN AGREEMENT BETWEEN THE AGENCY AND THE COMPANY

WHEREAS, the City of Syracuse Industrial Development Agency (the "**Agency**") is authorized and empowered by Title 1 of Article 18-A of the General Municipal Law of the State of New York (the "**State**"), as amended, together with Chapter 641 of the Laws of 1979 of the State of New York, as amended from time to time (collectively, the "**Act**") to promote, develop, encourage and assist in the acquiring, constructing, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial, research and recreation facilities, including industrial pollution control facilities, railroad facilities and certain horse racing facilities, for the purpose of promoting, attracting, encouraging and developing recreation and economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State, to improve their recreation opportunities, prosperity and standard of living, and to prevent unemployment and economic

deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, lease and sell real property and grant financial assistance in connection with one or more “projects” (as defined in the Act); and

WHEREAS, Oak Knitting Mill Commons LLC, or an entity to be formed (the “**Company**”), by application dated October 6, 2016 (the “**Application**”), requested the Agency undertake a project (the “**Project**”) consisting of: (A)(i) the acquisition of an interest in approximately 1 acre of real property improved by an existing four story approximately 68,000 square foot building (the “**Building**”) located at 102 West Division Street, in the City of Syracuse, New York (the “**Land**”); (ii) the renovation of the building to house approximately 18 two-bedroom and 20 one-bedroom market-rate apartment units on floors 2-4, a fitness center and community room; approximately 5,000 square feet of commercial space on the first floor; and approximately fifty-two (52) parking spaces, all located on the Land (collectively, the “**Facility**”); (iii) the acquisition and installation in and at the Land and Facility of furniture, fixtures and equipment (the “**Equipment**” and together with the Land and the Facility, the “**Project Facility**”); (B) the granting of certain financial assistance in the form of exemptions from real property tax, State and local sales and use tax and mortgage recording tax (except as limited by Section 874 of the General Municipal Law) (collectively the “**Financial Assistance**”); (C) the appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, reconstruction, renovation, equipping and completion of the Project Facility; and (D) the lease of the Land and Facility by the Agency pursuant to a lease agreement and the acquisition of an interest in the Equipment pursuant to a bill of sale from the Company to the Agency; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement; and

WHEREAS, as part of the Financial Assistance, the Company requested the Agency consider a payment in lieu of tax (“**PILOT**”) schedule in accordance with the Agency’s Uniform Tax Exemption Policy (“**UTEF**”) established pursuant to General Municipal Law Section 874(4). The Agency has not yet resolved to grant the PILOT as part of the requested Financial Assistance; and

WHEREAS, the Agency adopted a resolution on October 18, 2016, describing the Project and the proposed financial assistance and authorizing a public hearing (“**Public Hearing Resolution**”); and

WHEREAS, the Agency conducted a public hearing with respect to the Project and the proposed Financial Assistance on November 15, 2016 pursuant to Section 859-a of the Act, notice of which was originally published on November 3, 2016, in the Post-Standard, a newspaper of general circulation in the City of Syracuse, New York and given to the chief executive officers of the affected tax jurisdictions by letters dated October 31, 2016; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law of the State

of New York, as amended, and the regulations of the Department of Environmental Conservation of the State of New York promulgated thereunder (collectively referred to hereinafter as “*SEQRA*”), the Agency is required to make a determination whether the “action” (as said quoted term is defined in *SEQRA*) to be taken by the Agency may have a “significant impact on the environment” (as said quoted term is utilized in *SEQRA*), and the preliminary agreement of the Agency to undertake the Project constitutes such an action; and

WHEREAS, by resolution adopted December 20, 2016 (the “*SEQRA Resolution*”), the Agency determined that the Project will not have a significant effect on the environment; and

WHEREAS, the Agency has considered the policy, purposes and requirements of the Act in making its determinations with respect to taking official action regarding the Project; and

WHEREAS, the Agency has given due consideration to the Application and to representations by the Company that the provision of Financial Assistance: (i) will induce the Company to develop the Project Facility in the City of Syracuse (the “*City*”); (ii) will not result in the removal of a commercial, industrial or manufacturing plant or facility of the Company or any other proposed occupant of the Project Facility 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 Company or any other proposed occupant of the Project Facility located in the State, except as may be permitted by the Act; and (iii) the Project will serve the purposes of the Act by advancing job opportunities and the economic welfare of the people of the State and the City and improve their standard of living.

NOW, THEREFORE, be it resolved by the members of the City of Syracuse Industrial Development Agency as follows:

Section 1. It is the policy of the State to promote the economic welfare, recreation opportunities and prosperity of its inhabitants and to actively promote, attract, encourage and develop recreation and economically sound commerce and industry for the purpose of preventing unemployment and economic deterioration. It is among the purposes of the Agency to promote, develop, encourage and assist in the acquiring, constructing, improving, maintaining, equipping and furnishing of certain facilities, including commercial facilities, and thereby advance the job opportunities, health, general prosperity and economic welfare of the people of the State and to improve their recreation opportunities, prosperity and standard of living.

Section 2. Based upon the representations and projections made by the Company to the Agency, the Agency hereby and makes the following determinations:

- (A) Ratifies the findings in its Public Hearing Resolution and *SEQRA* Resolution;
- (B) The Project constitutes a “*project*” within the meaning of the Act;
- (C) The acquisition of a controlling interest in the Project Facility by the

Agency and the designation of the Company as the Agency's agent for completion of the Project will be an inducement to the Company to acquire, reconstruct, renovate, equip and complete the Project Facility in the City, and will serve the purposes of the Act by, among other things, advancing job opportunities, the standard of living and economic welfare of the inhabitants of the City;

(D) The Project will not result in the removal of a commercial, industrial or manufacturing plant or facility of the Company or any other proposed occupant of the Project Facility from one area of the State to another area of the State or result in the abandonment of one or more plants or facilities of the Company or any other proposed occupant of the Project Facility located in the State, except as may be permitted by the Act;

Section 3. As a condition to the extension of State and local sales and use tax exemption benefits, and the Company's appointment as provided herein, the Company agrees to execute an agreement with the Agency setting forth the preliminary undertakings of the Agency and the Company with respect to the Project. The form and substance of the proposed agreement (as set forth as on **Exhibit "A"** attached hereto and presented at this meeting) (the "**Agreement**") are hereby approved. The Chairman or Vice Chairman of the Agency are each hereby authorized, on behalf of the Agency, to execute and deliver the Agreement, in substantially the same form as presented at this meeting and attached hereto as **Exhibit "A"**, with changes in terms and form as shall be consistent with this Resolution and as the Chairman or Vice Chairman shall approve. The execution thereof by the Chairman or Vice Chairman shall constitute conclusive evidence of such approval.

Section 4. Subject to the terms of this Resolution and the conditions set forth in the Agreement, the Agency will: (i) acquire an interest in the Land and Facility pursuant to a lease agreement (the "**Lease**") to be entered into between the Company and the Agency; accept an interest in the Equipment pursuant to a bill of sale from the Company (the "**Bill of Sale**"); (ii) sublease the Project Facility to the Company pursuant to a sublease agreement (the "**Sublease**" and with the Lease and the Bill of Sale, the "**Lease Documents**") to be entered into between the Agency and the Company; (iii) grant the approved Financial Assistance, subject to the approval of the PILOT; and (iv) provided that no default shall have occurred and be continuing under the Agreement (as defined herein) and provided the Company has executed and delivered all documents and certificates required by the Agency in conjunction with the Agency's undertaking of the Project, execute and deliver all other certificates and documents necessary or appropriate for the grant of the approved Financial Assistance or requested by the Agency, in form and substance acceptable to the Agency.

Section 5. Subject to the due execution and delivery by the Company of the Agreement, the satisfaction of the conditions of this Resolution and the Agreement, and the payment by the Company of any attendant fees, the Company and its designees, are appointed the true and lawful agent of the Agency to proceed with the reconstruction, renovation, equipping and completion of the Project, all with the same powers and the same validity as if the Agency were acting in its own behalf. The appointment made by this Section 5, and the conference of

any approved Financial Assistance, shall not be effective until the Company and the Agency have executed and delivered a project agreement in substantially the same form used by the Agency in similar transactions (the “**Project Agreement**”). The amount of State and local sales and use tax exemption benefits comprising the Financial Assistance approved herein shall not exceed \$389,834.

Section 6. The terms and conditions of subdivision 3 of Section 875 of the Act are herein incorporated by reference and the Company shall agree to such terms as a condition precedent to receiving or benefiting from an exemption from State and local sales and use tax exemptions benefits.

Section 7. The Company may utilize, and is hereby authorized to appoint, a Project operator, contractors, agents, subagents, subcontractors, contractors and subcontractors of such agents and subagents (collectively, “**Additional Agents**”) to proceed with the reconstruction, renovation, equipping and completion of the Project, all with the same powers and the same validity as if the Agency were acting in its own behalf, provided the Company execute, deliver and comply with the Agreement. The Company shall provide, or cause its Additional Agents to provide, and the Agency shall maintain, records of the amount of State and local sales and use tax exemption benefits provided to the Project and the Company shall, and cause each Additional Agent, to make such records available to the State Commissioner of Taxation and Finance (the “**Commissioner**”) upon request. The Agency shall, within thirty (30) days of providing any State sales and use tax exemption benefits, report to the Commissioner the amount of such benefits for the Project, identifying the Project, along with any such other information and specificity as the Commissioner may prescribe. As a condition precedent to the Company or Project’s receipt of, or benefit from, any State or local sales and use tax exemptions, the Company must acknowledge and agree to make, or cause its Additional Agents to make, all records and information regarding State and local sales and use tax exemption benefits realized by the Project available to the Agency or its designee upon request. for purposes of exemption from New York State (the “**State**”) sales and use taxation as part of the Financial Assistance requested, “sales and use taxation” shall mean sales and compensating use taxes and fees imposed by article twenty-eight or twenty-eight-A of the New York State tax law but excluding such taxes imposed in a city by section eleven hundred seven or eleven hundred eight of such article twenty-eight.

Section 8. The Chairman and/or Vice Chairman of the Agency, acting individually, are each hereby authorized and directed, for and in the name and on behalf of the Agency, to execute and deliver the documents and agreements identified herein and any such additional certificates, instruments, documents or affidavits, to pay any such other fees, charges and expenses, to make such other changes, omissions, insertions, revisions, or amendments to the documents referred herein and to do and cause to be done any such other acts and things, as they determine, on advice of counsel to the Agency, may be necessary or desirable to consummate the transactions contemplated by this Resolution and the Agreement.

Section 9. The obligation of the Agency to consummate any transaction contemplated herein or hereby is subject to and conditioned upon the Agency’s approval of the

Financial Assistance and the Company's execution and delivery of, among other things, the Agreement, the Project Agreement and an Environmental Compliance and Indemnification Agreement in favor of the Agency in form and substance acceptable to the Agency and its counsel, in the discretion of the Chairman and/or Vice Chairman of the Agency.

Section 10. No covenant, stipulation, obligation or agreement contained in this resolution or any document referred to herein shall be deemed to be the covenant, stipulation, obligation or agreement of any member, officer, agent or employee of the Agency in his or her individual capacity. Neither the members nor officers of the Agency, nor any person executing any documents referred to above on behalf of the Agency, shall be liable thereon or be subject to any personal liability or accountability by reason of the execution or delivery thereof.

Section 11. Should the Agency's participation in the Project, or the appointments made in accordance herewith, be challenged by any party, in the courts or otherwise, the Company shall defend, indemnify and hold harmless the Agency and its members, officers and employees from any and all losses arising from any such challenge including, but not limited to, the fees and disbursement of the Agency's counsel. Should any court of competent jurisdiction determine that the Agency is not authorized under the Act to participate in the Project, this Resolution shall automatically become null, void and of no further force and effect, and the Agency shall have no liability to the Company hereunder or otherwise.

Section 12. Counsel to the Agency is hereby authorized to work with the Company and others to prepare for submission to the Agency, all documents necessary to effect the grant of Financial Assistance and consummate the Lease Documents.

Section 13. The Secretary and/or the Executive Director of the Agency are hereby authorized and may distribute copies of this Resolution and do such further things or perform such acts as may be necessary or convenient to implement the provisions of this Resolution.

Section 14. This Resolution shall take effect immediately. A copy of this Resolution, together with the attachments hereto, shall be placed on file in the office of the Agency where the same shall be available for public inspection during business hours.

The question of the adoption of the foregoing resolution was duly put to vote on a roll call, which resulted as follows:

	<u>AYE</u>	<u>NAY</u>
William Ryan	X	
Donald Schoenwald, Esq.	X	
Steven Thompson	X	
Kenneth Kinsey	X	

The foregoing Resolution was thereupon declared duly adopted.

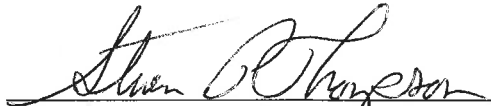
STATE OF NEW YORK)
) SS.:
COUNTY OF ONONDAGA)

I, the undersigned Secretary of the City of Syracuse Industrial Development Agency, **DO HEREBY CERTIFY** that I have compared the annexed extract of the minutes of the meeting of the City of Syracuse Industrial Development Agency (the “*Agency*”) held on December 20, 2016, with the original thereof on file in my office, and that the same (including all exhibits) is a true and correct copy of the proceedings of the Agency and of the whole of such original insofar as the same relates to the subject matters referred to therein.

I FURTHER CERTIFY that (i) all members of the Agency had due notice of such meeting, (ii) pursuant to Section 104 of the Public Officers Law (Open Meetings Law), such meeting was open to the general public and public notice of the time and place of such meeting was duly given in accordance with such Section 104, (iii) the meeting was in all respects duly held, and (iv) there was a quorum present throughout.

I FURTHER CERTIFY that, as of the date hereof, the attached resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have set my hand and affixed the seal of the Agency this 24 day of January, 2017.

City of Syracuse Industrial Development Agency


Steven P. Thompson, Secretary

(S E A L)

EXHIBIT "A"

AGENCY/COMPANY AGREEMENT

THIS AGREEMENT is between CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY (the "**Agency**"), with an office at 201 East Washington Street, 7th Floor, Syracuse, New York 13202 and OAK KNITTING MILL COMMONS LLC, with a mailing address of 100 Madison Street, Suite 1905, Syracuse, New York 13202 (the "**Company**").

Article 1. Preliminary Statement. Among the matters of mutual inducement which have resulted in the execution of this agreement are the following:

1.01. The Agency is authorized and empowered by the provisions of Title 1 of Article 18-A of the General Municipal Law of the State of New York (the "**State**"), as amended, and Chapter 641 of the Laws of 1979 of the State (collectively, the "**Act**") to designate an agent for constructing, renovating and equipping "projects" (as defined in the Act).

1.02. The purposes of the Act are to promote, attract, encourage and develop recreation and economically sound commerce and industry in order to advance the job opportunities, health, general prosperity and economic welfare of the people of the State, to improve their recreation opportunities, prosperity and standard of living, and to prevent unemployment and economic deterioration. The Act vests the Agency with all powers necessary to enable it to accomplish such purposes, including the power to acquire and dispose of interests in real property and to appoint agents for the purpose of completion of projects undertaken by the Agency.

1.03. The Company, by application dated October 10, 2016 (the "**Application**"), requested the Agency undertake a project (the "**Project**") consisting of: (A)(i) the acquisition of an interest in approximately 1 acre of real property improved by an existing four story approximately 68,000 square foot building (the "**Building**") located at 102 West Division Street, in the City of Syracuse, New York (the "**Land**"); (ii) the renovation of the building to house approximately 18 two-bedroom and 20 one-bedroom market-rate apartment units on floors 2-4, a fitness center and community room; approximately 5,000 square feet of commercial space on the first floor; and approximately fifty-two (52) parking spaces, all located on the Land (collectively, the "**Facility**"); (iii) the acquisition and installation in and at the Land and Facility of furniture, fixtures and equipment (the "**Equipment**" and together with the Land and the Facility, the

“**Project Facility**”); (B) the granting of certain financial assistance in the form of exemptions from real property tax, State and local sales and use tax and mortgage recording tax (except as limited by Section 874 of the General Municipal Law) (collectively the “**Financial Assistance**”); (C) the appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, reconstruction, renovation, equipping and completion of the Project Facility; and (D) the lease of the Land and Facility by the Agency pursuant to a lease agreement and the acquisition of an interest in the Equipment pursuant to a bill of sale from the Company to the Agency; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement; and

1.03(a). All documents necessary to effectuate the Agency’s undertaking of the Project and the granting of the Financial Assistance between the Agency and the Company, including but not limited to, a project agreement, a company lease, an agency lease, a bill of sale and an environmental compliance and indemnification agreement, shall be collectively referred to herein as the “**Lease Documents**”.

1.04. The Company hereby represents to the Agency that undertaking the Project, the designation of the Company as the Agency’s agent for the reconstruction, renovation, equipping and completion of the Project Facility, and the use and appointment, as necessary, by the Company of a Project operator, contractors, agents, subagents, subcontractors, contractors and subcontractors of such agents and subagents (collectively, “**Additional Agents**”): (i) will be an inducement to it to reconstruct, renovate and equip the Project Facility in the City of Syracuse (the “**City**”); (ii) will not result in the removal of a commercial, industrial or manufacturing plant or facility of the Company or of any other proposed occupant of the Project Facility from one area of the State to another or in the abandonment of one or more plants or facilities of the Company or of any other proposed occupant of the Project Facility located in the State, except as may be permitted by the Act; and (iii) undertaking the Project Facility will promote, create and/or preserve private sector jobs in the State. The Company hereby further represents to the Agency that the Project Facility is not primarily used in making retail sales to customers who personally visit the Facility.

1.05. The Agency has determined that the acquisition of a controlling interest in, and the reconstruction, renovation and equipping of the Project Facility and the subleasing of the same to the Company will promote and further the purposes of the Act.

1.06. On December 20, 2016, the Agency adopted a resolution (the “**Inducement Resolution**”) agreeing, subject to the satisfaction of all conditions precedent set forth in such Resolution, to designate the Company as the Agency’s agent for the acquisition, reconstruction, renovation and equipping of the Project Facility and determining that the leasing of the same to the Company will promote further purposes of the Act. For purposes of that designation, the Agency authorized as part of the approved Financial Assistance, State and local sales and use tax exemption benefits in an amount not exceed **\$389,834**.

1.07. In the Resolution, subject to the execution of, and compliance with, this

Agreement by the Company, the execution and delivery of a project agreement by the Company, and other conditions set forth in the Resolution and herein, the Agency appointed the Company as its agent for the purposes of reconstruction, renovation and equipping the Project Facility, entering into contracts and doing all things requisite and proper for reconstruction, renovation and equipping the Project Facility.

Article 2. Undertakings on the Part of the Agency. Based upon the statement, representations and undertakings of the Company and subject to the conditions set forth herein, the Agency agrees as follows:

2.01. The Agency confirms that it has authorized and designated, pursuant to the terms hereof, the Company as the Agency's agent for renovating and equipping the Project Facility.

2.02. The Agency will adopt such proceedings and authorize the execution of such Agency documents as may be necessary or advisable for: (i) acquisition of a controlling interest in the Project Facility; (ii) designation by the Company of Additional Agents for reconstruction, renovation and equipping of the Project Facility subject to the terms hereof; and (iii) the leasing or subleasing of the Project Facility to the Company, all as shall be authorized by law and be mutually satisfactory to the Agency and the Company.

2.03. Nothing contained in this Agreement shall require the Agency to apply its funds to Project costs.

2.04. After satisfying the conditions precedent set forth in the Sections 2.05, 3.06 and 4.02 hereof and in the Inducement Resolution, the Company may proceed with the reconstruction, renovation and equipping of the Project Facility and the utilization of and, as necessary the appointment of, Additional Agents.

2.05. Subject to the execution of the Lease Documents and Section 4.02 hereof, the Company is appointed the true and lawful agent of the Agency: (i) for the reconstruction, renovation and equipping of the Project Facility; and (ii) to make, execute, acknowledge and deliver any contracts, orders, receipts, writings and instructions, as the stated agent for the Agency, and in general to do all things which may be requisite or proper for the reconstruction, renovation and equipping of the Project Facility, all with the same powers and the same validity as if the Agency were acting in its own behalf.

2.06. The Agency will take or cause to be taken such other acts and adopt such further proceedings as may be required to implement the aforesaid undertakings or as it may deem appropriate in pursuance thereof. The Agency may in accordance with Article 8 of the Environmental Conservation Law of the State of New York, as amended, and the regulations of the Department of Environmental Conservation of the State of New York promulgated thereunder (collectively referred to hereinafter as "**SEQRA**"), undertake supplemental review of the Project. Such review to be limited to specific significant adverse environmental impacts not addressed or inadequately addressed in the Agency's review under SEQRA that arise from changes in the proposed Project, newly discovered information or a change in the circumstances

related to the Project.

Article 3. Undertakings on the Part of the Company. Based upon the statements, representations and undertakings of the Agency and subject to the conditions set forth herein the Company agrees as follows:

3.01. (a) The Company shall indemnify and hold the Agency harmless from all losses, expenses, claims, damages and liabilities arising out of or based on labor, services, materials and supplies, including equipment, ordered or used in connection with the acquisition of a controlling interest in, and reconstruction, renovation and equipping of the Project Facility (including any expenses incurred by the Agency in defending any claims, suits or actions which may arise as a result of any of the foregoing), whether such claims or liabilities arise as a result of the Company or Additional Agents acting as agent for the Agency pursuant to this Agreement or otherwise.

(b) The Company shall not permit to stand, and will, at its own expense, take all steps reasonably necessary to remove, any mechanics' or other liens against the Project Facility for labor or material furnished in connection with the acquisition, reconstruction, renovation and equipping of the Project Facility.

(c) The Company shall indemnify and hold the Agency, its members, officers, employees and agents and anyone for whose acts or omissions the Agency or any one of them may be liable, harmless from all claims and liabilities for loss or damage to property or any injury to or death of any person that may be occasioned subsequent to the date hereof by any cause whatsoever in relation to the Project Facility, including any expenses incurred by the Agency in defending any claims, suits or actions which may arise as a result of the foregoing.

(d) The Company shall defend, indemnify and hold the Agency harmless from all losses, expenses, claims, damages and liabilities arising out of or based on the non-disclosure of information, if any, requested by the Company in accordance with Section 4.05 hereof.

(e) The defense and indemnities provided for in this Article 3 shall survive expiration or termination of this Agreement and shall apply whether or not the claim, liability, cause of action or expense is caused or alleged to be caused, in whole or in part, by the activities, acts, fault or negligence of the Agency, its members, officers, employees and agents, anyone under the direction and control of any of them, or anyone for whose acts or omissions the Agency or any of them may be liable, and whether or not based upon the breach of a statutory duty or obligation or any theory or rule of comparative or apportioned liability, subject only to any specific prohibition relating to the scope of indemnities imposed by statutory law.

(f) The Company shall provide and carry: (i) worker's compensation and disability insurance as required by law; and (ii) comprehensive liability and property insurance with such coverages (including without limitation, owner's protective coverage for the benefit of the Agency, naming the Agency as an additional insured on all policies of coverage regarding the Project; providing the coverage with respect to the Agency be primary and non-contributory; and

contractual coverage covering the indemnities herein provided for), with such limits and which such companies as may be approved by the Agency. Upon the request of the Agency, the Company shall provide certificates and/or policies of insurance in form satisfactory to the Agency evidencing such insurance.

(g) The Company shall apply and diligently pursue all approvals, permits and consents from the State of New York, the City, the City Planning Commission and any other governmental authority which approvals, permits and consents are required under applicable law for the development, reconstruction, renovation and equipping of the Project and any related site improvements. The Company acknowledges and agrees that the Agency's findings and determinations under SEQRA do not and shall not in and of themselves (except as specifically set forth in SEQRA) satisfy or be deemed to satisfy applicable laws, regulations, rules and procedural requirements applicable to such approvals, permits and consents.

(h) The Company shall complete a Contractor Status Report to be obtained from the City of Syracuse Industrial Development Agency and agrees to utilize, and cause its Additional Agents to utilize, local contractors and suppliers for the reconstruction, renovation, equipping and completion of the Project unless a waiver is received from the Agency in writing. For purposes of this Agency Agreement, the term "**Local**" shall mean Onondaga, Oswego, Oneida, Madison, Cayuga and Cortland Counties. The Company agrees that such Local contractors shall be provided the opportunity to bid on contracts related to the Project Facility.

3.02. The Company agrees that, as agent for the Agency or otherwise, it will comply at the Company's sole cost and expense with all the requirements of all federal, state and local laws, rules and regulations of whatever kind and howsoever denominated applicable to the Agency and/or Company with respect to the Project Facility, the acquisition of a controlling interest therein, reconstruction, renovation and equipping thereof, the operation and maintenance of the Project Facility, supplemental review of adverse environmental impacts in accordance with SEQRA and the financing of the Project. Every provision required by law to be inserted herein shall be deemed to be set forth herein as if set forth in full, including, but not limited to, Section 875 of the Act; and upon the request of either party, this Agreement shall be amended to specifically set forth any such provision or provisions.

3.03. The Company agrees that, as agent for the Agency or otherwise, to the extent that such provisions of law are in fact applicable (without creating an obligation by contract beyond that which is created by statute) it will comply with the requirements of Section 220 of the Labor Law of the State of New York, as amended.

3.04. The Company will take such further action and adopt such further proceedings as may be required to implement its aforesaid undertakings or as it may deem appropriate in pursuance thereof.

3.05. If it should be determined that any State or local sales or compensatory use taxes are payable with respect to the acquisition, purchase or rental or machinery or equipment, materials or supplies in connection with the Project Facility, or are in any manner otherwise

payable directly or indirectly in connection with the Project Facility, the Company shall pay the same and defend and indemnify the Agency from and against any liability, expenses and penalties arising out of, directly or indirectly, the imposition of any such taxes.

