

**FIRST AMENDMENT TO
LEASE AGREEMENT**

Dated as of May 1, 2018

by and between

TOWN OF BABYLON INDUSTRIAL DEVELOPMENT AGENCY

and

CG REALTY ASSOCIATES LLC

Stellae International Inc. Project

Affecting the Land generally known by the street address
50 Marcus Drive and 333 Smith Street,
50 Marcus Drive, and 66 Marcus Drive
in the County of Suffolk,
Farmingdale, New York
as more particularly described in
Exhibit A to the Lease Agreement
and which is also known as
District 0100, Section 005.00, Block 01.00,
Lots 002.000, 004.001 and 003.000
on the Official Tax Map of Suffolk County

FIRST AMENDMENT TO LEASE AGREEMENT

This **FIRST AMENDMENT TO LEASE AGREEMENT**, made and entered into as of May 1, 2018 (this “First Amendment”), by and between **TOWN OF BABYLON INDUSTRIAL DEVELOPMENT 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 (the “Agency”), party of the first part, having its principal office at 47 West Main Street, Babylon, New York 11702, and **CG REALTY ASSOCIATES LLC**, a limited liability company organized and existing under the laws of the State of New York (the “Lessee”), party of the second part, having its principal office at 1111 Marcus Avenue, Unit 5A, Lake Success, New York 11042 (all capitalized terms used herein and not otherwise defined shall have the same meaning as set forth in the Lease Agreement herein defined):

WITNESSETH:

WHEREAS, the New York State Industrial Development Agency Act, 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”) authorizes and provides for the creation of industrial development agencies in 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 land, 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, industrial or civic purposes, to the end that such agencies may be able to promote, develop, encourage, assist and advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York and to improve their prosperity and standard of living; and

WHEREAS, pursuant to and in accordance with the provisions of the Enabling Act, the Agency was established by Chapter 177 of the 1973 Laws of New York, as amended (together with the Enabling