3.06 The Company shall proceed with the acquisition, reconstruction, renovation, equipping and completion of the Project Facility and advance such funds as may be necessary to accomplish such purposes. The Company may appoint Additional Agents as agents of the Agency, in furtherance thereof. Any appointment of an Additional Agent is conditioned upon the Company first obtaining and providing the Agency the following:

(1) A written, executed agreement, in form and substance acceptable to the Agency, from each appointed Additional Agent which provides for the assumption by the Additional Agent, for itself, certain of the obligations under this Agreement relative to the appointment, work and purchases done and made by each Additional Agent; (ii) a commitment to utilize local contractors and suppliers for the reconstruction, renovation and equipping of the Project (“local” being defined in Section 3.01(h) hereof); (iii) an acknowledgement that the Additional Agent is obligated, to timely provide the Company with the necessary information to permit the Company, pursuant to General Municipal Law §874(8), to timely file an Annual Statement with the Agency and the New York State Department of Taxation and Finance on “Annual Report of Sales and Use Tax Exemptions” (Form ST-340) regarding the value of sales and use tax exemptions the Additional Agent claimed pursuant to the agency conferred on it by the Company with respect to this Project; (iv) an acknowledgment by the Additional Agent that the failure to comply with the foregoing will result in the loss of the exemption; and (v) such other terms and conditions as the Agency deems necessary; and

(2) A completed “IDA Appointment of Project Operator or Agent for Sales Tax Purposes” (Form ST-60) for each Additional Agent appointed within fifteen (15) days of the appointment of each Additional Agent such that the Agency can execute and deliver said form to the State Department of Taxation and Finance within thirty (30) days of appointment of each such Additional Agent.

Failure of the Company to comply with the foregoing shall nullify the appointment of any Additional Agent and may result in the loss of the Company’s exemption with respect to the Project at the sole discretion of the Agency.

The Company acknowledges that the assumption by the Additional Agent in accordance with Section 3.06(1) above, does not relieve the Company of its obligations under those provisions or any other provisions of this Agreement with respect to the Project.

3.07 The Company ratifies and confirms its obligations to pay an annual administrative reporting fee in accordance with the Agency’s fee schedule to cover administrative and reporting requirements to comply with New York State reporting regulations on Agency assisted projects.

Article 4. General Provisions.

4.01. This Agreement shall take effect on the date of the execution hereof by the Agency and the Company and, subject to Section 4.04 hereof, shall remain in effect until the Lease Documents become effective. It is the intent of the Agency and the Company that, except as to those provisions that survive, this Agreement be superseded in its entirety by the Lease Documents.

4.02. (a) It is understood and agreed by the Agency and the Company that the grant of Financial Assistance and the execution of the Lease Documents and related documents are subject to: (i) payment by the Company of the Agency's fee and Agency's counsel fees; (ii) obtaining all necessary governmental approvals, permits and consents of any kind required in connection with the Project Facility; (iii) approval by the members of the Agency; (iv) approval by the Company; and (v) the condition that there are no changes in New York State Law, including regulations, which prohibit or limit the Agency from fulfilling its obligations hereunder; (b) the Company, by executing this agreement, acknowledges and agrees to make, or cause its Additional Agents, whether appointed as an agent of the Agency in accordance with Section 3.06 hereof or not, to make, all records and information regarding State and local sales and use tax exemption benefits given to the Project as part of the Financial Assistance available to the Agency upon request, including but not limited to the Form ST-340 for itself and each Additional Agent; (c) the Company, by executing this Agreement, acknowledges and agrees to the terms and conditions of Section 875(3) of the Act as if such section were fully set forth herein and further agrees to cause all of its Additional Agents to acknowledge, agree and consent to same. Without limiting the scope of the foregoing the Company acknowledges that pursuant to Section 875(3) of the Act and in accordance with the Agency's Recapture Policy, the Agency shall, and in some instances may, recover, recapture, receive or otherwise obtain from the Company the portion of the Financial Assistance (the "**Recapture Amount**") consisting of: (1) (a) that portion of the State and local sales and use tax exemption to which the Company was not entitled, which is in excess of the amount of the State and local sales and use tax exemption authorized by the Agency or which is for property or services not authorized by the Agency; or (b) the full amount of such State and local sales and use tax exemption, if the Company fails to comply with a material term or condition regarding the use of the property or services as represented to the Agency in its Application or otherwise; or (c) the full amount of such State and local sales and use tax exemption in the event the Company fails to execute and deliver the Lease Documents in accordance herewith or fails to complete the Project; and (2) any interest or penalties thereon imposed by the Agency or by operation of law or by judicial order or otherwise; and (d) the failure of the Company to promptly pay such Recapture Amount to the Agency will be grounds for the Commissioner to collect sales and use taxes from the Company under Article 28 of the State Tax Law, together with interest and penalties. In addition to the foregoing, the Company acknowledges and agrees that for purposes of exemption from New York State (the "**State**") sales and use taxation as part of the Financial Assistance requested, "sales and use taxation" shall mean sales and compensating use taxes and fees imposed by article twenty-eight or twenty-eight-A of the New York State tax law but excluding such taxes imposed in a city by section eleven hundred seven or eleven hundred eight of such article twenty-eight. In addition to the foregoing, the Agency may recapture other benefits comprising the Financial

Assistance in accordance with the Agency's Recapture Policy (a copy of which is on the Agency's website).

4.03. The Company agrees that it will, within thirty (30) days of a written request for same, regardless of whether or not this matter closes or the Project Facility is completed: (i) reimburse the Agency for all reasonable and necessary expenses, including without limitation the fees and expenses of counsel to the Agency arising from, out of or in connection with the Project, and/or any documents executed in connection therewith, including, but not limited to any claims or actions taken by the Agency against the Company, Additional Agents or third parties; and (ii) indemnify the Agency from all losses, claims, damages and liabilities, in each case which the Agency may incur as a consequence of executing this Agreement or performing its obligations hereunder, including but not limited to, any obligations related to Additional Agents.

4.04. If for any reason the Lease Documents are not executed and delivered by the Company and the Agency on or before **December 20, 2017**, the provisions of this Agreement (other than the provisions of Articles 1.04, 2.02, 2.04, 3.01, 3.02, 3.03, 3.05, 3.06, 4.02, 4.03, 4.04, 4.05 and 4.06, which shall survive) shall unless extended by agreement of the Agency and the Company, terminate and be of no further force or effect, and following such termination neither party shall have any rights against the other party except:

(a) The Company shall pay the Agency for all expenses incurred by the Agency in connection with the acquisition, reconstruction, renovation and equipping of the Project Facility;

(b) The Company shall assume and be responsible for any contracts for the reconstruction or purchase of equipment entered into by the Agency at the request of or as agent for the Company in connection with the Project Facility; and

(c) The Company will pay the out-of-pocket expenses of members of the Agency and counsel for the Agency incurred in connection with the Project Facility and will pay the fees of counsel for the Agency for legal services relating to the Project Facility, Additional Agents or the proposed financing thereof.

4.05. **The Company acknowledges that Section 875(7) of the New York General Municipal Law ("GML") requires the Agency to post on its website all resolutions and agreements relating to the Company's appointment as an agent of the Agency or otherwise related to the Project, including this Agreement; and Article 6 of the New York Public Officers Law declares that all records in the possession of the Agency (with certain limited exceptions) are open to public inspection and copying. If the Company feels that there are elements of the Project or information about the Company in the Agency's possession which are in the nature of trade secrets or information, the nature of which is such that if disclosed to the public or otherwise widely disseminated would cause substantial injury to the Company's competitive position, the Company must identify such elements in writing, supply same to the Agency: (i) with respect to this Agreement, prior to or contemporaneously with the execution hereof; and (ii) with respect to all other agreements**

executed in connection with the Project, on or before the Closing Date, and request that such elements be kept confidential in accordance with Article 6 of the Public Officers Law. Failure to do so will result in the posting by the Agency of all information in accordance with Section 875 of the GML.

4.06 That every controversy, dispute or claim arising out of or relating to this Agreement shall be governed by the laws of the State of New York, without regard to its conflict-of-laws provisions that if applied might require the application of the laws of another jurisdiction; and that the Company irrevocably and expressly submits to the exclusive personal jurisdiction of the Supreme Court of the State of New York and the United States District Court for the Northern District of New York, to the exclusion of all other courts, for the purposes of litigating every controversy, dispute or claim arising out of or relating to this Agreement.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have entered into this Agreement as of the 20th day December, 2016.

**CITY OF SYRACUSE INDUSTRIAL
DEVELOPMENT AGENCY**

By: _____
William M. Ryan, Chairman

OAK KNITTING MILL COMMONS LLC

By: _____
Name: _____
Title: _____

EXHIBIT "I"
PILOT RESOLUTION

PILOT RESOLUTION

A regular meeting of the City of Syracuse Industrial Development Agency was convened in public session on December 20, 2016 at 8:30 o'clock a.m., local time, in the Common Council Chambers, City Hall, 233 East Washington Street, Syracuse, New York.

The meeting was called to order by the Chairman and upon roll being called, the following members of the Agency were:

PRESENT: William Ryan, Donald Schoenwald, Esq., Steven Thompson, Kenneth Kinsey

EXCUSED: Catherine Richardson, Esq.

THE FOLLOWING PERSONS WERE ALSO PRESENT: Staff Present: Honora Spillane, Judith DeLaney, Meghan Ryan, Esq., Susan Katzoff, Esq., John Vavonese, Meghan Ryan, Esq.; Others: Barry Lentz, Paul Curtin, Carol Zenzel, Esq., Timothy Lynn, Esq., Donna Harris, Leann West, Aggie Lane, Michael Wicker, James Trasher, Mark Riley, Rich Punchanski, David Delvecchio, Ed Riley, Richard Engel, Esq., Alex Marion; Media Present: Rick Moriarty

The following resolution was offered by Donald Schoenwald and seconded by Kenneth Kinsey:

RESOLUTION APPROVING AN PAYMENT IN LIEU OF TAX SCHEDULE AND AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN DOCUMENTS BY THE AGENCY IN CONNECTION WITH A PILOT AGREEMENT

WHEREAS, the City of Syracuse Industrial Development Agency (the "**Agency**") is authorized and empowered by Title 1 of Article 18-A of the General Municipal Law of the State of New York (the "**State**"), as amended, together with Chapter 641 of the Laws of 1979 of the State of New York, as amended from time to time (collectively, the "**Act**") to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial, research and recreation facilities, including industrial pollution control facilities, railroad facilities and certain horse racing facilities, for the purpose of promoting, attracting, encouraging and developing recreation and economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State, to improve their recreation opportunities, prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, lease and sell real property and grant financial assistance in connection

with one or more “projects” (as defined in the Act); and by application dated October 10, 2016 (the “**Application**”), Oak Knitting Mill Commons LLC, or an entity to be formed, (the “**Company**”), requested the Agency undertake a project (the “**Project**”) consisting of: (A)(i) the acquisition of an interest in approximately 1 acre of real property improved by an existing four story approximately 68,000 square foot building (the “**Building**”) located at 102 West Division Street, in the City of Syracuse, New York (the “**Land**”); (ii) the renovation of the building to house approximately 18 two-bedroom and 20 one-bedroom market-rate apartment units on floors 2-4, a fitness center and community room; approximately 5,000 square feet of commercial space on the first floor; and approximately fifty-two (52) parking spaces, all located on the Land (collectively, the “**Facility**”); (iii) the acquisition and installation in and at the Land and Facility of furniture, fixtures and equipment (the “**Equipment**” and together with the Land and the Facility, the “**Project Facility**”); (B) the granting of certain financial assistance in the form of exemptions from real property tax, State and local sales and use tax and mortgage recording tax (except as limited by Section 874 of the General Municipal Law) (collectively the “**Financial Assistance**”); (C) the appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, reconstruction, renovation, equipping and completion of the Project Facility; and (D) the lease of the Land and Facility by the Agency pursuant to a lease agreement and the acquisition of an interest in the Equipment pursuant to a bill of sale from the Company to the Agency; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement; and

WHEREAS, to aid the Agency in determining whether the preliminary agreement of the Agency to undertake the Project may have a significant impact upon the environment, the Company has prepared and submitted to the Agency an Environmental Assessment Form (the “**EAF**”), a copy of which is on file at the office of the Agency; and

WHEREAS, on December 20, 2016 the Agency completed the SEQRA review of the Project, which constitutes a “Type I Action”, by adopting a resolution (the “**SEQRA Resolution**”) wherein it determined that the Project will not have a significant adverse effect on the environment and authorized the issuance of a negative declaration; and

WHEREAS, on December 20, 2016, the Agency further resolved to take official action toward the acquisition, reconstruction, renovation, equipping and completion of the Project (the “**Inducement Resolution**”); and

WHEREAS, as part of the Financial Assistance, the Company requested the Agency consider a payment in lieu of tax schedule, (the “**PILOT**”), as more fully described on **Exhibit “A”** attached hereto, which schedule conforms with the Agency’s Uniform Tax Exemption Policy (“**UTEF**”) established pursuant to General Municipal Law Section 874(4); and

WHEREAS, the Agency has given due consideration to the Application and to representations by the Company that the proposed PILOT, as part of the Financial Assistance: (i) will induce the Company to develop the Project Facility in the City of Syracuse; and (ii) will not result in the removal of a commercial, industrial or manufacturing plant or facility of the Company or any other proposed occupant of the Project Facility 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

Company or any other proposed occupant of the Project Facility located in the State, except as may be permitted by the Act; (iii) undertaking the Project will advance job opportunities in the State and promote the general prosperity and economic welfare of the inhabitants of the City of Syracuse in furtherance of the purposes of the Act;

NOW, THEREFORE, be it resolved by the members of the City of Syracuse Industrial Development Agency, as follows:

(1) Based upon the representations made by the Company to the Agency, and the reasons presented by the Company in support of its request for the PILOT schedule, the Agency hereby approves, and the (Vice) Chairman and Secretary, acting individually, are each authorized to execute and deliver, a PILOT agreement in conformity with the Agency's UTEP (the "**PILOT Agreement**") providing for the payment schedule attached as **Exhibit "A"** hereto, all in such form and substance as shall be substantially the same as approved by the Agency for other similar transactions and consistent with this Resolution and as approved by the Chairman or Vice Chairman of the Agency upon the advice of counsel to the Agency.

(2) The Chairman, Vice Chairman and any authorized representative of the Agency, acting individually, are each hereby authorized and directed, for and in the name and on behalf of the Agency, to execute and deliver the documents and agreements identified herein and any and all such additional certificates, instruments, documents or affidavits, to pay any such other fees, charges and expenses, to make such other changes, omissions, insertions, revisions, or amendments to the documents referred to herein and to do and cause to be done any such other acts and things, as they determine, on advice of counsel to the Agency, may be necessary or desirable to consummate the transactions contemplated by this Resolution.

(3) No covenant, stipulation, obligation or agreement contained in this resolution or any document referred to above shall be deemed to be the covenant, stipulation, obligation or agreement of any member, officer, agent or employee of the Agency in his or her individual capacity. Neither the members nor officers of the Agency, nor any person executing any documents referred to above on behalf of the Agency, shall be liable thereon or be subject to any personal liability or accountability by reason of the execution or delivery thereof.

(4) The Secretary and/or the Executive Director of the Agency are hereby authorized to distribute copies of this Resolution to the Company and to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this Resolution.

(5) This Resolution shall take effect immediately, but is subject to execution by the Company of a PILOT Agreement and the Agreement (as defined in the Inducement Resolution) and all other resolutions and other related documents adopted and/or approved by the Agency and/or as set forth herein.

(6) A copy of this Resolution, together with the attachments hereto, shall be placed on file in the office of the Agency where the same shall be available for public inspection during business hours.

The question of the adoption of the foregoing Resolution was duly put to vote on a roll call, which resulted as follows:

	<u>AYE</u>	<u>NAY</u>
William Ryan	X	
Donald Schoenwald, Esq.	X	
Steven Thompson	X	
Kenneth Kinsey	X	

The foregoing Resolution was thereupon declared duly adopted.

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

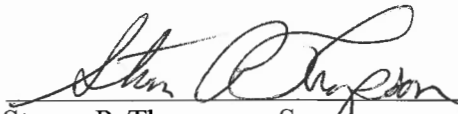
I, the undersigned Secretary of the City of Syracuse Industrial Development Agency, **DO HEREBY CERTIFY** that I have compared the annexed extract of the minutes of the meeting of the City of Syracuse Industrial Development Agency (the “*Agency*”) held on December 20, 2016, with the original thereof on file in my office, and that the same (including any and all exhibits) is a true and correct copy of the proceedings of the Agency and of the whole of such original insofar as the same relates to the subject matters referred to therein.

I FURTHER CERTIFY that (i) all members of the Agency had due notice of such meeting, (ii) pursuant to Section 104 of the Public Officers Law (Open Meetings Law), such meeting was open to the general public and public notice of the time and place of such meeting was duly given in accordance with such Section 104, (iii) the meeting was in all respects duly held, and (iv) there was a quorum present throughout.

I FURTHER CERTIFY that, as of the date hereof, the attached resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have set my hand and affixed the seal of the Agency this 24 day of January, 2017.

City of Syracuse Industrial Development Agency



Steven P. Thompson, Secretary

(SEAL)

EXHIBIT "A"

PROPOSED PILOT SCHEDULE

<i>Year</i>	<i>Amount</i>
1	\$45,226.52
2	\$46,131.05
3	\$47,053.67
4	\$47,994.74
5	\$48,954.64
6	\$57,406.33
7	\$66,176.51
8	\$75,274.53
9	\$84,710.01
10	\$94,492.79
11	\$104,633.00
12	\$115,141.02
13	\$126,027.51
14	\$137,303.40
15	\$148,979.92
Total	\$1,245,505.65

EXHIBIT "J"

FINAL APPROVING RESOLUTION

FINAL APPROVING RESOLUTION

A regular meeting of the City of Syracuse Industrial Development Agency was convened in public session on December 20, 2016 at 8:30 o'clock a.m., local time, in the Common Council Chambers, City Hall, 233 East Washington Street, Syracuse, New York.

The meeting was called to order by the Chairman and upon the roll being duly called, the following members were:

PRESENT: William Ryan, Donald Schoenwald, Esq., Steven Thompson, Kenneth Kinsey

EXCUSED: Catherine Richardson, Esq.

THE FOLLOWING PERSONS WERE ALSO PRESENT: Staff Present: Honora Spillane, Judith DeLaney, Meghan Ryan, Esq., Susan Katzoff, Esq., John Vavonese, Meghan Ryan, Esq.; Others: Barry Lentz, Paul Curtin, Carol Zenzel, Esq., Timothy Lynn, Esq., Donna Harris, Leann West, Aggie Lane, Michael Wicker, James Trasher, Mark Riley, Rich Punchanski, David Delvecchio, Ed Riley, Richard Engel, Esq., Alex Marion; Media Present: Rick Moriarty

The following resolution was offered by Kenneth Kinsey and seconded by Donald Schoenwald:

RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN DOCUMENTS BY THE AGENCY IN CONNECTION WITH A COMMERCIAL PROJECT UNDERTAKEN AT THE REQUEST OF THE COMPANY

WHEREAS, the City of Syracuse Industrial Development Agency (the "**Agency**") is authorized and empowered by Title 1 of Article 18-A of the General Municipal Law of the State of New York (the "**State**"), as amended, together with Chapter 641 of the Laws of 1979 of the State of New York, as amended from time to time (collectively, the "**Act**"), to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial, research and recreation facilities, for the purpose of promoting economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State, to improve their recreation opportunities, prosperity and standard of living; and

WHEREAS, Oak Knitting Mill Commons LLC, or an entity to be formed (the "**Company**"), by application dated October 10, 2016 (the "**Application**"), requested that the Agency undertake a project (the "**Project**") consisting of: (A)(i) the acquisition of an interest in approximately 1 acre of real property improved by an existing four story approximately 68,000 square foot building (the "**Building**") located at 102 West Division Street, in the City of Syracuse, New York (the "**Land**"); (ii) the renovation of the building to house approximately 18

two-bedroom and 20 one-bedroom market-rate apartment units on floors 2-4, a fitness center and community room; approximately 5,000 square feet of commercial space on the first floor; and approximately fifty-two (52) parking spaces, all located on the Land (collectively, the “*Facility*”); (iii) the acquisition and installation in and at the Land and Facility of furniture, fixtures and equipment (the “*Equipment*” and together with the Land and the Facility, the “*Project Facility*”); (B) the granting of certain financial assistance in the form of exemptions from real property tax, State and local sales and use tax and mortgage recording tax (except as limited by Section 874 of the General Municipal Law) (collectively the “*Financial Assistance*”); (C) the appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, reconstruction, renovation, equipping and completion of the Project Facility; and (D) the lease of the Land and Facility by the Agency pursuant to a lease agreement and the acquisition of an interest in the Equipment pursuant to a bill of sale from the Company to the Agency; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement; and

WHEREAS, the Agency conducted a public hearing with respect to the Project and the proposed Financial Assistance on November 15, 2016 pursuant to Section 859-a of the Act, notice of which was originally published on November 3, 2016, in the Post-Standard, a newspaper of general circulation in the City of Syracuse, New York and given to the chief executive officers of the affected tax jurisdictions by letters dated October 31, 2016; and

WHEREAS, pursuant to Article 8 of the State Environmental Conservation Law, as amended and the regulations promulgated thereunder (collectively “*SEQRA*”), the Agency is required to make a determination with respect to the environmental impact of any “action” (as defined by SEQRA) to be taken by the Agency and the approval of the Project and grant of Financial Assistance constitute such an action; and

WHEREAS, the Agency adopted a resolution on November 15, 2016 (the “*SEQRA Lead Agency Resolution*”) entitled:

RESOLUTION CLASSIFYING A CERTAIN PROJECT AS A TYPE I ACTION AND DECLARING THE INTENT OF THE CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY TO BE LEAD AGENCY FOR PURPOSES OF A COORDINATED REVIEW PURSUANT TO THE STATE ENVIRONMENTAL QUALITY REVIEW ACT

which resolution is in full force and effect and has not been amended or modified; and

WHEREAS, the Agency adopted a resolution on December 20, 2016 (the “*SEQRA Resolution*”) entitled:

RESOLUTION DETERMINING THAT THE ACQUISITION, RECONSTRUCTION, RENOVATION, EQUIPPING AND COMPLETION OF A CERTAIN

**PROJECT AT THE REQUEST OF OAK KNITTING MILL
COMMONS LLC WILL NOT HAVE A SIGNIFICANT
EFFECT ON THE ENVIRONMENT**

which resolution is in full force and effect and has not been amended or modified; and

WHEREAS, the Agency adopted a resolution on December 20, 2016 (the “*Inducement Resolution*”) entitled:

**RESOLUTION UNDERTAKING THE ACQUISITION,
RECONSTRUCTION, RENOVATION, EQUIPPING AND
COMPLETION OF A MIXED-USE COMMERCIAL
FACILITY; APPOINTING THE COMPANY AS AGENT OF
THE AGENCY FOR THE PURPOSE OF THE
ACQUISITION, RECONSTRUCTION, RENOVATION AND
EQUIPPING OF THE PROJECT; AND AUTHORIZING
THE EXECUTION AND DELIVERY OF AN AGREEMENT
BETWEEN THE AGENCY AND THE COMPANY**

which resolution is in full force and effect and has not been amended or modified; and

WHEREAS, the Agency adopted a resolution on December 20, 2016 (the “*PILOT Resolution*”) entitled:

**RESOLUTION APPROVING A PAYMENT IN LIEU OF
TAX SCHEDULE AND AUTHORIZING THE EXECUTION
AND DELIVERY OF CERTAIN DOCUMENTS BY THE
AGENCY IN CONNECTION WITH A PILOT
AGREEMENT**

which resolution is in full force and effect and has not been amended or modified; and

NOW, THEREFORE, be it resolved by the members of the City of Syracuse Industrial Development Agency, as follows:

Section 1. Based upon the representations made by the Company to the Agency and after consideration of the comments received at the public hearing, if any, the Agency hereby ratifies all of its prior resolutions adopted in conjunction with the Project, including but not limited to the SEQRA Lead Agency Resolution, the SEQRA Resolution, the Inducement Resolution, the PILOT Resolution and all other action with respect to the Project and Financial Assistance taken by the Agency, and makes the following findings and determinations:

(a) The acquisition of a controlling interest in the Project Facility by the Agency, the granting of the Financial Assistance and the designation of the Company as the Agency’s agent for completion of the Project will be an inducement to, and permit, the Company

to develop and operate the Project Facility in the City of Syracuse, thus serving the public purposes of Article 18-A of the General Municipal Law of New York State by promoting and preserving the job opportunities, general prosperity, health and economic welfare of the inhabitants of the City of Syracuse (the “*City*”) in furtherance of the purposes of the Act.

(b) The commitment of the Agency to provide Financial Assistance to the Company will enable and induce the Company to reconstruct, renovate, equip and complete the Project Facility.

(c) The acquisition, reconstruction, renovation, equipping and completion of the Project Facility and the attendant promotion of the local economy will advance the job opportunities, health, prosperity and economic welfare of the people of the City and the granting of the Financial Assistance is a necessary component to the financing of the Project.

(d) It is desirable and in the public interest for the Agency to grant Financial Assistance in connection with the Project.

Section 2. It is the policy of the State to promote the economic welfare, recreation opportunities and prosperity of its inhabitants and to actively promote, attract, encourage and develop recreation and economically sound commerce and industry for the purpose of preventing unemployment and economic deterioration. The Project will serve the public purposes of Article 18-A of the General Municipal Law of the State of New York by advancing job opportunities and promoting economic development.

Section 3. It is among the purposes of the Agency to promote, develop, encourage and assist in the acquiring, constructing, improving, maintaining, equipping and furnishing of certain facilities, including commercial facilities, and thereby advance the job opportunities, health, general prosperity and economic welfare of the people of the State and to improve their recreation opportunities, prosperity and standard of living.

Section 4. Subject to the conditions set forth in this and prior resolutions adopted by the Agency, the Project Agreement, and the Agreement (each as defined in the Inducement Resolution), the Agency will: (A) acquire a controlling interest in the Project Facility; (B) lease the Land and Facility from the Company pursuant to a lease agreement between the Agency and the Company (the “*Company Lease*”); acquire an interest in the Equipment pursuant to a bill of sale from the Company (the “*Bill of Sale*”); and sublease the Project Facility to the Company pursuant to a sublease agreement (the “*Agency Lease*”); (C) secure the Company’s borrowings with respect to the Project Facility by joining in one or more construction or permanent mortgages on the Project Facility in favor of the Company’s lenders(s); (D) provide the approved Financial Assistance; and (E) execute and deliver any other documents necessary to effectuate the actions contemplated by and consistent with this Resolution upon the advice of counsel to the Agency.

Section 5. The Chairman, Vice Chairman and any authorized representative of the Agency, acting individually, are each hereby authorized and directed, for and in the name

and on behalf of the Agency, to execute and deliver the documents and agreements identified in Section 4 of this Resolution and any such additional certificates, instruments, documents or affidavits, to pay any such other fees, charges and expenses, to make such other changes, omissions, insertions, revisions, or amendments to the documents referred to in Section 4 of this Resolution and to do and cause to be done any such other acts and things, as they determine, on advice of counsel to the Agency, may be necessary or desirable to consummate the transactions contemplated by this Resolution.

Section 6. The Agency's participation in any of the documents referenced herein, or the granting of the approved Financial Assistance, is contingent upon counsel for the Agency's review and the Chairman or Vice Chairman's approval of, all documents requested or required by the Agency in connection with the Project Facility, as well as the Company's execution of the Agreement (as defined in the Inducement Resolution) and all other documents required by the Agency to effectuate the intent of this Resolution and as required in similar transactions.

Section 7. No covenant, stipulation, obligation or agreement contained in this resolution or any document referred to herein shall be deemed to be the covenant, stipulation, obligation or agreement of any member, officer, agent or employee of the Agency in his or her individual capacity. Neither the members nor officers of the Agency, nor any person executing any documents referred to above on behalf of the Agency, shall be liable thereon or be subject to any personal liability or accountability by reason of the execution or delivery thereof.

Section 8. Counsel to the Agency is hereby authorized to work with the Company and others to prepare, for submission to the Chairman and/or Vice Chairman, all documents necessary to effect the undertaking of the Project and the grant of Financial Assistance in connection with the Project.

Section 9. The approvals provided for herein are contingent upon the Company's payment of all of the Agency's fees and costs, including but not limited to attorneys fees.

Section 10. The Secretary and/or Executive Director of the Agency is hereby authorized to distribute copies of this Resolution and do such further things or perform such acts as may be necessary or convenient to implement the provisions of this Resolution.

Section 11. This Resolution shall take effect immediately. A copy of this Resolution, together with the attachments hereto, shall be placed on file in the office of the Agency where the same shall be available for public inspection during business hours.

The question of the adoption of the foregoing resolution was duly put to vote on a roll call, which resulted as follows:

	<u>AYE</u>	<u>NAY</u>
William Ryan	X	
Donald Schoenwald, Esq.	X	
Steven Thompson	X	
Kenneth Kinsey	X	

The foregoing Resolution was thereupon declared duly adopted.

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


I, the undersigned Secretary of the City of Syracuse Industrial Development Agency, **DO HEREBY CERTIFY** that I have compared the annexed extract of the minutes of the meeting of the City of Syracuse Industrial Development Agency (the “*Agency*”) held on December 20, 2016, with the original thereof on file in my office, and that the same (including all exhibits) is a true and correct copy of the proceedings of the Agency and of the whole of such original insofar as the same relates to the subject matters referred to therein.

I FURTHER CERTIFY that (i) all members of the Agency had due notice of such meeting, (ii) pursuant to Section 104 of the Public Officers Law (Open Meetings Law), such meeting was open to the general public and public notice of the time and place of such meeting was duly given in accordance with such Section 104, (iii) the meeting was in all respects duly held, and (iv) there was a quorum present throughout.

I FURTHER CERTIFY that, as of the date hereof, the attached resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have set my hand and affixed the seal of the Agency this 24 day of January, 2017.

City of Syracuse Industrial Development Agency



Steven P. Thompson, Secretary

(S E A L)

EXHIBIT "K"

TEMPORARY APPOINTMENT RESOLUTION

APPROVING RESOLUTION

A regular meeting of the City of Syracuse Industrial Development Agency was convened in public session on January 24, 2017 at 8:30 o'clock a.m., local time, in the Common Council Chambers, City Hall, 233 East Washington Street, Syracuse, New York.

The meeting was called to order by the Chairman and upon the roll being duly called, the following members were:

PRESENT: William Ryan, M. Catherine Richardson, Esq., Steven Thompson, Donald Schoenwald, Esq., Kenneth Kinsey

The following persons were **ALSO PRESENT:** Staff Present: Honora Spillane, Judith DeLaney, Meghan Ryan, Esq., Susan Katzoff, Esq., John Vavonese, Debra Ramsey-Burns; Others: Timothy Lynn, Esq., Barry Lentz, Aggie Lane, James Trasher, Paul Curtin, Esq., Carol Zenzel, Esq., Peter King, Lisa Sparks, Neil Patel; Media Present: Rick Moriarty.

The following resolution was offered by Donald Schoenwald and seconded by Kenneth Kinsey:

RESOLUTION APPROVING THE ISSUANCE OF A TEMPORARY SALES TAX APPOINTMENT LETTER AND THE EXECUTION AND DELIVERY OF CERTAIN DOCUMENTS IN CONNECTION THEREWITH

WHEREAS, the City of Syracuse Industrial Development Agency (the "**Agency**") is authorized and empowered by Title 1 of Article 18-A of the General Municipal Law of the State of New York (the "**State**"), as amended, together with Chapter 641 of the Laws of 1979 of the State of New York, as amended from time to time (collectively, the "**Act**"), to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial, research and recreation facilities, for the purpose of promoting economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State, to improve their recreation opportunities, prosperity and standard of living; and

WHEREAS, Oak Knitting Mill Commons LLC, or an entity to be formed (the "**Company**"), by application dated October 6, 2016 (the "**Application**"), requested the Agency undertake a project (the "**Project**") consisting of: (A)(i) the acquisition of an interest in approximately 1 acre of real property improved by an existing four story approximately 68,000 square foot building (the "**Building**") located at 102 West Division Street, in the City of Syracuse, New York (the "**Land**"); (ii) the renovation of the building to house approximately 18 two-bedroom and 20 one-bedroom market-rate apartment units on floors 2-4, a fitness center and community room; approximately 5,000 square feet of commercial space on the first floor; and approximately fifty-two (52) parking spaces, all located on the Land (collectively, the "**Facility**"); (iii) the acquisition and installation in and at the Land and Facility of furniture, fixtures and equipment (the "**Equipment**" and together with the Land and the Facility, the

“**Project Facility**”); (B) the granting of certain financial assistance in the form of exemptions from real property tax, State and local sales and use tax and mortgage recording tax (except as limited by Section 874 of the General Municipal Law) (collectively the “**Financial Assistance**”); (C) the appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, reconstruction, renovation, equipping and completion of the Project Facility; and (D) the lease of the Land and Facility by the Agency pursuant to a lease agreement and the acquisition of an interest in the Equipment pursuant to a bill of sale from the Company to the Agency; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement; and

WHEREAS, the Agency conducted a public hearing with respect to the Project and the proposed Financial Assistance on November 15, 2016 pursuant to Section 859-a of the Act, notice of which was originally published on November 3, 2016, in the Post-Standard, a newspaper of general circulation in the City of Syracuse, New York and given to the chief executive officers of the affected tax jurisdictions by letters dated October 31, 2016; and

WHEREAS, by resolution adopted on November 15, 2016, the Agency appointed itself as lead agent for purposes of conducting a coordinated review, pursuant to Article 8 of the Environmental Conservation Law of the State of New York, as amended, and the regulations of the Department of Environmental Conservation of the State of New York promulgated thereunder (collectively referred to hereinafter as “**SEQRA**”); and

WHEREAS, the Company has prepared and submitted to the Agency an Environmental Assessment Form (the “**EAF**”); and

WHEREAS, the Agency carefully reviewed and examined the Project, correspondence from other involved agencies and the EAF in order to classify the Project and determined that the Project constitutes a “Type 1 Action” as defined under SEQRA; and

WHEREAS, by resolution adopted December 20, 2016 (the “**SEQRA Resolution**”), the Agency determined that the Project will not have a significant adverse effect on the environment and issued a negative declaration; and

WHEREAS, pursuant to the a resolution adopted by the Agency on December 20, 2016 (the “**Inducement Resolution**”), the Agency approved the appointment of the Company as its agent for purposes of completing the Project; and

WHEREAS, the Inducement Resolution authorized State and local sales tax exemptions for the Project in an amount not to exceed **\$389,834**; and

WHEREAS, by letter dated January 11, 2017, the Company advised that it was in the process of finalizing its financing for the Project but needed to undertake some construction immediately (commence demolition, abatement and rehabilitation work) to ensure that the obligation to the historic tax credit investors is met to complete the Project in 2017 and requested the Agency consider executing and delivering a temporary sales tax exemption prior to the closing on the Lease Documents (as defined in the Agreement (as that term is defined in the

Inducement Resolution); such that the Company can commence construction and benefit from the exemption from State and local sales and use taxes while finalizing its financing (the “*Appointment*”); and

NOW, THEREFORE, be it resolved by the members of the City of Syracuse Industrial Development Agency as follows:

(1) It is the policy of the State to promote the economic welfare, recreation opportunities and prosperity of its inhabitants and to actively promote, attract, encourage and develop recreation and economically sound commerce and industry for the purpose of preventing unemployment and economic deterioration. It is among the purposes of the Agency to promote, develop, encourage and assist in the acquiring, constructing, improving, maintaining, equipping and furnishing of certain facilities, including commercial facilities, and thereby advance the job opportunities, health, general prosperity and economic welfare of the people of the State and to improve their recreation opportunities, prosperity and standard of living.

(2) Based upon the representations made by the Company to the Agency, the Agency hereby makes the following findings and determinations:

(a) The action taken pursuant to this Resolution will not result in any significant adverse environmental impacts, and the previously adopted negative declaration still applies and does not need to be amended or supplemented.

(b) Pursuant to the terms of the Inducement Resolution the amount of State and local sales and use tax exemption benefits comprising the Financial Assistance approved by the Agency shall not exceed **\$389,834**.

(c) The terms and conditions of subdivision 3 of Section 875 of the Act are herein incorporated by reference and the Company shall agree to such terms as a condition precedent to the Company’s appointment as agent of the Agency and to receiving or benefiting from an exemption from State and local sales and use tax exemptions benefits.

(d) The Agency approves the Company’s Appointment and delivery of an appointment letter (the “*Letter*”) subject to execution of an associated temporary sales tax appointment agreement and/or project agreement by and between the Company and the Agency (the “*Project Agreement*”) as well as any necessary and related documents, including but not limited to, an Environmental Compliance and Indemnification Agreement and a Bill of Sale (collectively with the Letter and the Project Agreement, the “*Temporary Documents*”), all effective through **July 31, 2017** (the “*Temporary Period*”).

(e) As a condition precedent to the Agency’s execution and delivery of the Temporary Documents, the Company has, or will: (i) execute and deliver the Agreement (as defined in the Inducement Resolution); (ii) agree to comply with the provisions thereof and of the Act; and (iii) remit to the Agency 25% of the Agency’s administrative fee (currently based on the Company’s Application) as well as the Agency’s legal fees associated with the issuance of the Temporary Documents.

(f) The Agency approves, subject to the terms hereof, the execution and delivery of the Temporary Documents effective through **July 31, 2017**; and the Chairman and Vice Chairman of the Agency are each hereby authorized, upon review and advice of counsel, on behalf of the Agency, to execute and deliver the Temporary Documents, in form and substance similar to other such agreements entered into by the Agency. The execution thereof by the Chairman or Vice Chairman constitutes conclusive evidence of such approval.

(g) The Company may utilize, and is hereby authorized to appoint, subject to the terms and conditions of the Project Agreement (including the execution by the Additional Agent (as defined herein) of a Sub-Agent Agreement (as defined in the Project Agreement)), a Project operator, contractors, agents, subagents, subcontractors, contractors and subcontractors of such agents and subagents (collectively, "***Additional Agents***") to proceed with the construction and equipping of the Project, all with the same powers and the same validity as if the Agency were acting in its own behalf provided the Company execute, deliver and comply with the Temporary Documents. The Company shall provide, or cause Additional Agents to provide, and the Agency shall maintain, records of the amount of State and local sales and use tax exemption benefits provided to the Project, and the Company shall, and cause each Additional Agent to, make such records available to the Agency and the State Commissioner of Taxation and Finance (the "***Commissioner***") upon request. The Agency shall, within thirty (30) days of providing any State sales and use tax exemption benefits, report to the Commissioner the amount of such benefits for Project, identifying the Project, along with any such other information and specificity as the Commissioner may prescribe. As a condition precedent to the Company or Project's receipt of, or benefit from, any State or local sales and use tax exemptions, the Company must acknowledge and agree to make, or cause its Additional Agents to make, all records and information regarding State and local sales and use tax exemption benefits realized by the Project available to the Company, the Agency or its designee upon request.

(h) Counsel to the Agency is hereby authorized to work with the Company and others to prepare the Temporary Documents and all documents necessary to effect the intent of this Resolution.

(i) Should the Agency's participation in the Temporary Documents regarding the Project Facility be challenged by any party, in the courts or otherwise, the Company shall defend, indemnify and hold harmless the Agency and its members, officers and employees from any and all losses arising from any such challenge including, but not limited to, the fees and disbursement of the Agency's counsel. Should any court of competent jurisdiction determine that the Agency is not authorized under the Act to participate in the Letter and Agreement, this Resolution shall automatically become null, void and of no further force and effect, and the Agency shall have no liability to the Company hereunder or otherwise.

(j) No covenant, stipulation, obligation or agreement contained in this resolution or any document referred to herein shall be deemed to be the covenant, stipulation, obligation or agreement of any member, officer, agent or employee of the Agency in his or her individual capacity. Neither the members nor officers of the Agency, nor any person executing any

documents referred to above on behalf of the Agency, shall be liable thereon or be subject to any personal liability or accountability by reason of the execution or delivery thereof.

(k) The Secretary of the Agency is hereby authorized and directed to distribute copies of this Resolution to the Company and to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this Resolution.

(l) A copy of this Resolution, together with the attachments hereto, shall be placed on file in the office of the Agency where the same shall be available for public inspection during business hours.

(m) This Resolution shall take effect immediately.

The question of the adoption of the foregoing resolution was duly put to vote on a roll call, which resulted as follows:

	<u>AYE</u>	<u>NAY</u>
William M. Ryan	X	
M. Catherine Richardson	X	
Steven Thompson	X	
Donald Schoenwald	X	
Kenneth Kinsey	X	

The foregoing Approving Resolution was thereupon declared duly adopted.

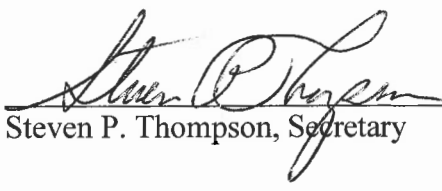
STATE OF NEW YORK)
) SS.:
COUNTY OF ONONDAGA)

I, the undersigned Secretary of the City of Syracuse Industrial Development Agency, **DO HEREBY CERTIFY** that I have compared the annexed extract of the minutes of the meeting of the City of Syracuse Industrial Development Agency (the "**Agency**") held on January 24, 2017, with the original thereof on file in my office, and that the same (including all exhibits) is a true and correct copy of the proceedings of the Agency and of the whole of such original insofar as the same relates to the subject matters referred to therein.

I FURTHER CERTIFY that (i) all members of the Agency had due notice of such meeting, (ii) pursuant to Section 104 of the Public Officers Law (Open Meetings Law), such meeting was open to the general public and public notice of the time and place of such meeting was duly given in accordance with such Section 104, (iii) the meeting was in all respects duly held, and (iv) there was a quorum present throughout.

I FURTHER CERTIFY that, as of the date hereof, the attached resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have set my hand and affixed the seal of the Agency this 28th day of February, 2017.

City of Syracuse Industrial Development Agency

Steven P. Thompson, Secretary

(S E A L)

EXHIBIT "L"
EXTENSION RESOLUTION

APPROVING RESOLUTION

A regular meeting of the City of Syracuse Industrial Development Agency was convened in public session on August 15, 2017 at 8:30 o'clock a.m., local time, in the Common Council Chambers, City Hall, 233 East Washington Street, Syracuse, New York.

The meeting was called to order by the Chairman and upon the roll being duly called, the following members were:

PRESENT: William Ryan, M. Catherine Richardson, Esq., Stephen Thompson

EXCUSED: Kenneth Kinsey, Donald Schoenwald, Esq.

THE FOLLOWING PERSONS WERE ALSO PRESENT: Staff Present: Honora Spillane, Susan Katzoff, Esq., Judith DeLaney, Debra Ramsey-Burns, John Vavonese; Others Present: Lauryn LaBourde, Ploy Chapman, Mitch Latimer, Tom Iorizzo, Jim Mason, Aggie Lane, Timothy Lynn, Esq. Jeffrey Appel, Methin Chutinthanond, Kevin Caraccioli, Esq.

The following resolution was offered by M. Catherine Richardson and seconded by Steven Thompson:

RESOLUTION APPROVING AN EXTENSION OF THE SALES TAX APPOINTMENT OF OAK KNITTING MILL COMMONS LLC AS AGENT OF THE AGENCY UNTIL OCTOBER 31, 2017; AND AUTHORIZING THE EXECUTION OF ANY AND ALL NECESSARY DOCUMENTS

WHEREAS, the City of Syracuse Industrial Development Agency (the "**Agency**") is authorized and empowered by Title 1 of Article 18-A of the General Municipal Law of the State of New York (the "**State**"), as amended, together with Chapter 641 of the Laws of 1979 of the State of New York, as amended from time to time (collectively, the "**Act**"), to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial, research and recreation facilities, for the purpose of promoting economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State, to improve their recreation opportunities, prosperity and standard of living; and

WHEREAS, at the request of Oak Knitting Mill Commons LLC (the "**Company**"), by resolution dated December 20, 2016 (the "**Inducement Resolution**") the Agency agreed to undertake a project (the "**Project**") consisting of: (A)(i) the acquisition of an interest in approximately 1 acre of real property improved by an existing four story approximately 68,000 square foot building (the "**Building**") located at 102 West Division Street, in the City of Syracuse, New York (the "**Land**"); (ii) the renovation of the building to house approximately 18 two-bedroom and 20 one-bedroom market-rate apartment units on floors 2-4, a fitness center and

community room; approximately 5,000 square feet of commercial space on the first floor; and approximately fifty-two (52) parking spaces, all located on the Land (collectively, the "**Facility**"); (iii) the acquisition and installation in and at the Land and Facility of furniture, fixtures and equipment (the "**Equipment**" and together with the Land and the Facility, the "**Project Facility**"); (B) the granting of certain financial assistance in the form of exemptions from real property tax, State and local sales and use tax and mortgage recording tax (except as limited by Section 874 of the General Municipal Law) (collectively the "**Financial Assistance**"); (C) the appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, reconstruction, renovation, equipping and completion of the Project Facility; and (D) the lease of the Land and Facility by the Agency pursuant to a lease agreement and the acquisition of an interest in the Equipment pursuant to a bill of sale from the Company to the Agency; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement; and

WHEREAS, on December 20, 2016, the Agency adopted resolutions which, among other things, authorized the Agency to undertake the Project and appoint the Company as its agent for purposes of acquiring, renovating and equipping the Project Facility (collectively, the "**Approving Resolutions**") subject to the terms thereof and the execution of an agency agreement in substantially the same form attached to the Approving Resolutions (the "**Agency Agreement**"); and

WHEREAS, following the adoption of Approving Resolutions, but prior to the Company being able to close on the lease transaction with the Agency to effectuate the granting of the approved Financial Assistance (the "**Lease Transaction**"), the Company requested that the Agency authorize the temporary appointment of the Company as the Agency's agent for purposes of undertaking certain work with respect to the Project Facility including exemptions from State and local sales and use tax in an amount not to exceed **\$389,834** (the "**Temporary Appointment**");

WHEREAS, pursuant to a resolution dated January 24, 2017 ("**Appointment Resolution**"), the Agency approved the Company's request for the Temporary Appointment; and

WHEREAS, the Agency and Company executed an Interim Project Agreement dated as of March 1, 2017 (the "**Interim Project Agreement**") and the Agency issued a Temporary Sales Tax Appointment Letter to the Company on March 1, 2017 (the "**Letter**") and a Form ST-60 – IDA Appointment of Project Operator or Agency for Sales Tax Purposes was filed with the New York State Department of Taxation and Finance. The Temporary Appointment expired on July 31, 2017; and

WHEREAS, by letter dated August 4, 2017, the Company requested the Agency grant a retroactive extension of their Temporary Appointment to provide them an opportunity to finalize their financing on the Project so they can close on the Lease Transaction while still allowing them to continue with certain site work; and

WHEREAS, the Company anticipates closing on the Project with the Agency by the end of September, 2017 (the “*Extension*”); and

WHEREAS, the Extension is in furtherance of the financial assistance that was previously approved for the Project, which underwent an environmental review by the Agency pursuant to the State Environmental Quality Review Act (“*SEQRA*”), and the present sales tax appointment extension request is insubstantial and does not require reconsideration or further review by the Agency under SEQRA.

NOW, THEREFORE, be it resolved by the members of the City of Syracuse Industrial Development Agency as follows:

(1) Based upon the representations made by the Company to the Agency, the Agency hereby makes the following findings and determinations:

(a) The granting of the Extension of the Temporary Appointment does not require reconsideration or further review by the Agency under SEQRA.

(b) The Agency authorizes the retroactive Extension of the Temporary Appointment of the Company through and including **October 31, 2017**. By operation of this Resolution, the Interim Project Agreement is extended through and including **October 31, 2017** but all other terms and conditions of the Interim Project Agreement remain unchanged and in full force and effect.

(2) The Agency is authorized to execute all documents necessary to effectuate the Extension of the sales tax appointment agent status of the Company and/or its Additional Agents (as that term is defined in the Agency’s Appointment Resolution) (collectively, the “*Extension Documents*”) including but not limited to issuance of a new Sales Tax Appointment Extension Letter and an amendment or extension of the appropriate “IDA Appointment of Project Operator or Agent for Sales Tax Purposes” (Form ST-60) for each of the entities; and the Chairman and Vice Chairman of the Agency are each hereby authorized, on behalf of the Agency, to execute and deliver the documents upon the advice of counsel to the Agency. The execution thereof by the Chairman or Vice Chairman constitutes conclusive evidence of such approval.

(3) As a condition of the Extension, the Company will: (i) confirm that all insurance as well as Environmental Compliance and Indemnification Agreement executed and delivered in conjunction with the Interim Project Agreement remains in full force and effect and will continue to do so for so long as the Extension is in effect and in accordance with its terms; (ii) submit to the Agency an updated contract status report, or other applicable information, including but not limited to proof of insurance naming the Agency as an additional insured pursuant to the Agency’s requirements, requested by the Agency with respect to the Extension; (iii) submit the appropriate applicable administrative and legal fees incurred by the Agency in exchange for the Agency’s grant of the Extension; and (iv) submit any proof required by the Agency demonstrating that the Company has not realized State and local sales and use tax exemptions in excess of what was authorized for the Project.

(4) The Company shall execute and deliver any and all documents required by the Agency in connection with the Extension and to carry out the intent of this Resolution; and

(5) The Company shall provide or cause its Additional Agents to provide, and the Agency shall maintain, records of the amount of State and local sales and use tax exemption benefits provided to the Project and the Company shall, and cause each Additional Agent, to make such records available to the Agency and the State Commissioner of Taxation and Finance (the "**Commissioner**") upon request. The Agency shall, within thirty (30) days of providing any State sales and use tax exemption benefits, report to the Commissioner the amount of such benefits for the Project, identifying the Project, along with any such other information and specificity as the Commissioner may prescribe. As a condition precedent to the Company or Project's receipt of, or benefit from, any State or local sales and use tax exemptions, the Company must acknowledge and agree to make, or cause its Additional Agents to make, all records and information regarding State and local sales and use tax exemption benefits realized by the Project available to the Agency or its designee upon request.

(6) No covenant, stipulation, obligation or agreement contained in this resolution or any document referred to herein shall be deemed to be the covenant, stipulation, obligation or agreement of any member, officer, agent or employee of the Agency in his or her individual capacity. Neither the members nor officers of the Agency, nor any person executing any documents referred to above on behalf of the Agency, shall be liable thereon or be subject to any personal liability or accountability by reason of the execution or delivery thereof.

(7) The Secretary of the Agency is hereby authorized and may distribute copies of this Resolution and do such further things or perform such acts as may be necessary or convenient to implement the provisions of this Resolution.

(8) A copy of this Resolution, together with any attachments hereto, shall be placed on file in the office of the Agency where the same shall be available for public inspection during business hours.

The question of the adoption of the foregoing resolution was duly put to vote on a roll call, which resulted as follows:

	<u>AYE</u>	<u>NAY</u>
William M. Ryan	X	
M. Catherine Richardson	X	
Steven Thompson	X	

The foregoing Resolution was thereupon declared duly adopted.

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

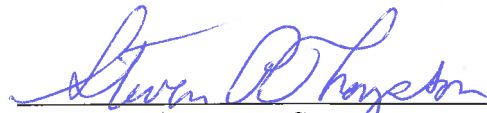
I, the undersigned Secretary of the City of Syracuse Industrial Development Agency, **DO HEREBY CERTIFY** that I have compared the annexed extract of the minutes of the meeting of the City of Syracuse Industrial Development Agency (the “*Agency*”) held on August 15, 2017, with the original thereof on file in my office, and that the same (including all exhibits) is a true and correct copy of the proceedings of the Agency and of the whole of such original insofar as the same relates to the subject matters referred to therein.

I FURTHER CERTIFY that (i) all members of the Agency had due notice of such meeting, (ii) pursuant to Section 104 of the Public Officers Law (Open Meetings Law), such meeting was open to the general public and public notice of the time and place of such meeting was duly given in accordance with such Section 104, (iii) the meeting was in all respects duly held, and (iv) there was a quorum present throughout.

I FURTHER CERTIFY that, as of the date hereof, the attached resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have set my hand and affixed the seal of the Agency this 17th day of October, 2017.

City of Syracuse Industrial Development Agency



Steven P. Thompson, Secretary

(S E A L)

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Deponent submits that no mortgage tax, other than as may be required in Section 874(1) of the Act and Section 252(2) of the Tax Law of the State of New York with respect to the portion of the tax allocable to the Central New York Regional Transportation District, should be imposed upon the Mortgage or the Assignment of Leases and Rents, insomuch as the Mortgage and Assignment of Leases and Rents are being executed and delivered under the State authority creating the Agency, insomuch as the use by the Agency of its powers to secure the payment of principal and interest on the loan is deemed by Article 18-A public purpose essential to the public interest, and insomuch as both the New York State Department of Taxation and Finance and Counsel to the New York State Department of Taxation and Finance have expressed their opinion that the recording of similar documents by similar agencies organized under Article 18-A of the New York General Municipal Law are operations of said agencies entitled to exemption from the mortgage recording tax.

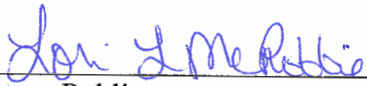
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**CITY OF SYRACUSE INDUSTRIAL
DEVELOPMENT AGENCY**

By: 

William M. Ryan, Chairman

Subscribed and sworn to before me
this 21th day of September, 2017.



Notary Public

LORI L. McROBBIE
Notary Public, State of New York
Qualified in Onondaga Co. No. 01MC5055591
Commission Expires on Feb. 12, 2018

EXHIBIT "A"

LEGAL DESCRIPTION Oak Knitting Mills Commons

ALL THAT TRACT OR PARCEL OF LAND, situate in the City of Syracuse, County of Onondaga and State of New York, being part of Block "C" in said city, being part of lands conveyed to Expressway Properties, LLC by deed recorded in Book 4100 of Deeds at page 50 in the Onondaga County Clerk's Office, bounded and described as follows:

Beginning at the intersection of the easterly boundary of North Clinton Street with the northerly boundary of West Division Street; running thence N 28° 04' 00" W along said easterly boundary of North Clinton Street, a distance of 32.49 feet to the southerly most corner of Lot 1 of Resubdivision of Block "C" Salina Marsh Lot according to a map of said tract filed in the Onondaga County Clerk's Office February 17, 1966 as Map No. 4781; thence northerly and northeasterly along the easterly and southeasterly boundaries of said Lot 1 Resubdivision of Block "C" Salina Marsh Lot, respectively, the following courses and distances: 1) northerly and northeasterly following a curve to the right, having a radius of 320.00 feet, an arc distance of 198.50 feet to an angle point; 2) N 30° 56' 40" W, 19.2 feet; 3) N 59° 24' 13" E, 157.72 feet to the common westerly boundary of Genant Drive and N.Y.S. Route No. 81; thence S 26° 30' 50" E along said common westerly boundary of Genant Drive and N.Y.S. Route No. 81, a distance of 178.78 feet to the aforementioned northerly boundary of West Division Street; thence S 59° 22' 10" W along said northerly boundary of West Division Street, a distance of 294.85 feet to the point of beginning.

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**GENERAL CERTIFICATE OF
OAK KNITTING MILL COMMONS LLC**

This certificate is made in connection with the execution by Oak Knitting Mill Commons LLC, a New York State limited liability company (the “**Company**”) of the Project Agreement, the Company Lease, the Agency Lease, the Environmental Compliance and Indemnification Agreement, the Mortgage, the PILOT Agreement and any other document now or hereafter executed by the Company in connection with the City of Syracuse Industrial Development Agency (the “**Agency**”) agreeing, at the Company’s request, to undertake a project (the “**Project**”) consisting of: (A)(i) the acquisition of an interest in approximately 1 acre of real property improved by an existing four story approximately 68,000 square foot building (the “**Building**”) located at 102 West Division Street, in the City of Syracuse, New York (the “**Land**”); (ii) the renovation of the building to house approximately 18 two-bedroom and 20 one-bedroom market-rate apartment units on floors 2-4, a fitness center and community room; approximately 5,000 square feet of commercial space on the first floor; and approximately fifty-two (52) parking spaces, all located on the Land (collectively, the “**Facility**”); (iii) the acquisition and installation in and at the Land and Facility of furniture, fixtures and equipment (the “**Equipment**” and together with the Land and the Facility, the “**Project Facility**”); (B) the granting of certain financial assistance in the form of exemptions from real property tax, State and local sales and use tax and mortgage recording tax (as limited by Section 874 of the General Municipal Law) (collectively the “**Financial Assistance**”); (C) the appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, reconstruction, renovation, equipping and completion of the Project Facility; and (D) the lease of the Land and Facility by the Agency pursuant to a lease agreement and the acquisition of an interest in the Equipment pursuant to a bill of sale from the Company to the Agency; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement..

The Project Facility is owned by the Company. The Company will lease the Land and Facility to the Agency pursuant to a Company Lease Agreement dated as of September 1, 2017 (the “**Company Lease**”) and transfer its interest in the Equipment to the Agency pursuant to a bill of sale dated as of September 1, 2017 (the “**Bill of Sale**”) and the Agency will sublease the Project Facility back to the Company pursuant to an Agency Lease Agreement dated as of September 1, 2017 (the “**Agency Lease**”).

Capitalized terms used herein which are not otherwise defined herein shall have the meanings ascribed to such terms in the Agency Lease, except that, for purposes of this certificate: (A) all definitions with respect to any document shall be deemed to refer to such document only as it exists as of the date of this Certificate and not as of any future date; and (B) all definitions with respect to any Person shall be deemed to refer to such Person only as it exists as of the date of this certificate and not as of any future date or to any successor or assign.

The undersigned does hereby certify as follows:

1. Attached hereto as **Exhibit “A”** is a true, correct and complete copy of the Articles of Organization of the Company and any amendments thereto filed with the New York

State Secretary of State with proof of publication thereof attached thereto, which Articles (including any amendments) are in full force and effect on the date hereof.

2. Attached hereto as **Exhibit "B"** is a true, correct and complete copy of the Company's Amended and Restated Operating Agreement, and any amendments thereto, and such Amended and Restated Operating Agreement, as may have been amended, is in full force and effect on the date hereof.

3. The Company is, and at all times will be, a limited liability company, duly organized, validly existing and in good standing under the laws of New York State and authorized and licensed under the laws of New York State to transact business as a business corporation for the purpose of owning and operating the Project Facility in New York State. Attached hereto as **Exhibit "C"** is a true and correct copy of a Certificate of Good Standing of the Company issued by the New York State Secretary of State.

4. The Company has full legal right, power and authority to execute and deliver the Company Documents and to consummate the transactions on the part of the Company contemplated by the Company Documents. The Company Documents have been duly authorized, executed, and delivered by the Managing Member on behalf of the Company and are in full force and effect as of the date hereof. Attached hereto as **Exhibit "D"** is a true, correct and complete copy of the authorizing resolution of the Managing Member of the Company (the "**Resolution**") in respect of the execution, delivery and performance of the Company Documents.

5. The Company understands and agrees that, unless a written waiver is first obtained from the Agency, the Company and its Additional Agents shall utilize local labor, contractors and suppliers for the construction, renovation, reconstruction and equipping of the Project Facility. The term "**local**" shall mean Onondaga, Oswego, Madison, Cayuga, Oneida and Cortland Counties. The Company further understands and agrees that failure to comply with these local labor requirements may result in the revocation or recapture of benefits provided/approved to the Project by the Agency. In furtherance thereof, Appendix I to the Agency's Application entitled "Local Access Agreement" has been completed and is attached hereto as **Exhibit "E"**.

6. The Company understands and agrees that it is the preference of the Agency that the Company provide opportunities for the purchase of goods and services from: (i) business enterprises located in the City; (ii) certified minority and or women-owned business enterprises; and (iii) business enterprises that employ residents of the City. The Company further understands and acknowledges that consideration will be given by the Agency to the Company's efforts to comply, and compliance, with this objective at any time an extension of benefits is sought or involvement by the Agency with the Project is requested by the Company.

7. All consents, approvals, authorizations or orders of, notices to, or filings, registrations or declarations with, any court or governmental authority, board, agency, commission or body having jurisdiction which are required on behalf of the Company or for the execution and delivery by the Company of the Company Documents or the consummation on the part of the Company of the transactions contemplated thereby have been obtained.

8. After performing due diligence, there is no legal action, suit, proceeding, inquiry or investigation at law or in equity (before or by any court, agency, arbitrator, public board or body or other entity or person) pending or threatened against or affecting the Company or, to the knowledge of the Company, any basis therefor: (i) in any way affecting the organization, existence or good standing of the Company; (ii) contesting or materially affecting the validity or enforceability of the Company Documents; (iii) contesting the powers of the Company or its authority with respect to the Company Documents; (iv) contesting the authority of the Company to act on behalf of the Company or the authority of the representatives of the Company to act on behalf of the Company; (v) wherein an unfavorable decision, ruling or finding would have a material adverse effect on: (A) the financial condition or operations of the Company; or (B) the consummation on the part of the Company of the transactions contemplated by any Company Documents.

9. The execution and delivery by the Company of the Company Documents and the consummation by the Company of the transactions contemplated thereby are not prohibited by, do not violate any provision of, and will not result in a breach of or default under: (i) the organizational documents of the Company; (ii) any applicable law, rule, regulation, order, writ, injunction, judgment or decree of any court or governmental body or other requirement to which the Company is subject; or (iii) any contract, agreement, mortgage, lease, guaranty, commitment or other obligation or instrument to which the Company is a party or by which the Company or its properties is bound.

10. All information concerning the Project Facility and the Company submitted to the Agency and any Mortgagee by the Company is true and correct in all material respects and does not omit to state a material fact necessary to make the statements therein not misleading.

11. Assuming the valid authorization, execution and delivery of the Agency Lease and the other Company Documents by the other parties thereto, the Agency Lease and the other Company Documents are the legal, valid and binding obligations of the Company, enforceable against the Company in accordance with their respective terms, except to the extent that enforcement thereof may be limited by bankruptcy, insolvency or other similar laws affecting creditors' rights generally or by the exercise of judicial discretion in accordance with general principles of equity. No default by the Company or, to the best of knowledge of the undersigned, no event of default on the part of any other party to the Company Documents has occurred or is continuing and no event has occurred which, with the giving of notice or passage of time or both, would be such an event of default. The Company has duly authorized the taking of and has taken all actions necessary to carry out and give effect to the transactions contemplated to be performed on its part by the Company Documents.

12. All permits (including building permits), licenses and authorizations necessary for the construction, ownership and operation of the Project in the manner contemplated by each of the Company Documents have been obtained or will be obtained, and said construction, ownership and operation will not, to the best knowledge of the Company, conflict with any zoning or similar ordinance applicable to the Project. To the best of the Company's knowledge, the Project conforms to all material environmental regulations.

13. There is no Event of Default or default on the part of the Company under the Project Agreement, the Company Lease, the Agency Lease, the Mortgage, the PILOT Agreement, the Environmental Compliance and Indemnification Agreement or any other Company Document, and no event has occurred and is continuing which, after notice or passage of time or both, would give rise to a default under any thereof.

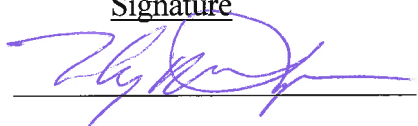
14. The Company Lease, the Agency Lease, the Mortgage, the PILOT Agreement, the Environmental Compliance and Indemnification Agreement and the other Company Documents are in full force and effect and the Company has not assigned or pledged any of its rights under these documents.

15. The Company acknowledges and restates all of the obligations, representations and covenants in Sections 2.2, 8.12, 11.12 and 11.14 of the Agency Lease and incorporates same herein by reference as if fully set forth herein.

16. The Company further acknowledges its obligation under Section 8.5 of the Agency Lease to provide the additional information as set forth therein and agrees to same.

17. The Company represents and warrants that it has no employees and therefore is not now required to carry worker's compensation insurance. The Company represents and acknowledges that in the event it hires any employees in the future, it has an obligation pursuant to the Agency Lease, dated as of September 1, 2017 by and between the Company and the Agency, to obtain worker's compensation insurance and provide proof of same to the Agency.

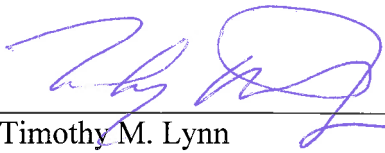
18. The authorized representatives of the Company who, pursuant to the Resolution, are authorized to execute the Company Documents and the office held by each person are as set forth below. The signature set opposite the name of such officer, if any, is a genuine specimen of such officer's signature:

<u>Name</u>	<u>Signature</u>	<u>Office/Title</u>
<u>Timothy M. Lynn</u>		<u>Managing Member</u>

19. The Company represents and warrants that it has no employees and therefore is not now required to carry worker's compensation insurance. The Company represents and acknowledges that in the event it hires any employees in the future, it has an obligation pursuant to the Agency Lease, dated as of December 1, 2016 by and between the Company and the Agency, to obtain worker's compensation insurance and provide proof of same to the Agency.

IN WITNESS WHEREOF, I have set my hand and signature as officer of the Company as of September 1, 2017.

OAK KNITTING MILL COMMONS LLC
By: OKM MM LLC

By: 

Timothy M. Lynn
Manager

EXHIBIT "A"
ARTICLES OF ORGANIZATION

ONLINE FILING RECEIPT

ENTITY NAME: OAK KNITTING MILL COMMONS LLC

DOCUMENT TYPE: ARTICLES OF ORGANIZATION (DOM. LLC)

COUNTY: ONON

FILED:08/07/2015 DURATION:***** CASH#:150807010018 FILE#:150807010018
DOS ID:4801355

FILER:

EXIST DATE

CENTOLELLA LYNN D'ELIA & TEMES LLC
100 MADISON STREET, SUITE 1905
SYRACUSE, NY 13202

08/07/2015

ADDRESS FOR PROCESS:

C/O LLC
100 MADISON STREET, SUITE 1905
SYRACUSE, NY 13202

REGISTERED AGENT:



The limited liability company is required to file a Biennial Statement with the Department of State every two years pursuant to Limited Liability Company Law Section 301. Notification that the Biennial Statement is due will only be made via email. Please go to www.email.ebiennial.dos.ny.gov to provide an email address to receive an email notification when the Biennial Statement is due.

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SERVICE COMPANY: ** NO SERVICE COMPANY **
SERVICE CODE: 00

FEE:	210.00	PAYMENTS	210.00
	-----		-----
FILING:	200.00	CHARGE	210.00
TAX:	0.00	DRAWDOWN	0.00
PLAIN COPY:	0.00		
CERT COPY:	10.00		
CERT OF EXIST:	0.00		

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DOS-1025 (04/2007)

Authentication Number: 1508070020 To verify the authenticity of this document you may access the Division of Corporation's Document Authentication Website at <http://ecorp.dos.ny.gov>

STATE OF NEW YORK
DEPARTMENT OF STATE

I hereby certify that the annexed copy has been compared with the original document in the custody of the Secretary of State and that the same is true copy of said original.



WITNESS my hand and official seal of the Department of State, at the City of Albany, on August 07, 2015.

A handwritten signature in black ink that reads "Anthony Giardina".

Anthony Giardina
Executive Deputy Secretary of State

ARTICLES OF ORGANIZATION
OF

Oak Knitting Mill Commons LLC

Under Section 203 of the Limited Liability Company Law

THE UNDERSIGNED, being a natural person of at least eighteen (18) years of age, and acting as the organizer of the limited liability company hereby being formed under Section 203 of the Limited Liability Company Law of the State of New York certifies that:

FIRST: The name of the limited liability company is:

Oak Knitting Mill Commons LLC

SECOND: To engage in any lawful act or activity within the purposes for which limited liability companies may be organized pursuant to Limited Liability Company Law provided that the limited liability company is not formed to engage in any act or activity requiring the consent or approval of any state official, department, board, agency, or other body without such consent or approval first being obtained.

THIRD: The county, within this state, in which the office of the limited liability company is to be located is ONONDAGA.

FOURTH: The Secretary of State is designated as agent of the limited liability company upon whom process against it may be served. The address within or without this state to which the Secretary of State shall mail a copy of any process against the limited liability company served upon him or her is:

c/o LLC
100 Madison Street, Suite 1905
Syracuse, NY 13202

FIFTH: The limited liability company is to be managed by: ONE OR MORE MANAGERS.

SIXTH: The existence of the limited liability company shall begin upon filing of these Articles of Organization with the Department of State.

SEVENTH: The limited liability company shall defend, indemnify and hold harmless all members, managers, and former members and managers of the limited liability company against expenses (including attorney's fees, judgments, fines, and amounts paid in settlement) incurred in connection with any claims, causes of action, demands, damages, liabilities of the limited liability company, and any pending or threatened action, suit, or proceeding. Such indemnification shall be made to the fullest extent permitted by the laws of the State of New York, provided that such acts or omissions which gives rise to the cause of action or proceedings occurred while the Member or Manager was in performance of his or her duties for the limited liability company and was not as a result of his or her fraud, gross negligence, willful misconduct or a wrongful taking. The indemnification provided herein shall inure to the benefit of successors, assigns, heirs, executors, and the administrators of any such person.

I certify that I have read the above statements, I am authorized to sign these Articles of Organization, that the above statements are true and correct to the best of my knowledge and belief and that my signature typed below constitutes my signature.

Timothy M. Lynn, Organizer (signature)

Timothy M. Lynn , ORGANIZER
100 Madison Street, Suite 1905
Syracuse, NY 13202

Filed by:
Centolella Lynn D'Elia & Temes LLC
100 Madison Street, Suite 1905
Syracuse, NY 13202

FILED WITH THE NYS DEPARTMENT OF STATE ON: 08/07/2015
FILE NUMBER: 150807010018; DOS ID: 4801355

EXHIBIT "B"

AMENDED AND RESTATED OPERATING AGREEMENT

OAK KNITTING MILL COMMONS LLC

AMENDED AND RESTATED OPERATING AGREEMENT

THIS OPERATING AGREEMENT OF OAK KNITTING MILL COMMONS LLC, a New York limited liability company (the “Company”) is made and entered into as of September 26, 2016, by and between **OKM MM LLC**, a New York limited liability company (the “Managing Member”) and **BERKSHIRE BANK**, a Massachusetts chartered trust company (“Berkshire” or “Investor Member”).

RECITALS

The Company was formed as a limited liability company under the laws of the State of New York, pursuant to Articles of Organization filed with the Secretary of State of the State of New York (the “Filing Office”) effective as of August 7, 2015 (such Articles of Organization, as amended from time to time, being referred to herein as the “Certificate”). The Company has been operating pursuant to an Operating Agreement dated August 7, 2015 (the “Initial Operating Agreement”).

The parties hereto desire to amend and restate the Initial Operating Agreement in order to cause the admission of the Investor Member and to set forth more fully the rights, obligations, and duties of the Managing Member and the Investor Member.

NOW, THEREFORE, it is hereby agreed as follows:

ARTICLE I

NAME AND BUSINESS

Section 1.01 Name; Place of Business.

- (A) The name of the Company is Oak Knitting Mill Commons LLC.
- (B) The principal office of the Company, wherein there shall be maintained those records required by the Act to be kept by the Company, shall be located at 100 Madison Street, Tower 1 – Suite 1905, Syracuse, New York 13202.
- (C) The registered agent of the Company in the State for service of process is the New York Secretary of State.

Section 1.02 Purposes. The purposes of the Company are to develop, rehabilitate, finance, own, maintain, improve, operate, lease, sell or otherwise dispose of the Property all in accordance with the requirements of the Act and Sections 47 and 48 of the Code and Section 210-B(26) of the New York Tax Law, in order to obtain long term appreciation, cash flow and return of capital. The Company shall engage in no other business.

Section 1.03 Term and Dissolution.

- (A) The Company shall continue in full force and effect in perpetuity unless dissolved in accordance with the terms hereof.

(B) Upon dissolution of the Company, the Managing Member (or for purposes of this paragraph, its trustees, receivers or successors) shall liquidate the Company Assets in a manner consistent with the Act.

ARTICLE II

DEFINITIONS

Section 2.01 Meanings. Capitalized terms used in this Agreement shall have the meanings specified in this Section 2.01. Certain additional defined terms are set forth elsewhere in this Agreement.

“Accountants” means: (A) with respect to the Economic Projections, the Cost Certification and the tax returns, financial statements and all other accounting services required under this Agreement for 2017, CohnReznick LLP or any firm of independent certified public accountants as may be engaged by the Managing Member with the written consent of Investor Member ; (B) with respect to certain reasonableness opinions, [RSM]; and (C) with respect to tax returns, financial statements and all other accounting services required under this Agreement or engaged for on behalf of the Company for all years after 2017, Grossman St. Amour Certified Public Accountants PLLC or any successor firm of independent certified public accountants as may be engaged by the Managing Member, with the written consent of Investor Member.

“Act” means the New York Limited Liability Company Act, as amended from time to time. Reference to any section of the Act shall be deemed to refer to a similar provision in any amendment to the Act.

“Actual Historic Credits” means the actual amount of Historic Tax Credits allocated to the Investor Member, being 99% of the Historic Tax Credits allocated to the Company,

“Adjusted Capital Contribution” means an amount, not less than zero, equal to the aggregate Capital Contributions theretofore made by a Member to the Company minus any Distributions theretofore made by the Company to such Member.

“Admission Date” means the date on which this Agreement is executed and the Investor Member is admitted to the Company.

“Adverse Consequences” means all actions, suits, proceedings, hearings, investigations, charges, complaints, claims, demands, injunctions, judgments, orders, decrees, rulings, damages, dues, penalties, fines, costs, reasonable amounts paid in settlement, liabilities, obligations, taxes, liens, losses, expenses and fees, including court costs and reasonable attorneys’ fees and expenses.

“Affiliate” means any Person which directly, or indirectly through one or more intermediaries, controls, is controlled by or is under common control with a Member. For purposes hereof, the terms “control,” “controlled,” or “controlling” shall include, without limitation, (i) the ownership, control or power to vote ten percent (10%) or more of the beneficial interest of any such Person, as the case may be, directly or indirectly, or acting through one or more Persons, (ii) the control in any manner over the Managing Member(s) or the election of more than one director or trustee (or Persons exercising similar functions) of such Person, or (iii) the power to exercise, directly or indirectly, control over the management or policies of such Person.

“Agreement” means this Operating Agreement, including all Exhibits and Schedules hereto, as amended from time to time.

“Applicable Laws” means all federal, state, municipal and local laws, ordinances, rules, regulations, requirements and all judgments, decrees, determinations, awards and court orders applicable to the Company

and/or the Project, including, without limitation, usury laws, zoning ordinances, tax laws and environmental laws.

“Applicable Tax Rate” means the combined effective maximum federal, state and local income tax rate of a taxpayer applicable in any given fiscal year assuming in each case the maximum applicable tax rate without regard to actual taxable income. The Applicable Tax Rate, based upon current effective maximum federal, state and local income tax rate shall be deemed to be 42.0%, which amount will be adjusted in future years to reflect changes in the maximum federal, state or local income tax rates.

“Architect” means Macknight Architects.

“Asset Management Fee” bears the meaning ascribed to it in Section 5.07 below.

“Bankruptcy” or “Bankrupt” means, as to a specified Person:

(A) the entry of a decree or order for relief by a court having jurisdiction in the premises in respect of such Person in an involuntary case under the federal bankruptcy laws, as now or hereafter constituted, or any other applicable federal or state bankruptcy, insolvency or other similar law, or appointing a receiver, liquidator, assignee, custodian, trustee, sequestrator (or similar official) of such Person or for any substantial part of his property, or ordering the winding-up or liquidation of his affairs and the continuance of any such decree or order unstayed and in effect for a period of ninety (90) consecutive days; or

(B) the commencement by such Person of a voluntary case under the federal bankruptcy laws, as now constituted or hereafter amended, or any other applicable federal or state bankruptcy, insolvency or other similar law, or the consent by him to the appointment of or taking possession by a receiver, liquidator, assignee, trustee, custodian, sequestrator (or similar official) of such Person or for any substantial part of his property, or the making by him of any assignment for the benefit of creditors, or the taking of action by the Person in furtherance of any of the foregoing.

“Bankruptcy Code” means the United States Bankruptcy Code or like provision of law.

“Building” means the building located at 102 West Division Street, Syracuse, New York 13204 in which the Company owns a fee simple interest.

“Capital Account” shall, with respect to each Member, mean and refer to the separate “book” account for such Member to be established and maintained in all events in accordance with Section 704 of the Code and the Regulations thereunder.

(A) Except as otherwise set forth in Article IV hereof to the contrary, a Member’s Capital Account shall include generally, without limitation, the Capital Contribution of a Member (as of any particular date), (1) increased by the Member’s distributive share of Profits of the Company (including, if such date is not the close of the Company Accounting Year, the distributive share of Profits of the Company for the period from the close of the last Company Accounting Year to such date) and (2) decreased by the Member’s distributive share of Losses of the Company and distributions by the Company to such Member (including, if such date is not the close of the Company Accounting Year, the distributive share of Losses of the Company and distributions by the Company during the period from the close of the last Company Accounting Year to such date). For purposes of the foregoing, distributions of property to a Member shall result in a decrease in such Member’s Capital Account equal to the Gross Asset Value, as of the date of distribution, of such property (less the amount of indebtedness, if any, of the Company which is assumed by such Member and/or the amount of indebtedness, if any, to

which such property is subject, as of the date of distribution, subject to the provisions of I.R.C. § 7701(g) distributed by the Company to such Member).

(B) In the event that the Capital Contribution of a Member consists of property having a fair market value in excess of its adjusted basis, or in the event the Gross Asset Values of Company Assets are adjusted under and pursuant to clauses (B) and (C) of the definition of Gross Asset Value hereof, the Members' Capital Accounts shall be adjusted thereafter in accordance with the provisions of § 1.704-1(b)(2)(iv)(g) of the Regulations with respect to allocations to the Members of Depreciation, gain or loss, as computed for book purposes and not for tax purposes.

(C) In the event that the provisions of § 1.704-1(b)(2)(iv) of the Regulations fail to provide guidance on how adjustments to the Capital Accounts of the Members should be made to reflect particular adjustments to Company capital on the books of the Company, then such Capital Account adjustments shall be made by the Managing Member in its reasonable determination (after consultation with the Investor Member), with the review and concurrence of the Accountants and/or with the advice of the professional tax advisors of the Company, in a manner that (1) maintains equality between (A) the aggregate Capital Accounts of the Members and (B) the amount of Company capital reflected on the Company's balance sheet, as computed for book purposes in accordance with § 1.704-1(b) of the Regulations, (2) is consistent with the underlying economic arrangement among the Members and (3) is based, wherever practicable, on federal tax accounting principles.

“Capital Contribution” means the cash plus the Gross Asset Value (net of liabilities) of other property contributed to the Company by each Member.

“Capital Event” means any transaction the proceeds of which are not includable in Cash Flow, including without limitation, the sale or other disposition of all or any substantial part of the assets of the Company in a single transaction and a refinancing of any indebtedness encumbering the Project, but excluding (i) loans to the Company (other than a refinancing of any indebtedness encumbering the Project) and (ii) contributions to the capital of the Company by the Members.

“Cash Flow” means, for any period of time, the total cash receipts of the Company from ordinary operations, any and all proceeds of any insurance, indemnity, warranty or guaranty payable to the Company with respect to the operation of the Project or any other Company Assets, including insurance against business interruption, rental interruption, or other loss of income (but excluding any insurance with respect to a casualty affecting the Building), any distributions from any other Entity in which the Company has invested, withdrawals from reserves, and any other funds deemed available for distribution or designated as Cash Flow by the Managing Member, less (i) the total cash disbursements of the Company (such as, but not limited to, lease payments, operating expenses, interest and principal repayments of any loans other than loans payable only to the extent of available Cash Flow), and (ii) amounts paid in connection with the establishment or maintenance of reserves, including the Operating Reserve, subject to compliance with the provisions of IRS Revenue Procedure 2014-12 and subject to Section 4.02(D).

“Certificate” or “Certificate of Organization” means the Articles of Organization of the Company and any amendment thereto, as filed with the Filing Office in accordance with the Act, as amended from time to time.

“Certificate of Occupancy” means the certificate of occupancy (either temporary or permanent) issued by the city or county where the Building is located and which is required for use and occupancy of the Building for its intended purpose without conditions.

“C of O Date” means the date on which all Certificates of Occupancy required to occupy all rentable space in the Building has occurred, pursuant to evidence reasonable satisfactory to the Investor Member.

“Closing Date” means the date of this Agreement.

“Code” or “I.R.C.” means the Internal Revenue Code of 1986, as amended from time to time, or any successor statute thereto. Reference herein to any Code Section shall include any successor provision.

“Company” has the meaning set forth in the recitals.

“Company Accounting Year” means the accounting year of the Company, ending December 31 of each year.

“Company Assets” means, at any particular time, the Company’s fee simple interest in the Project, and any other assets or property (tangible, intangible, choate or inchoate, fixed or contingent) of the Company.

“Company Taxable Year” means the taxable year of the Company which shall be the Company Accounting Year or such other taxable period as may be required by the Code or Regulations.

“Consent” shall mean the prior written consent from the party from whom consent is sought, which consent shall not be unreasonably withheld, conditioned or delayed.

“Cost Certification” means the written certification by the Accountants as to the costs of rehabilitating the Building, including, without limitation, the amount of QREs, which determination shall be in form and substance reasonably satisfactory to the Investor Member.

“Developer” means OKM DEV LLC.

“Developer Loan” means that certain unsecured loan from Developer to the Company in the original principal amount of \$450,000.00 as evidenced by a promissory note in favor of Developer dated on or about the date hereof.

“Development Costs” means all expenditures which are required to complete the Rehabilitation and achieve Substantial Completion and to obtain Part 3 approval from National Park Service.

“Development Sources” means the aggregate of (i) the paid in portion of Capital Contributions made by the Investor Member to the Company; (ii) the paid in portion of Capital Contributions made by the Managing Member to the Company and the Developer Loan; (iii) any casualty insurance or condemnation award proceeds to the extent attributable to the Development Period necessary for rebuilding the Project and available to the Company, (iv) the proceeds of the Term Loan and (v) the paid in portion of Capital Contributions made to the Company by any other member of the Company.

“Development Period” means the period commencing on the date the Company acquired the Property and terminating on the C of O Date.

“Development Fee” means the fee to be paid to the Developer by the Company pursuant to the Development Agreement in the aggregate amount of \$819,266, paid or payable at the times and upon the conditions set forth in the Development Agreement.

“Development Agreement” means that certain Development Agreement of even date herewith by and between the Company and the Developer.

“Depreciation” means, for purposes of maintaining Capital Accounts and not for purposes of calculating taxable income, for each Company Accounting Year or other period, with respect to Company Assets, an amount that bears the same ratio to the Gross Asset Values of Company Assets as the federal income

tax depreciation, amortization, or other cost recovery deduction for such Company Assets for such year or other period bears to the adjusted tax bases of such assets, appropriately adjusted for any adjustments to the tax bases of such assets which occur from time to time during such year or other period.

“Designated Interest Rate” means the prime commercial rate of interest as published from time to time in the Wall Street Journal, or such other source as the parties may agree, plus two percentage points.

“Distribution” means any cash or property that the Company distributes to a Member (in its capacity as a Member) without consideration, including, without limitation, distributions of Cash Flow and Net Proceeds. A Distribution shall not include (i) a fee or other payment based on the performance of services or (ii) the repayment of a loan.

“Economic Interest” means a Person’s share of the Profits and Losses of, and the right to receive distributions from, the Company.

“Economic Interest Holder” means any Person who holds an Economic Interest, whether as a Member or an unadmitted assignee of a Member.

“Economic Projections” means the economic projections for the Rehabilitation and operation of the Project prepared by the Accountants and approved by the Investor Member and attached hereto as Exhibit “A”.

“Entity” means any general partnership, limited partnership, corporation, joint venture, trust, business trust, cooperative, association, limited liability company or the State or any agency or political subdivision thereof.

“Excess Development Costs” means all Development Costs in excess of Development Sources.

“Filing Office” means the New York Secretary of State.

“Final Determination” means the earliest to occur of (i) the date on which a decision, judgment, decree or other order has been issued by any court of competent jurisdiction, which decision, judgment, decree or other order has become final (i.e., all allowable appeals requested by the parties to the action have been exhausted), (ii) the date on which the Service (or, if applicable, any state or local taxing authority) has entered into a binding agreement with the Company with respect to such issue or on which the Service (or such state or local taxing authority) has reached a final administrative or judicial determination with respect to such issue which, whether by law or agreement, is not subject to appeal, (iii) the date on which the time for instituting a claim for refund has expired, or if a claim was filed the time for instituting suit with respect thereto has expired with no such suit having been filed, or (iv) the date on which the applicable statute of limitations for raising an issue regarding a federal (or, if applicable, a state or local) income tax matter with respect to the Company has expired with such issue not having been raised.

“Fiscal Year” means the twelve-month period which begins on the first day of January and ends on the thirty-first (31st) day of December of each calendar year (or ends on the date of final dissolution for the year in which the Company is wound up and dissolved).

“Governmental Authority” means any state, federal, local, municipal or other governmental authority, agency, or licensing authority of any kind whatsoever, including any so-called “business improvement district” or similar entity or organization.

“Gross Asset Value” means the following, with respect to any Company Asset:

(A) The initial Gross Asset Value of any Company Asset at the time that it is contributed by a Member to the capital of the Company shall be an amount equal to the gross fair market value of such Company Asset (without regard to the provisions of I.R.C. Section 7701(g)), as determined by the contributing Member and the Company.

(B) The Gross Asset Values of all Company Assets may be adjusted, as determined by the Managing Member in its discretion, to equal their respective fair market values taking Code Section 7701(g) into account (A) in connection with the contribution of money or other property (other than a *de minimis* amount) to the Company by a new or existing Member as consideration for an Interest in the Company or (B) in connection with the liquidation of the Company or the distribution by the Company of more than a *de minimis* amount of Company Assets or money to a retiring or continuing Member as consideration for an Interest in the Company or in any other circumstances set forth in § 1.704-1(b)(2)(iv)(f)(5) of the Regulations or in any successor regulations.

(C) The Gross Asset Values of all Company Assets shall be adjusted, as reasonably determined by the Managing Member, to equal the respective fair market values of the Company Assets upon the termination of the Company for federal income tax purposes pursuant to I.R.C. Section 708(b)(1)(B).

“Guarantors” means the Managing Member, Developer, ML OKM INV LLC, Timothy M. Lynn and Joseph C. Gehm.

“Guaranty” means the Guaranty of even date herewith by the Guarantors to and for the benefit of Investor Member.

“Historic Preservation Application” means the Historic Preservation Certification Application prepared and submitted by (or on behalf of) the Company in connection with the Rehabilitation.

“Historic Tax Credits” or “Credits” means the sum of the tax credits allowable pursuant to Section 47 of the Code (“Federal Credits”) and Section 210-B(26) of New York State’s Tax Law (“State Credits”) for qualified rehabilitation expenditures incurred in connection with the “certified rehabilitation” of a “certified historic structure.”

“Indemnification Agreement” means that certain Indemnification Agreement dated as of the date hereof by and among Manager, Investor, Company and Developer.

“Initial Allocation Period” has the meaning set forth in Section 4.01(A).

“Installment” means an installment of the Capital Contribution of the Investor Member to the Company, as more fully described in Section 3.03.

“Interest” means the entire interest of a Member in the Company at any particular time, including the right of such Member to any and all benefits to which a Member may be entitled as provided in this Agreement and the obligations of such Member to comply with the terms of this Agreement.

“Investor Member” means Berkshire Bank, for so long as such is a Member of the Company and owns an Interest in the Company, or any other Person who is admitted as an Investor Member of the Company and shown on the books and records of the Company as a substituted Investor Member at the time of reference thereto. If at any time there is more than one Investor Member, the term “Investor Member,” as used herein, shall mean all such Investor Members.

“Manager” or “Managing Member” means OKM MM LLC and any successor appointed as Managing Member in accordance with the terms of this Agreement. If at any time the Company has more than one

Managing Member, the term “Managing Member” shall mean and include all the Managing Members. Upon resignation or removal in accordance with the terms of this Agreement, a party shall cease to be a Managing Member.

“Material Default” has the meaning set forth in Section 6.02(A).

“Member” means any member of the Company. As of the date of this Agreement, the Members are Managing Member and Investor Member.

“Minimum Gain” means, with respect to each Member, the amount computed in accordance with § 1.704-2(g) of the Regulations. The Company shall separately compute each Member’s share of Minimum Gain attributable to Member nonrecourse debt pursuant to § 1.704-2(i) of the Regulations.

“Mortgage” means, collectively, the Term Loan and any other mortgage loan, which has received the prior Consent of the Investor Member.

“Net Proceeds” means the difference between (A) the sum of (i) the gross proceeds from a Capital Event other than a refinancing; (ii) the excess proceeds from the refinancing of any loan on the Project (that is, any refinancing proceeds not needed for the repayment of the loan refinanced or for other Company expenses, obligations or expenditures as determined by the Managing Member); and (iii) the receipt of any proceeds from insurance settlements or other claims attributable to fire or other casualty, or from condemnation, sales or grants of easements, rights-of-way or the like in excess of those needed for repair, restoration or replacement of the damaged, destroyed or condemned property and (B) the payment of or due provision for (i) all liabilities to creditors of the Company other than Members or their affiliates and (ii) expenses of such Capital Event.

“Operating Documents” means this Agreement, the Guaranty, the Development Agreement, the Indemnification Agreement, the Forbearance Agreement, and Environmental Indemnity Agreement.

“Operating Deficit” means the amount by which the Company’s operating income is exceeded by the operating expenses and debt service.

“Operating Deficit Loan” has the meaning set forth in Section 5.02(A)(x).

“Part 2 Approval” means the written determination by the National Park Service pursuant to Part 2 of the Certification Application, that the rehabilitation of the Building described in the plans and specifications is consistent with the respective historic character of the Building or the historic district in which the Building is located, and meets the Secretary’s Standards, which determination shall not contain any conditions not satisfactory to the Investor Member in its sole discretion.

“Part 3 Approval” means, for the Rehabilitation of the Building, the date on which a Request for Certification of Completed Work (Form 10-168c) has been submitted to and approved by the National Park Service pursuant to Part 3 of the Historic Preservation Application and the Rehabilitation of the Building has been determined to constitute a “certified rehabilitation” of a “certified historic structure.”

“Permanent Loan” has the same meaning as Term Loan.

“Person” means any individual or entity, and the heirs, executors, administrators, legal representatives, successors and assigns of such individual or entity as the context may require.

“Plans and Specifications” means those certain documents prepared by the Architect and other professionals, if any, and approved by the Investor.

“Post Allocation Period” has the meaning set forth in Section 4.01(B).

“Priority Return” means a cumulative, annual distribution to the Investor Member (pro-rated for periods of less than a full year) of an amount equal to one percent (1%) of its paid-in Capital Contribution, which shall accrue on the date hereof for each Company Fiscal Year ending on December 31, and be payable in arrears on or before each January 31 for the previous year from Cash Flow as set forth in Sections 4.02(A)(iii) and 4.02(B)(iii) with the first payment for 2017 due on or before January 31, 2018, or the proceeds of a Capital Transaction in the manner set forth in Section 4.02(C)(iv). Any Priority Return not distributed shall accrue and remain payable until paid in accordance with Section 4.02 hereof.

“Profits and Losses” means, for each calendar year or other period, an amount equal to the Company’s taxable income or loss for such year or period, determined in accordance with I.R.C. § 703(a) (for this purpose, all items of income, gain, loss or deduction required to be stated separately pursuant to I.R.C. § 703(a)(1) shall be included in taxable income or loss), with the following adjustments to be made solely for purposes of maintaining Capital Accounts and not for determining taxable income or loss:

(A) Any income of the Company that is exempt from federal income tax and not otherwise taken into account in computing Profits or Losses pursuant to this definition shall be added to such taxable income or loss;

(B) Any expenditures of the Company described in I.R.C. § 705(a)(2)(B) or treated as I.R.C. § 705(a)(2)(B) expenditures pursuant to § 1.704-1(b)(2)(iv)(i) of the Regulations, and not otherwise taken into account in computing Profits or Losses pursuant to this definition, shall be subtracted from such taxable income or loss;

(C) In the event the Gross Asset Value of any Company Asset is adjusted pursuant to clauses (B) and (C) of the definition of Gross Asset Value, the amount of such adjustment shall be taken into account as hypothetical gain or loss from the disposition of such asset for purposes of computing Profits or Losses;

(D) Gain or loss resulting from any disposition of any asset of the Company with respect to which gain or loss is recognized for federal income tax purposes shall be computed by reference to the Gross Asset Value of the property disposed of, notwithstanding that the adjusted tax basis of such property differs from its Gross Asset Value; and

(E) In lieu of the depreciation, amortization and other cost recovery deductions taken into account in computing taxable income or loss, there shall be taken into account Depreciation for such calendar year or other period.

“Project” means the rehabilitation of the Building by the Company into a mixed-use project including offices and apartments, located on the real property legally described on Exhibit B attached hereto and incorporated herein by reference, in a manner that qualifies for Historic Tax Credits under Section 47 of the Code, and State Historic Tax Credits under the N.Y. Tax. Law §210-B(26), as amended.

“Project Documents” means the documents related to the acquisition, development, rehabilitation, financing, operation or contemplated use of the Project, as such documents may be amended from time to time, including but not limited to the Operating Documents, and the documents evidencing or related to the Term Loan and Permanent Loan.

“Projected Historic Credits” means \$1,932,747 in Federal Credits and \$1,932,747 in State Credits which is the amount of Historic Tax Credits projected to be allocable to the Investor Member, being 99% of the Historic Tax Credits projected to be allocated by the Company, as reflected in the Economic Projections.

Following a Historic Credits Determination pursuant to Section 3.04(A) and after the adjustments and/or payments required under Section 3.04 have been made, the Projected Historic Credits will be re-determined and will equal the amount of Historic Tax Credits determined pursuant to the Historic Credits Determination to be available to be allocated to the Investor Member.

“Property” means the land and improvements commonly known as 102 West Division Street, Syracuse, New York 13204.

“QREs” means “qualified rehabilitation expenditures” as such term is defined in Section 47(c)(2) of the Code.

“Recapture Event” means the occurrence of any of the following: (i) the filing of a tax return by the Company or an amendment to a tax return of the Company evidencing any event causing a recapture of the Credits previously claimed by the Company and allocated to the Investor Member in connection with the Project, unless the event giving rise to such recapture has been consented to in writing by the Investor Member, (ii) a reduction in the QREs with respect to the Project causing a recapture or disallowance of Credits previously allocated to the Investor Member, (iii) a reduction in the QREs with respect to the Project following an assessment or an audit by the Service (or, with respect to the State Credits, the State Commissioner of the Department of Taxation & Finance) which results in the assessment of a deficiency by the Service against the Company with respect to any Credit previously claimed by the Company and allocated to the Investor Member in connection with the Project; provided that, if the Company timely files a petition with respect to such deficiency or assessment with the United States Tax Court or any other federal court of competent jurisdiction ((or, with respect to the State Credits, with the Division of Tax Appeals or the Tax Appeals Tribunal of the Division of Tax Appeal), and the collection of such assessment is stayed pending the disposition of such petition, such event shall not constitute a Recapture Event during such stay, (iv) a decision by the United States Tax Court or any other federal court of competent jurisdiction (or, with respect to the State Credits, the Division of Tax Appeals or the Tax Appeals Tribunal of the Division of Tax Appeals) upholding the assessment of such deficiency against the Company or Investor Member with respect to any Credit previously claimed by the Company and allocated to the Investor Member in connection with the Project, unless the Company or Investor Member shall timely appeal such decision and the collection of such assessment shall be stayed pending the disposition of such appeal, (v) the decision of a federal court of competent jurisdiction affirming such decision, or (vi) any other event which would cause a recapture of any Credit previously claimed by the Company and allocated to the Investor Member under applicable law other than a disposition of all or a portion of its Interest. Notwithstanding anything to the contrary herein, any recapture or disallowance of Credit due to a Structure Challenge shall not constitute a Recapture Event.

“Recapture Period” means any period during which the Historic Tax Credits are subject to recapture pursuant to the Code (or, with respect to the State Credits, the New York Tax Law).

“Regulations” means the Income Tax Regulations promulgated under the Code, as amended and in effect from time to time.

“Rehabilitation” means the development, construction, renovation, and rehabilitation work on the Building described in the Plans and Specifications and the Historic Preservation Application.

“Requisite Approvals” means any approval from any person or entity required to approve the applicable action pursuant to any agreement binding on the Company.

“Securities Act” means the Securities Act of 1933, as amended.

“Securities Laws” means the Securities Act and any other state or federal securities laws and regulations, disclosure requirements, “Blue Sky” laws, and other applicable laws, statutes, rules, regulations, orders, and other governmental requirements.

“Secretary’s Standards” means the United States Department of Interior’s Secretary’s Standards for Rehabilitation.

“Service” shall mean the Internal Revenue Service.

“Special Tax Distribution” means with respect to any fiscal year for which any Tax or any taxable income and/or gain (on a cumulative basis, i.e., after reducing such taxable income or gain by any taxable loss allocated to such Member for all fiscal years, or portions thereof, ending on or before or which includes such Member’s current fiscal year) is recognized by a Member with respect to such Member’s Interest, whether on the Company’s tax return, after audit by the Service (or the State Commissioner of the Department of Taxation & Finance) or otherwise, Cash Flow in an amount equal to either (A) the amount of the Tax or (B) the product of (i) the amount of such taxable income and/or gain allocated to the Member for such year and (ii) the Applicable Tax Rate.

“State” means the State of New York.

“Structure Challenge” means an audit or other challenge by the Service of the transactional structure of the Investor Member’s investment in or status as a bona fide partner in the Company.

“Substantial Completion” means with respect to the Rehabilitation, the date upon which the Investor Member has received each of the following: (i) an Architect’s certificate with respect to the completion of the Building, (ii) all necessary Certificates of Occupancy; and (iii) any other documentation satisfactory to the Investor Member necessary to establish the placement in service of the Building for purposes of Section 47(d) of the Code.

“Tax” or “Taxes” means any and all liabilities, losses, expenses and costs that are, or are in the nature of, taxes, fees or other governmental charges, including interest, penalties, fines and additions to tax imposed by any Governmental Authority.

“Term Loan” means the loan in the amounts of \$7,681,189 from TOMPKINS TRUST COMPANY with its principal office and place of business at P.O. Box 460, The Commons, Ithaca, New York 14851 (“Tompkins Trust” or “Lender”).

“Terminating Event” means any event which under the Act causes the dissolution of the Company.

“Transfer” means any sale, exchange, assignment, encumbrance, hypothecation, pledge, foreclosure, conveyance in trust, gift or other transfer of any kind, whether direct or indirect, voluntary or involuntary. When used as a verb, such term shall mean, voluntarily or involuntarily, to sell, exchange, assign, encumber, hypothecate, pledge, foreclose, convey in trust, give or otherwise transfer.

Section 2.02 Pronouns and Plurals. All pronouns and any variations thereof shall be deemed to refer to the masculine, feminine, neuter, singular or plural as the identity of the Person or persons may require. Words such as “herein,” “hereinafter,” “hereof,” “hereto” and “hereunder,” when used with reference to this Agreement, refer to this Agreement as a whole, unless the context otherwise requires.

ARTICLE III

CAPITAL

Section 3.01 Capital Contribution of Managing Member. Managing Member has made cash Capital Contributions to the Company in the amount set forth in Schedule A.

Section 3.02 Admission of Investor Member. The Investor Member is hereby admitted to the Company as a Member. The Managing Member shall have no authority to admit additional Members without the Consent of the Investor Member.

Section 3.03 Capital Contribution of Investor Member/Historic Tax Credits. The Investor Member shall have the obligation to contribute to the Company, subject to the terms, conditions, and adjustments described herein, the sum of \$2,957,102. The Investor Member shall make its Capital Contribution in the following Installments and the pre-conditions for each installment shall be cumulative:

(A) First Installment of \$887,131 upon the latest to occur of the following: (i) the closing of the Term Loan, (ii) the receipt of Part 2 Approval, and (iii) the receipt of a written representation from the Architect that the plans and specifications relied upon for the issuance of any building permit or permits are consistent with the Part 2 Approval, as it may have been amended and that all of the conditions in the Part 2 Approval can be satisfied;

(B) Second Installment of \$887,131 upon receipt by the Investor Member of a certification from the Architect that the Rehabilitation of the Project is fifty percent (50%) complete;

(C) Third Installment of \$887,131 upon receipt by the Investor Member of a certification from the Architect that the Rehabilitation of the Project is seventy-five percent (75%) complete;

(D) Final Installment of \$295,709 upon the latest to occur of the following: (i) Substantial Completion (ii) receipt by the Investor Member of a certification from the Architect that the Project has been completed in a manner consistent with the Part 2 Approval including all tenant improvements and construction change orders and that all Part 2 Approval conditions have been satisfied, (iii) receipt by the Investor Member of proof of disbursement of all Term Loan proceeds, (iv) receipt by the Investor Member of the Part 3 approval from the National Parks Service including any amendments to the Part 2 Approval, (v) receipt by the Investor Member of evidence satisfactory to the Investor Member that the Project has been completed free of liens except for the Mortgage, (vi) receipt by the Investor Member of certification by the Term Loan lender's inspector that the Project is complete subject only to punch list items to be approved by the Investor Member, and (viii) receipt and approval by the Investor Member of a Cost Certification.

(E) Each of the Installments (other than the First Installment) shall be paid within 10 business days after all of the conditions precedent with respect to an Installment have been satisfied. The Installments in this Section 3.03 shall be used and applied in accordance with the Economic Projections. Notwithstanding the foregoing, if the placement-in-service of the Project is delayed beyond December 31, 2017, the Investor Member's Capital Contributions as set forth in this Section 3.03 shall be reduced by ten percent.

(F) The Investor Member's obligation to make Capital Contributions is contingent on satisfaction of the following conditions:

- (i) The Investor Member being satisfied that title to the Property is free and clear of all liens and encumbrances except for the lien of the Mortgage and such other liens and encumbrances as the Investor Member has consented to in writing.
- (ii) Receipt by the Investor Member of lien waivers relating to all work that has been completed and for which payment application has been made at the time of each Capital Contribution.
- (iii) There being no event of default or event which but for the passage of time, the giving of notice or both would constitute an event of default under the Term Loan, the Mortgage or any of the Operating Documents.
- (iv) Receipt by the Investor Member of such evidence as it may require that the Project is in compliance with the requirements of Revenue Procedure 2014-12 with regard to safe harbors for Federal Historic Tax Credits transactions.
- (v) Such other conditions as the Investor Member may reasonably require.

(G) If, as a result of a reduction or increase in QREs, a reallocation of Profits or Losses, or for any other reason other than the acts or omissions solely of the Investor Member or a Structure Challenge, the Accountants shall determine, or there shall be a Final Determination, that the Actual Historic Credits are more or less than the Projected Historic Credits (such determination being referred to herein as the “**Historic Credits Determination**”), the provisions of Sections 3.03(H) and (I) shall apply. For the avoidance of doubt, the parties hereby acknowledge that the provisions of Sections 3.03(H) and (I) shall not apply to the Investor Member’s inability to use the Historic Tax Credits as a result of the Investor Member’s lack of tax liability or a Structure Challenge. If a Recapture Event occurs, the provisions of Section 3.03(J) shall also apply.

(H) After a Historic Credits Determination is made, the Accountants shall calculate the difference between the Actual Historic Credits and the Projected Historic Credits. Such difference shall be multiplied by 0.90 for Federal Credits and 0.63 for State Credits and the product shall be referred to herein as the “**Historic Credits Adjustment.**” If the Historic Credits Adjustment is positive (i.e., the Actual Historic Credits is greater than the Projected Historic Credits), then the next Installment in Section 3.03 shall be increased by an amount equal to the Historic Credits Adjustment. If the Historic Credits Adjustment is positive and the Investor Member has already made all Installments in Section 3.03, the Investor Member shall contribute the amount of such positive Historic Credits Adjustment to the capital of the Company within twenty (20) business days following the receipt of notice of the positive Historic Credits Adjustment. Any positive Historic Credits Adjustment made pursuant to this paragraph shall not exceed 25% of the Investor Member’s total expected Capital Contribution as of the date the Building is placed in service.

(I) If the Historic Credits Adjustment is negative (i.e., the Actual Historic Credits is less than the Projected Historic Credits), then the next Installment in Section 3.03 shall be reduced by an amount equal to the Historic Credits Adjustment, plus any interest, penalties, or other charges imposed on the Investor Member as a result of or in connection with such Historic Credits Determination. If the Historic Credits Adjustment is negative and the Investor Member has already made all Installments in Section 3.03, within twenty (20) business days following the date of the Historic Credits Determination, the Managing Member shall promptly, but in any event within ten (10) days after demand, contribute an amount (any such Capital Contribution being referred to herein as a “**Credit Adjuster Advance**”) equal to one hundred percent (100%) of the negative Historic Credits Adjustment and the Company shall immediately distribute the proceeds of any Credit Adjuster Advance to the Investor Member. Notwithstanding anything to the contrary herein, the maximum cumulative amount required to be

contributed by the Managing Member to the Company and distributed to the Investor Member pursuant to this Section 3.03(I) and Section 3.03(E) shall not exceed 25% of the Investor Member's total expected Capital Contribution as of the date the Building is placed in service.

(f) If a Recapture Event occurs, the Company shall distribute to the Investor Member an amount equal to the amount of Historic Tax Credits allocated to the Investor Member and subject to recapture multiplied by 90% (in the case of the Federal Historic Tax Credits) and 63% (in the case of the State Historic Tax Credits), plus an amount equal to the amount of underpayment interest and penalties, if any, attributable thereto, within fifteen (15) days after the Investor Member has provided written notice of recapture to the Manager or the Manager has provided written notice to the Investor Member, whichever occurs first. In the event the Company has insufficient funds to make such distribution, then the Manager shall contribute to the Company an amount equal to 99% of the Historic Tax Credits subject to recapture multiplied by 90% (in the case of the Federal Historic Tax Credits) and 63% (in the case of the State Historic Tax Credits) plus underpayment interest and penalties, if any, attributable thereto, within twenty (20) days of such notice and the Company shall distribute to the Investor Member the proceeds of such capital contribution. In the event such recapture results from an audit of the Company, or one or more of its Members, the Manager is authorized to appeal such audit and, if necessary, contest such recapture through all appropriate administrative and judicial proceedings. The Manager is authorized to appeal any Recapture Event, including any penalties and interest, in its own name or in the name of the Company or any one or more Members and each Member and the Company shall immediately provide to Manager any correspondence or notices received from any taxing jurisdiction with respect to or that relates to the Company in any way and provide reasonable cooperation to the Manager in connection with any audits, administrative proceedings and judicial proceedings arising out of the Recapture Event. Manager may conduct reasonable contest of any such Recapture Event through any and all available administrative and judicial proceedings.

ARTICLE IV

PROFITS, LOSSES AND TAX CREDITS; DISTRIBUTIONS; CAPITAL ACCOUNTS

Section 4.01 Profits, Losses and Credits.

(A) Subject to Section 4.04 and Section 4.01(C) hereof, all Profits and Losses incurred or accrued after the Admission Date and prior to the end of the fifth complete calendar year after the last QRE with respect to the Building is placed in service (the "**Initial Allocation Period**") shall be allocated 99% to the Investor Member and 1.0% to Managing Member (the "**Initial Allocation Period Percentages**").

(B) Subject to Section 4.04 and Section 4.01(C) hereof, all Profits and Losses incurred or accrued after the end of the Initial Allocation Period (the "**Post Allocation Period**") shall be allocated 5.0% to the Investor Member and 95% to Managing Member (the "**Post Allocation Period Percentages**").

(C) Profits and Losses recognized by the Company upon a Capital Event shall be allocated in the following manner:

- (i) Profits shall be allocated (x) first, to the Members with negative Capital Account balances, that portion of gains (including any gains treated as ordinary income for federal income tax purposes) which is equal in amount to, and in proportion to, such Members' respective negative Capital Accounts in the Company; provided that no gain shall be allocated under this 4.01(C)(i) to a Member once such Member's Capital Account is brought to zero and (y) second, gains in excess of the amount allocated

under (x) shall be allocated to the Members in the amounts and to the extent necessary to increase the Members' respective Capital Accounts so that the proceeds distributed under Section 4.02(C) will be distributed in accordance with the Members' respective Capital Accounts.

- (ii) Losses shall be allocated (i) first, to the extent and in such proportions as the respective positive balances in all Members' Capital Accounts, and (ii) second, any remaining loss to the Members in accordance with the manner in which they bear the economic risk of loss associated with such loss or, if none, to the Members in accordance with their Initial Allocation Period Percentages or Post Allocation Period Percentages, as applicable.

Section 4.02 Cash Distributions Prior to Dissolution.

(A) **Cash Flow Initial Allocation Period.** During each of the years in the Initial Allocation Period, Cash Flow, if available with respect to any Company Accounting Year, shall be applied or distributed annually, within sixty (60) days after the end of the Company Accounting Year,

- (i) First, to Investor Member for any unpaid adjustments determined under Section 3.03, plus interest at the Designated Interest Rate;
- (ii) Second, payment to the Members of their respective Special Tax Distribution, pro-rata in accordance their relative Initial Allocation Period Percentages;
- (iii) Third, to pay to the Investor Member its Priority Return;
- (iv) Fourth, 90% of the remaining balance shall be used to pay the Development Fee;
- (v) Fifth, to pay Operating Deficit Loans; and
- (vi) Lastly, the remaining Cash Flow, if any, shall be distributed to the Members in accordance with their relative Initial Allocation Period Percentages.

(B) **Cash Flow Post Allocation Period.** During each of the years in the Post Allocation Period, Cash Flow, if available with respect to any Company Accounting Year, shall be applied or distributed annually, within sixty (60) days after the end of the Company Accounting Year,

- (i) First, to Investor Member for any unpaid adjustments determined under Section 3.03, plus interest at the Designated Interest Rate;
- (ii) Second, payment to the Members of their respective Special Tax Distribution, pro-rata in accordance their relative Post Allocation Period Percentages;
- (iii) Third, to pay to the Investor Member its Priority Return;
- (iv) Fourth, 90% of the remaining balance shall be used to pay the Development Fee;
- (v) Fifth, to pay Operating Deficit Loans; and
- (vi) Lastly, the remaining Cash Flow, if any, shall be distributed to the Members in accordance with their relative Post Allocation Period Percentages.

(C) **Distributions of Net Proceeds.** Prior to dissolution of the Company, if the Managing Member shall determine from time to time that Net Proceeds are available for distribution from a Capital Event, such Net Proceeds shall be applied or distributed in the following priority:

- (i) First, to the payment of the expenses related to the Capital Event and the satisfaction of third party obligations and debts;
- (ii) Second, to Investor Member for any unpaid adjustments determined under Section 3.03, plus interest at the Designated Interest Rate;
- (iii) Third, payment to the Members of their respective Special Tax Distribution, pro-rata in accordance with their relative Initial Allocation Period Percentages or Post Allocation Period Percentages, as the case may be;
- (iv) Fourth, to pay the Development Fee; and
- (v) Lastly, the remaining Net Proceeds, if any, shall be distributed to the Members in accordance with their relative Initial Allocation Period Percentages or Post Allocation Period Percentages, as the case may be.

(D) **Operating Reserve.** Managing Member has the authority to, from time to time, establish and fund a reasonable Operating Reserve. The Operating Reserve shall be used and maintained in accordance with the following during the Initial Allocation Period: the Operating Reserve may be used solely with the written consent of both Managing Member and Investor Member and only to fund necessary expenditures for which there is no alternative source of funding other than borrowing from third-party lenders or capital calls or loans from the Members. At the end of the Initial Allocation Period, the foregoing restrictions shall end and afterwards the Operating Reserve shall be maintained and used in the Managing Member's discretion. Any distributions made from the Operating Reserve after the end of the Initial Allocation Period shall be distributed in accordance with Section 4.02(C)(v) (disregarding the ordering rules set forth in Section 4.02(C)). Notwithstanding any other provisions of this Operating Agreement, under no circumstances shall the Operating Reserve exceed the maximum amounts permitted under IRS Revenue Procedure 2014-12; provided, further, that no more than 90% of available Cash Flow (excluding from the definition of Cash Flow amounts described in clause (ii)) shall be used to make deposits to the Operating Reserve without consent of the Investor Member, not to be unreasonably withheld, conditioned or delayed.

Section 4.03 Termination Distributions.

(A) Upon dissolution and termination of the Company, after payment of, or adequate provision for, the debts and obligations of the Company, the remaining assets of the Company (or the proceeds of sales or other dispositions in liquidation of the Company Assets, as may be determined by the remaining or surviving Managing Member) shall be distributed pro rata to the Members in accordance with their respective positive Capital Account balances after taking into account all Capital Account adjustments for the year.

(B) In the event a Member has a negative balance in its Capital Account following the liquidation of the Company, after taking into account all Capital Account adjustments for the Company's taxable year in which such liquidation occurs, such Member may, but shall not be obligated to, pay to the Company in cash an amount equal to the negative balance in such Member's Capital Account. The Member shall, by giving written notice to the Company prior to the end of the applicable taxable year specifying the amount of the deficit restoration for which it intends to be unconditionally obligated,

be so bound without further action by any party. Deficit Capital Account restoration payments shall be made by the end of such taxable year (or, if later, within ninety (90) days after the date of such liquidation) and shall, upon liquidation of the Company, be paid to creditors of the Company or distributed to other Members in accordance with the positive balances in their Capital Accounts.

Section 4.04 Special Allocations. Notwithstanding anything to the contrary contained in this Agreement:

(A) In the event that there is a net decrease in Company minimum gain (as defined in Regulation § 1.704-2(d)) during a fiscal year or period, all Members shall be allocated, before any other allocation is made of the Company items for such year or period, items of income and gain for such year or period (and, if necessary, subsequent years) in the manner and to the extent required by Regulation § 1.704-2(f). The allocations contained in this paragraph are intended to be a “minimum gain chargeback” within the meaning of Regulation § 1.704-2(f) and shall be interpreted consistently therewith.

(B) Subject to the provisions of paragraph (A) of this Section 4.04, (i) any partner nonrecourse deduction (as defined in Regulation § 1.704-2(i)(2)) shall be allocated in the manner specified in Regulation § 1.704-2(i) and (ii) if there is a net decrease during a taxable year of the Company in the minimum gain attributable to partner nonrecourse debt, then items of Company income and gain for such year (and, if necessary, for subsequent years) shall be allocated in the manner and to the extent required by Regulation § 1.704-2(i)(4).

(C) Subject to the provisions of paragraphs (A) and (B) of this Section 4.04, in the event that a Member unexpectedly receives any adjustments, allocations or distributions described in Regulation § 1.704-1(b)(2)(ii)(d)(4), (5) or (6) as a result of which the negative Capital Account balance of the Member exceeds the sum of such Member’s share of minimum gain and the amount of its negative Capital Account that it has agreed to restore or is deemed to be obligated to restore pursuant to Regulations §§ 1.704-2(g)(1) and 1.704-2(i)(5), items of Company income and gain shall be specially allocated to such Member in the manner and to the extent required by such Regulation. This paragraph is intended to be a “qualified income offset” within the meaning of Section 1.704-1(b)(2)(ii)(d) of the Regulations and shall be interpreted consistently therewith.

(D) (i) If the balance in the Capital Account of a Member is less than zero, net loss shall be allocated to such Member only to the extent that (y) the sum of the Minimum Gain of such Member (determined in accordance with the provisions of § 1.704-2(g) of the Regulations) plus the amount of its negative Capital Account that such Member has agreed to restore exceeds (z) the deficit balance in the Capital Account of such Member (determined at the end of the Company Taxable Year to which the allocation relates).

(ii) Any net loss not allocable to a Member as a result of the application of Section 4.04(D)(i) hereof shall be allocated to the Managing Member.

(E) In the event that, at any time or from time to time after the effective date of this Agreement, the Gross Asset Values of the Company Assets are adjusted in accordance with this Agreement, then, notwithstanding the provisions of Section 4.01 hereof, the Members’ allocable shares of depreciation, depletion, amortization and gain or loss, as computed for tax purposes, with respect to the Company property, must be determined so as to take into account the variation between the adjusted tax basis of the Company property and the book value, in the same manner as under I.R.C. § 704(c) and the applicable Regulations thereunder. Allocations pursuant to this paragraph shall be solely for purposes

of federal, state and local taxes and shall not affect or in any way be taken into account in computing a Member's Capital Account.

(F) If an Interest is transferred or assigned during a Company Accounting Year, that part of the tax incidents allocated pursuant to this Article IV with respect to the Interest so transferred shall, in the discretion of the Managing Member (after consulting with the Investor Member), either (i) be based on segmentation of the taxable year between the transferor and the transferee using the interim closing of the books or any other reasonable method or (ii) be allocated between the transferor and the transferee in proportion to the number of days in such taxable year during which each owned such Interest, as disclosed on the Company's books and records.

(G) Any depreciation recapture recognized pursuant to I.R.C. §§ 1245 and 1250 and Historic Tax Credits and State Historic Tax Credits recapture shall be allocated to the Members in the same proportions that the depreciation or cost recovery deductions, Historic Tax Credits and State Historic Tax Credits giving rise to such recapture were allocated among such Members or their respective predecessors-in-interest.

(H) In the event that there is a determination that I.R.C. § 483 or I.R.C. § 1274 (both relating to imputed interest with respect to deferred payment sales of property) is applicable to any loans between the Company and a Member, or that any loan between a Member and the Company is subject to I.R.C. § 7872 (relating to imputed interest with respect to below-market interest rate loans), any income or deduction attributable to interest on such a loan (whether stated or unstated) shall be allocated solely to such Member.

(I) It is the intent of the Members that each Member's allocable share of income, gains, losses, deductions or credits (or items thereof) shall be allocated in accordance with this Article IV to the fullest extent permitted by I.R.C. Sections 704(b) and 704(c). In order to preserve and protect the allocations provided for in this Article IV, without adversely affecting the amounts distributable upon termination of the Company, the Managing Member, with the review of the Company's Accountants or tax advisors, is authorized and directed, in its reasonable judgment, to allocate income, gains, losses, deductions or credits (or items thereof) arising in any year differently than otherwise provided for in this Article IV if, and to the extent that, the allocations otherwise provided under this Article IV would not be permissible under I.R.C. Sections 704(b) and/or 704(c). Any allocation made pursuant to this paragraph shall be deemed to be a complete substitute for any allocation otherwise provided for in this Article IV, and no amendment of this Agreement or approval of any Member shall be required with respect thereto and each Member shall, for all purposes and in all respects, be deemed to have approved any such allocation. The allocations set forth in this Section 4.04 (the "**Special Allocations**") are intended to comply with certain requirements of the Section 704 Regulations. The Special Allocations may not be consistent with the manner in which the Members intend to divide Company distributions. Accordingly, the Managing Member is hereby authorized and directed to divide other allocations of income, gain, loss and deductions among the Members so as to prevent the Special Allocations from distorting the manner in which Company distributions will be divided among the Members on dissolution of the Company. In general, the Members anticipate that this will be accomplished by specially allocating items of income, gain, loss, and deduction among the Members so that the net amount of the Special Allocations and such special allocations to each such Member is zero. However, the Managing Member shall have discretion to accomplish this result in any reasonable manner.

(J) The Members agree that the Members' Interests in Company profits for purposes of determining such Members' shares of the excess nonrecourse liabilities of the Company under Regulation § 1.752-3(a)(3) shall be the relative membership percentages of the Managing Member and Investor Member at such time, as such may be from time to time.

Section 4.05 Section 704(c) Allocations. Income, gains, losses and deductions, as determined for income tax purposes, with respect to any Company Asset contributed by a Member to the capital of the Company shall, solely for income tax purposes, be allocated among the Members so as to take account of any variation between the adjusted basis of such Company Asset to the Company for federal income tax purposes and its initial Gross Asset Value in accordance with I.R.C. Section 704(c) and the Regulations thereunder.

Section 4.06 Miscellaneous Allocations. It is the intent of the parties that the allocations of Historic Tax Credits (and any related recapture) be made in accordance with the Members' interests in the Company as of the time the Historic Tax Credits (and any related recapture) arises. Accordingly, allocations of cost or QREs shall in all events be made in accordance with Section 1.46-3(f) and Section 1.48-8(a)(4)(iv) of the Regulations. Except as otherwise set forth in this Agreement, any elections or other decisions relating to allocations under this Article IV shall be made by the Managing Member (in its reasonable discretion), with the review and concurrence of the Company's Accountants, in such manner as reasonably reflects the purpose and intention of this Agreement.

ARTICLE V

MANAGEMENT, REPRESENTATIONS

Section 5.01 Exercise of Management. The overall management and control of the business, assets and affairs of the Company shall be vested in the Managing Member. The Investor Member shall not take part in the management or control of the business of the Company or have authority to bind the Company except as specifically provided herein. Fees to be paid to the Managing Member for the services provided pursuant to this Agreement are set forth at Section 5.07 of this Agreement. In addition to any such fees, the Managing Member (if such Managing Member is also a Member) shall be entitled to the distributions and allocations provided for elsewhere in this Agreement.

Section 5.02 Duties and Authority of Managing Member.

(A) The Managing Member shall devote to the Company such time as may be necessary for the proper performance of the duties of the Managing Member. The Managing Member shall at all times exercise its responsibilities as Managing Member in a fiduciary manner. The signature of the Managing Member shall be needed on any instrument, document or agreement to bind the Company, and third parties may rely fully on any such instrument, document or agreement signed by the Managing Member. Subject to the terms and conditions hereof, the Managing Member shall be obligated, and is hereby authorized and directed, to:

- (i) Take all commercially reasonable actions that may be necessary or appropriate to carry out the purposes of the Company as described in this Agreement;
- (ii) Do all things necessary to cause the Company to complete the Project in a lien free manner (except for the Mortgage) in accordance with the Architect's plans and specifications and the Part 2 Approval;
- (iii) Do all things necessary to cause the Company to obtain the Part 3 Approval;
- (iv) Pay any Excess Development Costs. Any amounts paid by the Manager to fund the Excess development Costs shall be added to the Capital Contributions of the Manager. Any Operating Deficits occurring prior to Substantial Completion shall be considered Development Costs. Thereafter, if Operating Deficits shall occur, the

Manager shall provide such funds to the Company as necessary to pay such Operating deficits in the form of a loan to the Company (the “Operating Deficit Loan(s)”);

- (v) Make inspections of the Project and make commercially reasonable efforts to assure that the Project is being properly used, operated and maintained in a safe, secure and profitable manner in accordance therewith and necessary repairs and replacements are being made;
- (vi) Prepare or cause to be prepared in conformity with good business practice all reports that are to be furnished to the Members or that are required by taxing bodies or other governmental agencies, including operations reports of the Project by or on behalf of the Managing Member, and the financial statements and reports referred to in Section 8.01 hereof;
- (vii) Cause the Project at all times to be insured in a manner similar to other property of like kind in the same locality and in such amounts and on such terms as reasonable for the Property and the activities conducted at the Property, but, in any event, no less than that existing as of the Admission Date;
- (viii) Obtain and maintain in force or cause to be obtained and maintained in force on the Project such commercial liability insurance in such amounts and on such terms as reasonable for the Property and the activities conducted at the Property, but, in any event, no less than that existing as of the Admission Date;
- (ix) Comply with all Project Documents;
- (x) Do all other things (subject to the restrictions contained herein) that the Managing Member may deem necessary or desirable in order to properly and efficiently administer and carry on the affairs, assets and business of the Company and the Project, including, but not limited to, the execution of all conveyances, deeds, notes, mortgages or other documents; and
- (xi) Make voluntary loans (any such loan an “Operating Deficit Loan”) to the Company as necessary to ensure that the Company has sufficient funds to pay all Company costs and expenses in the ordinary course and to ensure positive Cash Flow.

(B) The Managing Member shall notify the Investor Member of any “reportable transactions” in which the Company engages, as such term is described in Section 1.6011-4 of the Regulations. Notwithstanding anything to the contrary, the Company, the Managing Member, the Investor Member, and each employee, representative or other agent of the foregoing, may disclose to any and all persons, without limitation of any kind, the tax treatment and tax structure (as defined in Section 1.6011-4(c) of the Regulations) of the transactions contemplated herein and all materials of any kind (including opinions or other tax analyses) relating to such tax treatment and tax structure.

(C) The Managing Member shall prepare and submit to the Secretary of the Treasury or the Service (or any other Governmental Authority designated for such purpose), on a timely basis, and any and all other annual reports, information returns and other certifications and information required (i) to ensure that the Company (and its Members) qualify for the Historic Tax Credits and State Historic Tax Credits, and (ii) to avoid recapture of the Historic Tax Credits or State Historic Credits, or the imposition of penalties or interest on the Company or any of its Members for failure to comply with the requirements of the Code or any other Applicable Laws relating to the Historic Tax Credits and State Historic Tax Credits.

(D) The Managing Member shall give the Investor Member prompt written notice of any material adverse event affecting the Project or the business or operations of the Company (including, without limitation, any notice of default under the Project Documents).

(E) The Managing Member shall cause the Company to conduct its business and operations separate and apart from that of the Managing Member or any of its affiliates, including, without limitation, (i) segregating Company assets and not allowing funds or other assets of the Company to be commingled with the funds or other assets of, held by, or registered in the name of, the Managing Member or any of its affiliates, (ii) maintaining books and financial records of the Company separate from the books and financial records of the Managing Member and its affiliates, and observing all Company procedures and formalities, including, without limitation, maintaining minutes of Company meetings and acting on behalf of the Company only pursuant to due authorization of the Members, (iii) causing the Company to pay its debts and liabilities from assets of the Company and (iv) causing the Company to conduct its dealings with third parties in its own name and as a separate and independent entity.

(F) The Managing Member shall take all actions that may be reasonably necessary or appropriate (i) for the continuation of the Company's valid existence as a limited liability company under the laws of the State and of each other jurisdiction in which such existence is necessary to protect the limited liability of the Members or to enable the Company to conduct the business in which it is engaged, and (ii) for the accomplishment of the Company's purposes, including the acquisition, development, maintenance, preservation, and operation of the Project in accordance with the provisions of this Agreement and any Applicable Laws.

Section 5.03 Limitations Upon the Authority of the Managing Member.

(A) Notwithstanding any other provisions of this Agreement, the Managing Member shall not have authority to perform any act in violation of any applicable law or regulation thereunder;

(B) The Managing Member shall not have any authority to do any of the following acts during the Initial Allocation Period without the Consent of the Investor Member and any other approvals required by the Project Documents:

- (i) borrow from the Company or commingle Company funds with funds of any other person or Person;
- (ii) except as provided herein, become personally liable on or in respect of, or guarantee, a promissory note or a mortgage or any other indebtedness of the Company (other than for obligations to trade creditors or others incurred in connection with day to day operation of the Project);
- (iii) until the expiration of the Recapture Period, allow the Company to sell all or any portion of the Project;
- (iv) admit additional members to the Company except in accordance with the express terms hereof;
- (v) cause the Company to convert the Project to cooperative or condominium ownership during the Recapture Period;
- (vi) cause or permit the Company to be merged with any other entity;

- (vii) cause or permit the Company to make loans to the Managing Member or any affiliate of the Managing Member or Company;
- (viii) agree to sell, transfer or otherwise dispose of or encumber any assets of the Company except in the ordinary course of business;
- (ix) take any action that would dissolve the Company;
- (x) undertake, or permit the Company to undertake, any rehabilitation, repairs or other work on the Building inconsistent with the Secretary's Standards;
- (xi) make any filing to begin Bankruptcy proceedings on behalf of the Company;
- (xii) change the nature of the Company business; or
- (xiii) do any act required to be approved or ratified in writing by the Investor Member under the Act unless the right to do so is expressly given in this Agreement.

Section 5.04 Section 5.04 Representations and Warranties of Managing Member. The Managing Member hereby represents and warrants to the Investor Member and to the Company that the following are true and accurate as of the date hereof and will be true and accurate as of the date of each request for an Installment of Capital Contribution by the Investor Member:

(A) The execution and delivery by the Managing Member of this Agreement and the transactions contemplated hereby do not constitute a breach or violation of, or a default under, the statutes, regulations, bylaws or other governing instruments of the Managing Member or any agreement by which it or any of its property, or the Project, is bound, nor a violation of any law, administrative regulation or court decree, any of which would have Adverse Consequences on the Company or the Project.

(B) The Company is a limited liability company, validly existing and in good standing under the laws of the State (and, if different, in the state of its organization), is authorized to transact business in the State and has the requisite power to carry on its business, to enter into and perform under the Project Documents, and to carry out the transactions contemplated hereunder, and the Company has complied and will comply with all filing requirements necessary to preserve the limited liability of the Investor Member and has complied or will comply with all filing requirements necessary to qualify the Project for the Historic Tax Credits.

(C) No litigation, action, investigation, or proceeding is pending or has occurred or, to the best of such Managing Member's knowledge, is threatened, which would (i) have Adverse Consequences on the Company or the Investor Member or the Project; (ii) have a material adverse effect on the ability of the Managing Member (or any Guarantor) to perform its obligations hereunder; (iii) have a material adverse effect on the financial condition of the Managing Member or (iv) which would constitute or result, if true, in a material breach of any warranty, representation or agreement set forth herein.

(D) The Project Documents are in full force and effect (except to the extent fully performed in accordance with their respective terms) and no default (or event which, with the giving of notice or the passage of time or both, would constitute a default) has occurred thereunder.

(E) The Managing Member is not, to the best of its knowledge, in default in the observance or performance of any provision of this Agreement to be observed or performed by the Managing

Member which would have Adverse Consequences on the Company, the Investor Member or the Project.

(F) To the best of its knowledge, no event has occurred which has caused, and the Managing Member has not acted in any manner which will cause (i) the Company to be treated for federal income tax purposes as an association taxable as a corporation, (ii) the Company to fail to qualify as a limited liability company under the Act, (iii) the Investor Member to be liable for Company obligations in excess of its agreed-to Capital Contribution or (iv) the Project not to qualify for the Historic Tax Credits.

(G) The Company has a good and marketable fee simple interest in the Project, free and clear of any liens, charges or encumbrances other than matters set forth in the owner's policy of title insurance issued to the Company (the "**Title Policy**") by a national title insurance company (the "**Title Company**") and any encumbrances that the Company is permitted to create under the terms of this Agreement.

(H) At the time of commencement of construction and as of the date hereof, the land upon which the Building is located was and is, as applicable, properly zoned for the uses contemplated herein, the Company has obtained or will obtain all permits, consents, permissions and licenses required by all applicable governmental entities for the construction, use, occupancy and operation of the Project, and the Project conformed and conforms to all applicable federal, state and local land use, zoning, building, environmental and other governmental laws and regulations.

(I) All appropriate public utilities, including sanitary and storm sewers, water, gas and electricity, are currently or will be available to the Project and will be operating properly for the Project at the time of first occupancy thereof. The Project has direct access to a public street or highway and will have legally adequate parking.

(J) There are no restrictions on the sale or refinancing of the Project, other than the restrictions set forth in documents referenced in the Title Policy, and no such restrictions shall (except as may be set forth in the aforementioned documents), at any time while the Investor Member is a Member, be placed upon the sale or refinancing of the Project without obtaining the Investor Member's prior written Consent.

(K) Neither the Managing Member nor the Company is Bankrupt or contemplating a Bankruptcy.

(L) The Managing Member has disclosed all material facts and transactions known to it that relate to the Project to the Investor Member.

(M) To the knowledge of the Managing Member, the Project has no material design, maintenance or construction defects.

(N) There are no mechanics' liens recorded against the Project and, to the knowledge of the Managing Member, no person or entity has threatened to assert or record any such mechanic's lien.

(O) The Rehabilitation shall be completed by the Company in a timely and worker-like manner in accordance with the requirements of (i) the Project Documents; (ii) all applicable governmental entities; (iii) the Certification Application and the Part 2 Approval; and (iv) the plans and specifications for the Project.

(P) The Architect and/or historic preservation consultant hired to work on the Building has expertise in the area of historic preservation and compliance with the Secretary's Standards.

(Q) The Company has received Part 1 Approval and Part 2 Approval.

(R) Neither the Managing Member nor any of the direct or indirect members of the Company nor any of its constituent partners or members is a "tax exempt entity" or a "tax exempt controlled entity" as those terms are used in Section 168(h) of the Code.

(S) For purposes of determining the Company's adjusted basis in the Building as of the beginning of the 24 month test period for the Historic Tax Credits, the Company's basis shall be determined as of the date it is necessary to cause the QRE's during the 24 month period to be in excess of the greater of (i) the adjusted basis in the Building as of the later of the first day of such 24 month test period or the first day of the taxpayer's holding period or (ii) \$5,000.

(T) The Company shall not enter into any lease of space in the Project with (i) the Managing Member or any person "related" to the Managing Member within the meaning of Section 267(b) or Section 707(b)(1) of the Code, (ii) a "tax-exempt entity" (as such term is defined for purposes of Section 168(h) of the Code) in a "disqualified lease" (as such term is defined in Section 168(h)(1)(B)(ii)) or (iii) a partnership (or other pass-through entity) that has a "tax-exempt entity" (as such term is defined for purposes of Section 168(h)(6) of the Code) as a partner (or other equity owner) in a "disqualified lease."

Section 5.05 Indemnification of Members.

(A) Except as otherwise provided in Section 5.05(B), the Company, its receiver or its trustee, shall indemnify and hold harmless the Members from any liability, loss or damage incurred by them by reason of any act performed or omitted to be performed by them on behalf of the Company, including costs and reasonable attorneys' fees (which attorneys' fees may be paid as incurred) and any amount expended in the settlement of any claim of liability, loss or damage; provided, however, that (a) such party(ies) must have reasonably determined, in good faith, that such course of conduct was in the best interests of the Company, and such party(ies) must have been acting on behalf of or performing services for the Company, and (b) such course of conduct must not have constituted fraud, gross negligence, misrepresentation, breach of any material provision of this Agreement or misconduct by such party(ies); and (iii) any such indemnification shall be recoverable only from the assets of the Company and not from the assets of any Member.

(B) Notwithstanding anything herein to the contrary, no Person involved in any part of the Rehabilitation may indemnify the Investor Member for the Investor Member's costs if the Service challenges the Investor Member's claim of the Historic Tax Credits.

Section 5.06 Tax Matters Partner/Company Representative.

(A) The Manager is hereby designated as the "Tax Matters Partner" of the Company for the purposes of Subchapter C of Chapter 63 of the Code ("**Subchapter**") and, when effective, the "partnership representative" as provided in Section 6223 of the Code as in effect after amendment by the Bipartisan Budget Act of 2015, P.L. 114-74 ("**BBA**"). As such, the "Tax Matters Partner" or "partnership representative," as applicable, has all of the rights and obligations given to, respectively,

a Tax Matters Partner under the Subchapter as in effect before the repeal of the Subchapter by the BBA, or Section 6223 of the Code after the effective date of the BBA. Notwithstanding the foregoing, after the effectiveness of the BBA, or other permitting federal law, and provided that the Company qualifies to have a nonpartner “partnership representative,” the Manager shall have the option, with the consent of the Investor Member, to designate a nonpartner to serve as the Company’s “partnership representative.” Notwithstanding anything to the contrary contained herein, the Tax Matters Partner or “partnership representative” shall not take any of the following actions without first obtaining the prior written consent of the Investor Member, not to be unreasonably withheld, conditioned or delayed:

- (i) Extend the statute of limitations for assessing or computing any tax liability against the Company (or the amount or character of any Company tax item);
- (ii) Settle any audit with the IRS concerning the adjustment or readjustment of any Company tax item;
- (iii) File a request for an administrative adjustment with the IRS at any time or file a petition for judicial review with respect to any IRS adjustment;
- (iv) Initiate or settle any judicial review or action concerning the amount or character of any Company tax item;
- (v) Intervene in any action brought by any other Member for judicial review of a final adjustment of any Company tax item;
- (vi) Make an election pursuant to Section 1101(g)(4) of the BBA to apply the amendment made by Section 1101 of the Code to any return of the Company filed for a Company tax year beginning before January 1, 2018;
- (vii) Take any other action that would have the effect of finally resolving a tax matter affecting the rights of the Company and its Members or otherwise have a material adverse effect on any tax matters affecting the Company and its Members; or
- (viii) Make an election to be taxed as anything other than a partnership pursuant to the “Check the Box” regulations or any similar future regulations.

(B) The Tax Matters Partner or “partnership representative” shall keep the Investor Member advised of any dispute the Company may have with any federal, state, or local taxing authority, and shall afford the Investor Member the right to participate directly in negotiations with any such taxing authority in an effort to resolve any such dispute.

(C) Election Out

- (i) If eligible to do so, the Company may make an election under Section 6221(b) of the Code (as added by the BBA) to not apply the provisions of Subchapter C of Chapter 63 of the Code (as amended by the BBA) to the Company for taxable years beginning on or after January 1, 2018.
- (ii) If the Company currently meets the requirements for being able to make an election under Section 6221(b) of the Code (as added by BBA), the Company shall not admit

a partner to the Company if the admission of the partner would cause the Company to be ineligible to make such election.

(D) If the IRS makes an Adjustment (defined below) to the Company's income, losses, deductions or credits or the Company makes any such Adjustment for a year for which a federal income tax return had been previously filed, the Adjustment, to the maximum extent permitted by law, shall be allocated, on the books and records of the Company, to the Members (including former Members whose interest have not been fully liquidated) in accordance with their respective interests (including the interests of their respective predecessors) in the Company for the year to which the Adjustment related and, if the Company pays the tax liability associated with the adjustment, such payment shall be allocated, to the maximum extent permitted by law, to such Members in accordance with the way that the corresponding income or reduction in tax credits was allocated.

(E) Election for Members to Report Adjustment.

- (i) Unless the Investor Member timely elects, in a written notice to the Manager otherwise, the Company and the Manager, to the maximum extent permitted by law (by making elections, not making elections, following options that may be available under guidance from the IRS, and/or adjusting allocations) shall (A) timely elect, as provided by Code Section 6226 (added by BBA) and applicable Regulations and other applicable guidance issued thereunder, to have the economic burden or benefits of any Adjustment be borne by the Members in a way that is as close as possible to the way that such burdens or benefits would be borne if the Investor Member's returns for the reviewed year (as defined in Section 6225(d)(1) of the Code, as added by BBA) had been amended and new Form K-1s issued and, to the extent required by law, the Members had filed amended tax returns taking into account the amended Form K-1s and (B) issue amended K-1's and such other required forms reflecting such adjustments and the Members agree to file amended returns reflecting the adjustments and information on the amended K-1's and/or such other applicable IRS forms.
- (ii) The term "Adjustment" means any increase or decrease in deductions, losses, income, gain, credit, or other separately stated item for U.S. federal income tax purposes that relates to a taxable year for which the Investor Member has previously filed a federal income tax return. This paragraph shall not apply to any Adjustment in income or credits if the amount of such Adjustment does not exceed \$10,000 unless such Adjustment is made because the Investor Member discovered an error in a tax return and the making of an election or failure to make an election would bind the Investor Member with respect to a subsequent Adjustment for the reviewed year.

(F) In the event that, under applicable Treasury Regulations or other applicable law or IRS guidance, the Company is not permitted to elect to have the Adjustment reported and borne by the Members (or the Investor Member directs the Manager not to make such election), each Member agrees to make an additional Capital Contribution to the Company, within fifteen (15) business days of notice from the Manager, of the Member's respective share of the payment due to the IRS as a result of the Adjustment. Each Member's respective Capital Contribution to be made pursuant to this 5.06(F) shall be the amount determined as provided in 5.06(D) and shall be calculated or confirmed by the Accountants less the amount ("**Adjustor Amount**") that the Manager and/or the Guarantor is obligated to bear pursuant to Sections 3.03. The Manager and/or Guarantor shall fund the Adjustor Amount to the Company on or before the date that the Members' Capital Contributions under this subsection are due. If the election is made to have the Members bear the Adjustment, the Manager and/or the Guarantor shall nevertheless make the Adjustor Amount payment to the Company which shall be promptly distributed to the Investor Member.

(G) Upon the promulgation of Treasury Regulations and/or other guidance implementing BBA (collectively, “**Guidance**”), the Manager and Investor Member will evaluate and consider options available with respect to preserving the allocations of responsibility and authority and the elections and options described in this Section 5.06 and elsewhere in this Agreement with respect to conforming with the applicable provisions of the Code and revised partnership audit procedures, and agree to use their good faith efforts to agree to mutually agreeable amendments to this Agreement if necessary or beneficial to the Members to better implement the BBA provisions and Guidance while preserving the terms and agreements embodied herein.

Section 5.07 Asset Management Fee. As consideration for the services bring provided by Managing Member pursuant to this Article, and such services as are elsewhere required by this Agreement, the Managing Member shall be paid an annual asset management fee equal to 0.7% of the Fair Market Value of the Company Assets (“Asset Management Fee”). Solely for purposes of determining the Asset Management Fee, the Fair Market Value shall be determined by dividing the net operating income of the Company for the Fiscal Year by 0.0725 (being the overall capitalization rate utilized by the appraiser engaged by Lender for purposes of the Term Loan). The Asset Management Fee will be due and payable as of January 1st of each Fiscal Year during, or after, which the Project is placed in service, beginning in 2018. With respect to the payment of an Asset Management Fee for a Fiscal Year that is less than a complete calendar year, the amount determined pursuant to the preceding sentence shall reduced on a per diem basis to reflect the number of days occurring within the Fiscal Year.

Section 5.08 Investor Member Representation. The Investor Member hereby represents and warrants that it is not investing in the Company with the intent of abandoning its interest in the Company at any time after the rehabilitation of the Project is completed.

ARTICLE VI

RIGHTS AND OBLIGATIONS OF INVESTOR MEMBER

Section 6.01 No Right To Manage. The Investor Member shall not take part in the management, control, conduct or operation of the Company (or the Project), or have any right, power or authority to act for or bind the Company except as set forth herein.

Section 6.02 Removal of the Managing Member.

(A) The Investor Member shall have the right to remove the Managing Member upon the occurrence of and during the continuance of any of the following (each a “**Material Default**”):

- (i) The Managing Member shall have committed fraud, or any gross negligence, if such gross negligence has or reasonably may be expected to have Adverse Consequences on the Company or the Investor Member;
- (ii) A breach by the Managing Member or the Company under any Project Document or other agreement or document affecting the Company or the Project which has or reasonably may be expected to have Adverse Consequences on the Company or the Project and which remains uncured beyond all applicable notice and cure periods;
- (iii) A violation by the Managing Member of any Applicable Laws which has or reasonably may be expected to have Adverse Consequences on the Company or the Project;

- (iv) A breach by the Managing Member in the performance of any of its obligations under this Agreement which has or reasonably may be expected to have Adverse Consequences on the Company or the Project and which remains uncured beyond all applicable notice and cure periods;
- (v) A default or event of default occurs under the Term Loan and/or the Permanent Loan documents and such default continues beyond the expiration of all applicable notice and cure periods;
- (vi) The Managing Member shall have conducted its own affairs or the affairs of the Company in such a manner as would:
 - (a) Cause the Company to fail to qualify as a limited liability company under the Act;
 - (b) Cause the termination of the Company for federal income tax purposes;
 - (c) Cause the Company to make an election to be treated for federal income tax purposes as an association taxable as a corporation; or
 - (d) Cause the Company to operate in a manner inconsistent with the Company's purpose.
- (vii) The commencement of foreclosure proceedings (including service of a summons or other required jurisdictional document or instrument in situations where proceedings are commenced by filing) against the Property or the Company and that are not dismissed within ninety (90) days of such commencement; and
- (viii) A Bankruptcy by the Developer, the Company or Managing Member;
- (ix) The failure of the Managing Member to make an Operating Deficit Loan when required under this Agreement, provided the Investor Member is not a Defaulting Party.

(B) In the event that the Investor Member determines to remove the Managing Member pursuant to Section 6.04(A), the Investor Member shall notify the Managing Member in writing, within five (5) days after such determination, of the Material Default that is the cause for the removal of the Managing Member. If the Managing Member has not already had another Material Default in the 6 month period ending on the date of the notice, the Managing Member shall have thirty (30) days from receipt of the notice to cure the Material Default; provided, however, that if a Material Default, other than a monetary default, cannot be reasonably cured within thirty (30) days, it shall be sufficient if the Managing Member commences the cure within thirty (30) days and proceeds to cure diligently thereafter, provided that the cure is completed within ninety (90) days after receipt of the notice to cure. If the Managing Member fails to cure within the specified time period or if the Managing Member has already had a Material Default within such 6 month period, the Investor Member shall notify the Managing Member of the effective date of its removal promptly after the cure period has expired. Each Member hereby irrevocably appoints the Investor Member (with full power of substitution) as the attorney-in-fact of such Member for the purpose of executing, acknowledging, swearing to, recording and/or filing any amendment to this Agreement and the Certificate necessary or appropriate to confirm the foregoing.

(C) In the event that the Managing Member is removed pursuant to this Section 6.02, the Investor Member may designate a person or persons to become the successor Managing Member replacing the

removed Managing Member and provided that any such successor Managing Member shall agree to be bound by the Project Documents, and any other documents required in connection therewith and the provisions of this Agreement, to the same extent and on the same terms as any other Managing Member.

ARTICLE VII

[RESERVED]

ARTICLE VIII

BOOKS AND RECORDS; ACCOUNTING; TAX ELECTIONS; ETC.

Section 8.01 Books and Reporting.

(A) The Managing Member shall maintain or cause to be maintained for the term of the Company a complete and accurate set of books and supporting documentation of transactions with respect to the conduct of the Company's business. The books of the Company shall be kept on the accrual basis and shall at all times be maintained at the principal office of the Company. Each Member and its duly authorized representatives shall have the right to examine and audit the books of the Company and all other records and information concerning the operation of the Property and the compliance of the Managing Member with the requirements of this Agreement from time to time without prior notice during regular business hours provided that such examination shall not unreasonably disrupt or interfere with the Company's business or operations.

(B) Beginning with the Fiscal Year in which the Admission Date occurs, the balance sheet of the Company shall be compiled by the Accountants. The Managing Member shall, promptly upon receipt of the items required under this paragraph and in any event within 120 days after the end of each Fiscal Year, transmit to the Investor Member copies of such items.

(C) The Accountants also shall review and sign the federal and state income tax returns of the Company. The Managing Member or its designee shall complete the books of the Company in such time as will allow the Accountants to complete such tax returns no later than April 1 of each year, including the provision to the Accountants of all financial statements and information needed to prepare the prior year's tax returns. The Managing Member shall cause such tax returns to be filed within such time periods and shall immediately upon the filing thereof transmit to the Investor Member a copy of the complete federal Company tax return (i.e., Form 1065 and all accompanying schedules, including Schedule K-1) and all state income tax returns. In the event that any such items will not be delivered within the time limits set forth herein, the Managing Member shall immediately notify the Investor Member, and shall furnish it with copies of any extensions relating thereto.

Section 8.02 Tax Elections. All elections required or permitted to be made by the Company under the Code shall be made by the Managing Member in such manner as it determines to be most advantageous to the Investor Member. The Managing Member may consult with the Accountants in making such determination.

ARTICLE IX

WITHDRAWAL OF MEMBER; NEW MANAGING MEMBER

Section 9.01 Voluntary Withdrawal. No Member shall have the right to withdraw voluntarily from the Company or otherwise to Transfer all or a portion of its Interest without the Consent of the Investor Member.

Section 9.02 Designation of New Managing Members.

(A) The Managing Member may, with the written consent of all Members, and any Requisite Approvals, at any time designate one or more new Managing Members with such Interest(s) as the Managing Member may specify.

(B) Any new Managing Member shall, as a condition of receiving any interest in the Company or Company Property, agree to comply with the terms of the Operating Documents and the provisions of this Agreement to the same extent and on the same terms as any other Managing Member.

ARTICLE X

TRANSFER OF INTERESTS

Section 10.01 Restrictions on Transfers.

(A) Prohibition Upon Transfer During First Five Years. The Parties acknowledge and agree that any transfer of an Interest during the first five years after the Building is placed in service would cause material harm to the Company and the other Members. Therefore, the Parties agree that (1) the transfer of any part or all of a Member's Interest during the first five years after the Building is placed in service, whether done voluntarily or involuntarily, shall be prohibited and a breach of this Agreement, (2) any such transfer shall be, to the extent permissible under law, void ab initio, and (3) any such transfer shall constitute an offer to sell to the other Members such Interest for a purchase price equal to the book value of such Interest. The other Members shall have 180 days from receipt of actual notice of such transfer to accept such offer to sell, and the purchase price shall be determined by the Company's Accountants, whose determination shall be final and binding upon all parties. The closing on the purchase of the Interest shall occur within 90 days of the date the Accountants determine the purchase price.

(B) Put Option. Notwithstanding anything to the contrary, beginning in the sixth month after the end of the Initial Allocation Period, the Investor Member may exercise its right to have the Managing Member purchase all of its Interest for the lesser of the fair market value of the interest or Investor Member's Capital Account. For purposes of determining the put option price, the Accountants shall determine Investor Member's Capital Account immediately prior to the exercise of the Put Option by Investor Member and no adjustment shall be made to reflect fair market value, going concern value or any Gross Asset Value adjustment.

(C) Notwithstanding the foregoing, in the case of Managing Member, Managing Member may transfer and assign its Interest, or any part of its Interest, with the written consent of the Investor Member. Notwithstanding the foregoing, in the case of the Investor Member, the Investor Member may transfer and assign its Interest, or any part of its Interest, with the written consent of the Managing Member. Notwithstanding the foregoing, Investor Member may, at any time prior to the date of

Substantial Completion, transfer its Interest to an entity wholly-owned and controlled by Investor Member. The Manager may require, as a condition to any Transfer of an Interest, that the assignor or assignee assume all costs incurred by the Company in connection therewith.

(D) Any Transfer in contravention of any of the provisions of this Agreement shall be void and ineffectual and shall not bind, or be recognized by, the Company.

ARTICLE XI

MISCELLANEOUS

Section 11.01 Notice. Except as otherwise specifically provided herein, all notices, demands or other communications hereunder shall be in writing and shall be deemed to have been given when the same are (i) deposited in the United States mail and sent by certified or registered mail, postage prepaid, (ii) delivered to a nationally recognized overnight delivery service, (iii) sent by telecopier or other facsimile transmission, answerback requested, or (iv) delivered personally, in each case, to the parties at the addresses set forth below or at such other addresses as such parties may designate by notice to the Company.

If to the Company:

Oak Knitting Mill Commons
100 Madison Street
Tower 1 – Suite 1905
Syracuse, New York 13202

With copies to:

Lynn D'Elia Temes & Stanczyk
100 Madison Street
Tower 1 – Suite 1905
Syracuse, New York 13202

If to the Managing Member:

OKM MM LLC
100 Madison Street
Tower 1 – Suite 1905
Syracuse, New York 13202

With copies to:

Lynn D'Elia Temes & Stanczyk
100 Madison Street
Tower 1 – Suite 1905
Syracuse, New York 13202

If to the Investor Member:

Berkshire Bank
41 State Street
Albany, New York 12207
Attention: Stephen J. O'Toole

With copies to:

Klein Hornig LLP
101 Arch St., Suite 1101
Boston, MA 02110
Attention: Daniel J. Kolodner

Section 11.02 Binding Provisions. The covenants and agreements contained herein shall be binding upon, and inure to the benefit of, the heirs, legal representatives, successors and assignees of the respective parties hereto, except in each case as expressly provided to the contrary in this Agreement.

Section 11.03 Governing Law and Choice of Forum. This Agreement shall be governed by and construed in accordance with the laws of the State, without regard to principles of conflicts of laws. The parties agree and consent that venue for purposes of resolving any dispute or controversy relating to this Agreement shall be in the State.

Section 11.04 Entire Agreement. This Agreement and all other written agreements referred to herein constitute the entire agreement among the parties and supersede any prior agreements or understandings among them with respect to the subject matter hereof.

Section 11.05 Survival of Obligations. All monetary obligations of the Company or the Managing Member to the Investor Member hereunder shall survive the sale by the Investor Member of its Interest or the termination of the Company until satisfied by the Company or the Managing Member, as the case may be.

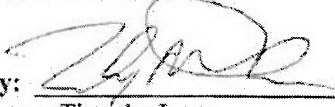
Section 11.06 Counterparts. This Agreement may be executed in several counterparts, and all so executed shall constitute one agreement, binding on all the parties hereto. Any counterpart of this Agreement, which has attached to it separate signature pages which together contain the signatures of all Members or is executed by an attorney-in-fact on behalf of some or all of the Members, shall for all purposes be deemed a fully executed instrument. Transmission by facsimile, "PDF" or similar electronic format of an executed counterpart of this Operating Agreement shall be deemed to constitute due and sufficient delivery of such counterpart.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, each of the parties hereto has executed this Agreement as of the day and year first above written.

MANAGING MEMBER:

OKM MM LLC

By: 

Name: Timothy Lynn

Title: Manager

INVESTOR MEMBER:

BERKSHIRE BANK

By: _____

Brett Brbovic, Vice President and Chief
Accounting Officer

IN WITNESS WHEREOF, each of the parties hereto has executed this Agreement as of the day and year first above written.

MANAGING MEMBER:

OKM MM LLC

By: _____

Name: Timothy Lynn

Title: Manager

INVESTOR MEMBER:

BERKSHIRE BANK

By:  _____

Brett Brbovic, Vice President and Chief
Accounting Officer

EXHIBIT A
ECONOMIC PROJECTIONS

EXHIBIT B
REAL PROPERTY DESCRIPTION

SCHEDULE A

CAPITAL CONTRIBUTIONS

NAME:

CAPITAL CONTRIBUTION:

Managing Member

Managing Member shall contribute certain amounts as set forth in the Economic Projections during the construction period and up through the date of Investor Member's final Capital Contribution installment. In addition, Managing Member shall contribute any amount by which Development Costs exceeds Development Sources.

Investor Member

The amounts described in Section 3.03

EXHIBIT "C"
CERTIFICATE OF GOOD STANDING

State of New York
Department of State } **ss:**

I hereby certify, that OAK KNITTING MILL COMMONS LLC a NEW YORK Limited Liability Company filed Articles of Organization pursuant to the Limited Liability Company Law on 08/07/2015, and that the Limited Liability Company is existing so far as shown by the records of the Department. I further certify the following:

A Certificate of Publication of OAK KNITTING MILL COMMONS LLC was filed on 10/08/2015.

A Biennial Statement was filed 08/08/2017.

I further certify, that no other documents have been filed by such Limited Liability Company.



*Witness my hand and the official seal
of the Department of State at the City
of Albany, this 14th day of August
two thousand and seventeen.*

A handwritten signature in black ink, appearing to read "B. Fitzgerald", is written over a horizontal line.

Brendan W. Fitzgerald
Executive Deputy Secretary of State

EXHIBIT "D"
COMPANY RESOLUTION

UNANIMOUS WRITTEN CONSENT
of The Managing Member of
OAK KNITTING MILL COMMONS LLC

The undersigned, being the Manager of OKM MM LLC, the managing member of Oak Knitting Mill Commons LLC ("Company") hereby consents to the adoptions of the following resolutions:

RESOLVED that the Company is authorized and directed to do the following with respect to a project (the "Project") consisting of: (i) the acquisition of an interest in approximately 1 acre of real property improved by an existing four story approximately 68,000 square foot building (the "Building") located at 102 West Division Street, in the City of Syracuse, New York (the "Land"); (ii) the renovation of the building to house approximately 18 two-bedroom and 20 one-bedroom market-rate apartment units on floors 2-4, a fitness center and community room; approximately 5,000 square feet of commercial space on the first floor; and approximately fifty-two (52) parking spaces, all located on the Land (collectively, the "Facility"); (iii) the acquisition and installation in and at the Land and Facility of furniture, fixtures and equipment (the "Equipment" and together with the Land and the Facility, the "Project Facility"); and it is further

RESOLVED that the Company is authorized and directed to enter into a transaction with the City of Syracuse Industrial Development Agency ("IDA" or "Agency") whereby the Company shall be appointed as the agent of the IDA in connection with the acquisition, renovation, reconstruction and equipping of the Project Facility; The Company shall cooperate with the granting by the IDA of certain financial assistance in the form of exemptions from State and local sales and use taxation, real property taxes and mortgage recording tax (the "Financial Assistance"); and the Company shall enter into certain lease with the IDA whereby the Company shall lease of the Land and Facility to the Agency; the Company shall execute and deliver a bill of sale for the Equipment to the Agency; and the Company shall sublease the Project Facility back from the Agency pursuant to a certain sublease agreement; the Company shall execute and deliver an environmental compliance and indemnification agreement in favor of the Agency, all in accordance with and as more fully set forth and particularized in a resolution of the IDA adopted on December 20, 2016 ("IDA Resolution"); and it is further

RESOLVED that Timothy M. Lynn, be and hereby is authorized on behalf of the Company to execute and deliver any and all documents or

instruments as are necessary and appropriate to carry out the intent and purpose of these resolutions, the IDA Resolution and/or as may be reasonably required by the IDA or its counsel; and it if further

RESOLVED that Timothy M. Lynn may take any action deemed necessary and proper in furtherance of the IDA Resolution and the intent of these resolutions, and that the IDA, its successors, assigns, attorneys or agents may rely upon such actions as being the actions and consent of the Company, and it is further

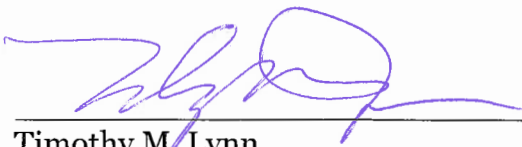
RESOLVED that the IDA, its successors, assigns, attorneys or agents may rely upon the acts of Timothy M. Lynn and any action taken by him shall be deemed an action of and binding upon the Company; and it is further

RESOLVED that all action taken and all instruments executed by any member of the Company prior to the adoption of these resolutions with the Agency and with respect to the Project are hereby ratified by the Company, approved and confirmed as actions of the Company; and it is

RESOLVED that that the foregoing Resolutions are made and entered into in full compliance with the Operating Agreement of the Company and this Resolution shall constitute any required authority and/or approval as may be required thereunder; and shall remain in full force and effect and may be relied upon by the IDA, its successor, assigns, attorneys or agents notwithstanding the dissolution or termination of the existence of the Company or any change in the identity of, or any modification or termination of any authority of, any authorized person or Company until a copy of a subsequent Resolution revoking or amending same shall be actually received by the IDA, its successors, attorneys, agents or assigns; and any action taken by any of the foregoing prior to such actual receipt shall be binding upon the Company irrespective of when such Resolutions may have been adopted.

Dated 9/26/17

OKM MM LLC
The Managing Member of Oak Knitting Mill
Commons LLC

By: 

Timothy M. Lynn
Manager

STATE OF NEW YORK
DEPARTMENT OF STATE

I hereby certify that the annexed copy has been compared with the original document in the custody of the Secretary of State and that the same is true copy of said original.



WITNESS my hand and official seal of the Department of State, at the City of Albany, on August 07, 2015.

A handwritten signature in cursive script that reads "Anthony Giardina".

Anthony Giardina
Executive Deputy Secretary of State

EXHIBIT "E"

LOCAL ACCESS AGREEMENT

City of Syracuse
Industrial Development Agency

Local Access Agreement

_____ (the Company) understands and agrees that local labor, contractors and suppliers will be used for the construction, renovation, reconstruction and equipping of the Project unless a written waiver is first received from the Agency, and agrees to provide the information requested below as a way to provide access for local participation.

Company		Oak Knitting Mill Commons, LLC				General Contractor		BBL Construction Services, LLC			
Representative for Contract Bids and Awards		Jon Lochner				Contact		Jon deForest			
Address		121 East Water Street				Address		121 East Water Street			
City	Syracuse	ST	NY	Zip	13202	City	Syracuse	ST	NY	Zip	13202
Phone	(518) 452-8200	Fax	(518) 456-9563	Phone	(518) 452-8200	Fax	(518) 452-2898				
Email		jlochner@bblinc.com				Email		jdeforest@bblinc.com			
Project Address		102 West Division Street				Construction Start Date		December 2016			
City	Syracuse	ST	NY	Zip	13204	Occupancy Date		October 2017			

Project Components – Indicate those for which bids will be sought:

Item	Estimated Value	Bid Date	Contact
Site work/Demolition	850,000	Nov. '16 / Mar. '17	ERSI / Creek Flat
Foundation and footings	253,000	Apr. '17 / July '17	Henderson-Johnson / Paragon Masonry
Building		-	
Masonry	325,000	April 2017	North Star Conc. & Mas.
Metals	65,000	June 2017	Raulli & Sons
Wood/casework	600,000	May '17 / Jul. '17	Wood Etc. / Lee Levesque
Thermal/moisture proof	145,000	May 2017	Titan Roofing
Doors, windows, glazing	870,000	May '17 / Jun. '17	View Tech / BR Johnson
Finishes	1,450,000	Apr. '17 / May '17	LeMoyné / Anthis Ptg.
Electrical	795,000	April 2017	Demco NY
HVAC	625,000	Dec. 2016	Century Heating & Air
Plumbing	425,000	Dec. 2016	Brosh Mechanical
Specialties	130,000	May '17 / Jul. '17	Wood Etc. / Lee Levesque
Machinery & Equipment	250,000	April 2017	KONE
Furniture and Fixtures	60,000	August 2017	Draperies Etc/China Towne
Utilities	72,000	June 2017	Eastern Security Systems
Paving	60,000	Jun. '17 / Jul. '17	Ruston / Sgarlata
Landscaping	25,000	August 2017	J&J Landscaping
Other (identify) Fire Protection	165,000	Dec. 2016	Associated Fire Protection

Date: September 28, 2017 Company: BBL Construction Services, LLC

Signature:  Name: Jonathon R. Lochner

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September 26, 2017

City of Syracuse Industrial Development Agency
City Hall Commons, 7th Floor
201 East Washington Street
Syracuse, New York 13202

Oak Knitting Mill Commons LLC
100 Madison Street, Suite 1905
Syracuse, New York 13202

Re: City of Syracuse Industrial Development Agency
Lease/Leaseback Transaction
Oak Knitting Mill Commons LLC Project

Ladies and Gentlemen:

We have acted as counsel to the City of Syracuse Industrial Development Agency (the “*Agency*”) in connection with a project (the “*Project*”) undertaken by the Agency at the request of Oak Knitting Mill Commons LLC (the “*Company*”) consisting of: (A)(i) the acquisition of an interest in approximately 1 acre of real property improved by an existing four story approximately 68,000 square foot building (the “*Building*”) located at 102 West Division Street, in the City of Syracuse, New York (the “*Land*”); (ii) the renovation of the building to house approximately 18 two-bedroom and 20 one-bedroom market-rate apartment units on floors 2-4, a fitness center and community room; approximately 5,000 square feet of commercial space on the first floor; and approximately fifty-two (52) parking spaces, all located on the Land (collectively, the “*Facility*”); (iii) the acquisition and installation in and at the Land and Facility of furniture, fixtures and equipment (the “*Equipment*” and together with the Land and the Facility, the “*Project Facility*”); (B) the granting of certain financial assistance in the form of exemptions from real property tax, State and local sales and use tax and mortgage recording tax (as limited by Section 874 of the General Municipal Law) (collectively the “*Financial Assistance*”); (C) the appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, reconstruction, renovation, equipping and completion of the Project Facility; and (D) the lease of the Land and Facility by the Agency pursuant to a lease agreement and the acquisition of an interest in the Equipment pursuant to a bill of sale from the Company to the Agency; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement.

The Company has also requested that the Agency grant the Financial Assistance to the Project. The Agency, the Company and the City of Syracuse, New York will enter into a

Payment in Lieu of Taxes Agreement dated as of September 1, 2017 (the "*PILOT Agreement*") with respect to the Project. Capitalized terms used herein which are not otherwise defined shall have the meanings ascribed to them in the Agency Lease.

As counsel to the Agency, we have examined originals or copies, certified or otherwise identified to our satisfaction, of such instruments, certificates, and documents as we have deemed necessary or appropriate for the purposes of the opinion expressed below. In such examination, we have assumed the genuineness of all signatures, the authenticity of all documents submitted to us as originals, the conformity to the original documents of all documents submitted to us as copies, and have assumed the accuracy and truthfulness of the factual information, expectations, conclusions, representations, warranties, covenants and opinions of the Company and its counsel and representatives as set forth in the various documents executed and delivered by them or any of them and identified in the Closing Memorandum in connection with the Project.

We are of the opinion that:

1. The Agency is a duly organized and existing corporate governmental agency constituting a public benefit corporation of the State of New York.

2. The Agency is duly authorized and empowered by law to acquire, reconstruct, renovate and equip the Project, to lease the Land and the Facility from the Company pursuant to the Company Lease; to accept an interest in the Equipment pursuant to the Bill of Sale; to sublease the Project Facility back to the Company pursuant to the Agency Lease and to appoint the Company as its agent for completion of the Project.

3. The Agency Documents have been authorized by and lawfully executed and delivered by the Agency and (assuming the authorization, execution, and delivery by the other respective parties thereto) are valid and legally binding obligations enforceable against the Agency in accordance with their respective terms.

In rendering this opinion, we advise you of the following:

The enforceability of the Agency Documents may be limited by any applicable bankruptcy, insolvency, reorganization, moratorium, or similar law or enactment now or hereafter enacted by the State of New York or the Federal government affecting the enforcement of creditors' rights generally and the general principles of equity, including limitations on the availability of the remedy of specific performance which is subject to discretion of the court.

This opinion is rendered to the addressees named above and their successors and/or assigns, and may not be relied upon by any other person without our prior, express written consent.

Very truly yours,

BARCLAY DAMON LLP

Barclay Damon LLP

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100 MADISON STREET
SUITE 1905
SYRACUSE, NEW YORK 13202
PHONE (315) 476-1010
FAX (315) 476-1134
WWW.LDTS-LAW.COM

September 26, 2017

Oak Knitting Mill Commons LLC
100 Madison Street, Suite 1905
Syracuse, New York 13202

City of Syracuse Industrial Development Agency
201 East Washington Street, 7th Floor
Syracuse, New York 13202

Re: City of Syracuse Industrial Development Agency
Lease/Leaseback Transaction
Oak Knitting Mill Commons LLC Project

Ladies and Gentlemen:

We have acted as counsel to Oak Knitting Mill Commons LLC (the “*Company*”) in connection with a certain project (the “*Project*”) undertaken by the City of Syracuse Industrial Development Agency (the “*Agency*”) at the Company’s request. The Project consists of: (A)(i) the acquisition of an interest in approximately 1 acre of real property improved by an existing four story approximately 68,000 square foot building (the “*Building*”) located at 102 West Division Street, in the City of Syracuse, New York (the “*Land*”); (ii) the renovation of the building to house approximately 18 two-bedroom and 20 one-bedroom market-rate apartment units on floors 2-4, a fitness center and community room; approximately 5,000 square feet of commercial space on the first floor; and approximately fifty-two (52) parking spaces, all located on the Land (collectively, the “*Facility*”); (iii) the acquisition and installation in and at the Land and Facility of furniture, fixtures and equipment (the “*Equipment*” and together with the Land and the Facility, the “*Project Facility*”); (B) the granting of certain financial assistance in the form of exemptions from real property tax, State and local sales and use tax and mortgage recording tax (as limited by Section 874 of the General Municipal Law) (collectively the “*Financial Assistance*”); (C) the appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, reconstruction, renovation, equipping and completion of the Project Facility; and (D) the lease of the Land and Facility by the Agency pursuant to a lease agreement and the acquisition of an interest in the Equipment pursuant to a bill of sale from the Company to the Agency; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement.

The Agency has acquired an interest in the Project Facility pursuant to that certain Company Lease Agreement dated as of August 1, 2017 (the “*Company Lease*”) and transfer its interest in the Equipment to the Agency pursuant to a bill of sale dated as of August 1, 2017 (the “*Bill of Sale*”) and the Agency will sublease the Project Facility back to the Company pursuant to an Agency Lease Agreement dated as of August 1, 2017 (the “*Agency Lease*”). Capitalized terms used herein and not otherwise defined shall have the meaning given to them in the Agency Lease.

The Company has also requested that the Agency grant the Financial Assistance to the Project. The Agency, the Company and the City of Syracuse, New York entered into a Payment in Lieu of Taxes Agreement dated August 1, 2017 (the “*PILOT Agreement*”) with respect to the Project.

In that regard, we have examined the Project Agreement, the Company Lease, the Agency Lease, the Bill of Sale, the Mortgage, the Environmental Compliance, the Indemnification Agreement, the PILOT Agreement, and the other documents identified in the Closing Memorandum and defined in the Agency Lease to which the Company is a party (collectively, the “*Company Documents*”).

We have also examined corporate documents and records of the Company and made such investigation of law and/or fact that we deem necessary or advisable in order to render this opinion. For purposes of such examination, we have assumed the genuineness of all certificates and the authenticity of all documents submitted to us as original counterparts or as certified or photostatic copies; the genuineness of all signatures of all parties to the Company Documents other than on behalf of the Company; and the due authorization, execution and delivery of the Company Documents by and the enforceability thereof against all parties thereto other than the Company.

As to questions of fact material to our opinion, we have relied upon the representations and warranties made by the Company in the Company Documents and upon one or more certificates of officers of the Company. Whenever the phrase “to the best of our knowledge” is used in this opinion, it refers to actual knowledge of members of this firm obtained from our representation of the Company and inquiries of responsible officers of the Company made in connection with this opinion, but no further investigation or review has been conducted.

Based upon the foregoing, it is our opinion that:

1. The Company is a validly existing New York limited liability company and possesses full corporate power and authority to own its property, to conduct its business, to execute and deliver the Company Documents, and to carry out and perform its obligations thereunder.
2. The execution, delivery and performance of the Company Documents have been duly authorized by the Company and the Company Documents have been duly executed and delivered by an Authorized Representative of the Company.



3. The Company Documents constitute the legal, valid and binding obligation of the Company, enforceable against the Company in accordance with their terms, except as enforceability may be limited by applicable bankruptcy and insolvency laws and laws affecting creditors' rights generally and to the extent that the availability of the remedy of specific performance or injunctive relief or other equitable remedies is subject to the discretion of the court before which any proceeding therefor may be brought.

4. To the best of our knowledge, in reliance on the certificates and opinions specified herein, the execution and delivery by the Company of the Company Documents, the execution and compliance with the provisions of each and the consummation of the transactions contemplated therein do not and will not constitute a breach of, or default under the Company's Articles of Organization, Operating Agreement or any indenture, mortgage, deed of trust, bank loan or credit agreement or other agreement or instrument to which the Company or any of its Property may be bound, for which a valid consent has not been secured; nor is any approval or any action by any governmental authority required in connection with the execution, delivery and performance thereof by the Company.

5. To the best of our knowledge, in reliance on the certificates and opinions specified herein, there is no action, suit, proceeding or investigation at law or in equity before or by any court, public board or body, pending or threatened against, or affecting the Company wherein an unfavorable decision, ruling or finding would in any way adversely affect in a material fashion the validity or enforceability of the Company Documents.

Our examination of law relevant to matters herein is limited to the laws of the State of New York and also the Federal law, where appropriate, and we express no opinion as to matters governed by the laws of any other state or jurisdiction.

This opinion is only for the benefit of and may be relied upon only by the Agency, its successors and assigns. The opinions set forth in this letter are limited to those expressly stated and no other opinion may be inferred nor is any implied. No other use of this opinion may be made without prior written consent. This opinion is given as of the date hereof and we undertake no obligation, and hereby disclaim any obligation, to update or supplement this opinion in response to a subsequent change in the law or future events affecting the documents identified in this letter.

Very truly yours,

LYNN D'ELIA TEMES & STANCZYK

Anthony J. D'Elia

4817-1187-7712, v. 1



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CLOSING MEMORANDUM

CITY OF SYRACUSE INDUSTRIAL DEVELOPMENT AGENCY

OAK KNITTING MILL COMMONS LLC PROJECT

DATE AND TIME OF CLOSING: September 26, 2017
2:00 p.m.

PLACE OF CLOSING: Wladis Law Firm
6312 Fly Road
East Syracuse, New York 13057

I. Action Taken Prior to Closing

At the request of Oak Knitting Mill Commons LLC (the “*Company*”), the City of Syracuse Industrial Development Agency (the “*Agency*”), a public benefit corporation organized under the laws of the State of New York, has undertaken a project (the “*Project*”) consisting of: (A)(i) the acquisition of an interest in approximately 1 acre of real property improved by an existing four story approximately 68,000 square foot building (the “*Building*”) located at 102 West Division Street, in the City of Syracuse, New York (the “*Land*”); (ii) the renovation of the building to house approximately 18 two-bedroom and 20 one-bedroom market-rate apartment units on floors 2-4, a fitness center and community room; approximately 5,000 square feet of commercial space on the first floor; and approximately fifty-two (52) parking spaces, all located on the Land (collectively, the “*Facility*”); (iii) the acquisition and installation in and at the Land and Facility of furniture, fixtures and equipment (the “*Equipment*” and together with the Land and the Facility, the “*Project Facility*”); (B) the granting of certain financial assistance in the form of exemptions from real property tax, State and local sales and use tax and mortgage recording tax (as limited by Section 874 of the General Municipal Law) (collectively the “*Financial Assistance*”); (C) the appointment of the Company or its designee as an agent of the Agency in connection with the acquisition, reconstruction, renovation, equipping and completion of the Project Facility; and (D) the lease of the Land and Facility by the Agency pursuant to a lease agreement and the acquisition of an interest in the Equipment pursuant to a bill of sale from the Company to the Agency; and the sublease of the Project Facility back to the Company pursuant to a sublease agreement.

The Company also requested that the Agency appoint the Company as its agent for purposes of completing the Project and the granting of certain Financial Assistance.

The Company is, or will be at the time of closing, the owner of the Project Facility.

The Agency will acquire a leasehold interest in the Land and Facility from the Company pursuant to a Company Lease Agreement dated as of September 1, 2017 (the “*Company Lease*”), between the Company, as landlord and the Agency, as tenant; and an interest in the Equipment pursuant to a bill of sale from the Company dated as of September 1, 2017 (the “*Bill of Sale*”). The Agency will sublease the Project Facility back to the Company, pursuant to an Agency Lease Agreement dated as of September 1, 2017 (the “*Agency Lease*”) between the Agency, as sublessor and the Company, as sublessee. Capitalized terms used herein and not otherwise defined shall have the meaning given to such terms in Exhibit “C” to the Agency Lease.

Among the actions taken by the Agency with respect to the Project prior to Closing were the following:

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| October 6, 2016 | The Company submitted an application for financial assistance for the project. |
| October 18, 2016 | A resolution determining that the acquisition, reconstruction, renovation, equipping and completion of a commercial facility at the request of the Company constitutes a project; describing the financial assistance in connection therewith; and authorizing a public hearing (the “ <i>Public Hearing Resolution</i> ”). |
| October 31, 2016 | Notice of the Public Hearing was mailed to the chief executive officers of the affected tax jurisdictions pursuant to Section 859-a of the Act. |
| November 3, 2016 | Notice of the Public Hearing was published in the <u>Post-Standard</u> pursuant to Section 859-a of the Act. |
| November 15, 2016 | The Agency conducted the Public Hearing pursuant to Section 859-a of the Act. |
| November 15, 2016 | A resolution classifying a certain project as a Type 1 action and declaring the intent of the City of Syracuse Industrial Development Agency to be Lead Agency for purposes of a coordinated review pursuant to the State Environmental Quality Review Act (the “ <i>SEQRA Lead Agency Resolution</i> ”). |
| December 20, 2016 | A resolution determining that the acquisition, reconstruction, renovation, equipping and completion of a certain project at the request of Oak Knitting Mill Commons LLC will not have a significant effect on the environment (the “ <i>SEQRA Resolution</i> ”). |

- December 20, 2016 A resolution authorizing the undertaking of the acquisition, reconstruction, renovation, equipping and completion of a commercial mixed-use facility; appointing the Company agent of the Agency for the purpose of the acquisition, reconstruction, renovation, equipping and completion of the Project; and authorizing the execution and delivery of an agreement between the Agency and the Company (the “**Inducement Resolution**”).
- December 20, 2016 A resolution approving a payment in lieu of tax schedule and authorizing the execution and delivery of certain documents by the Agency in connection with the Project (the “**PILOT Resolution**”).
- December 20, 2016 A resolution authorizing the execution and delivery of certain documents by the agency at the request of the Company (the “**Final Approving Resolution**”).
- January 24, 2017 A resolution approving the issuance of a temporary sales tax appointment letter and the execution and delivery of certain documents in connection therewith (the “**Temporary Appointment Resolution**”).
- August 15, 2017 A resolution approving an extension of the sales tax appointment of the Company as agent of the Agency until October 31, 2017 and authorizing the execution of any and all necessary documents (the “**Extension Resolution**”).

II. Action To Be Taken At Closing

The following documents, or copies thereof, are to be delivered (except as indicated) to the Agency (A), Agency's Counsel (AC), the Company (C), Company's Counsel (CC), Lender's Counsel (LC) as follows:

A. Basic Documents	Responsible Party	Signatories
1. Project Agreement	AC	C, A
2. Company Lease Agreement	AC	C, A
3. Memorandum of Company Lease Agreement with TP-584	AC	C, A
4. Bill of Sale		
5. Agency Lease Agreement	AC	C, A
6. Memorandum of Agency Lease Agreement with Form TP-584	AC	C, A
7. Company Certification re: Local Labor Policy	AC	C
8. Certificates of casualty, liability, workers' compensation and other required insurance	AC	
9. Environmental Compliance and Indemnification Agreement	AC	C
10. Closing Receipt	AC	C, A
11. Sales Tax Exemption Letter	AC	A
12. Form ST-60 indicating appointment of the Company to act as the agent of the Agency	AC	A
13. PILOT Agreement	AC	A, C
14. 412 a	AC	A
15. Mortgage	LC	C, A

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| 16. | Assignment of Leases and Rents | LC | [C, A] |
| 17. | UCC-1 Financing Statement(s) | LC | |
| 18. | Survey | CC | |

B. Items To Be Delivered By The Agency

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| 1. | General Certificate of the Agency relating to incumbency and signatures of officers, execution and delivery of Agency Documents to which it is a party, no litigation and continued existence, with the following items included as exhibits: | AC | A |
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Exhibit "A" - Chapter 641 of the Laws of 1979 of the State of New York, as amended	A
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Exhibit "B" - Certificate of Establishment of the Agency and Certificates of appointment of current members	A
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Exhibit "C" - By-laws	A
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Exhibit "D" - Public Hearing Resolution	AC
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Exhibit "E" - Notice of Public Hearing with evidence of publication and copies of letters to affected tax jurisdictions	AC
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Exhibit "F" – SEQRA Lead Agency Resolution	AC
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Exhibit "G" – SEQRA Resolution	AC
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Exhibit "H" – Inducement Resolution	AC
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Exhibit "I" – PILOT Resolution	AC
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Exhibit "J" – Final Approving Resolution	AC
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Exhibit "K" – Temporary Appointment Resolution	AC
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	Exhibit "L" – Extension Resolution	AC	
2.	Mortgage Recording Tax Affidavit	AC	A
C.	Items To Be Delivered By The Company		
1.	General Certificate of the Company relating to capacity and signatures of officers, execution and delivery of the Documents to which it is a party, no litigation and approval, with the following items included as exhibits:	AC	C
	Exhibit "A" - Articles of Organization	C	
	Exhibit "B" – Amended and Restated Operating Agreement	C	C
	Exhibit "C" - Certificate of Good Standing	C	
	Exhibit "D" - Company Resolution	C	
	Exhibit "E" - Local Access Agreement	C	
D.	Opinions of Counsel	C	
1.	Opinion of Barclay Damon, LLP, counsel to the Agency, addressed to the Company and the Agency	AC	AC
2.	Opinion of Lynn, D’Elia, Temes & Stanczyk LLC, counsel to the Company, addressed to the Agency and the Company.	AC	CC

III. Action To Be Required Concurrently With Or After Closing

Memorandum of Company Lease Agreement, Memorandum of Agency Lease Agreement, Mortgage and Assignment of Leases and Rents are to be filed with the Onondaga County Clerk and the UCC-1 Financing Statement(s) are to be filed as appropriate under the Uniform Commercial Code.

IV. Post-Closing

Scan copy of Local Access Agreement to SIDA.

SCHEDULE "A"

PERSONS APPEARING

For the Agency: City of Syracuse Industrial Development Agency
William M. Ryan, Chairman

For the Company: Oak Knitting Mill Commons LLC
Timothy Lynn

Company Counsel: Lynn, D'Elia, Temes & Stanczyk LLC
Anthony J. D'Elia, Esq.

For the Lender: Tompkins Trust Company

Lender's counsel: The Wladis Law Firm
Scott Hatz, Esq.

Agency's Counsel: Barclay Damon LLP
Susan R. Katzoff, Esq.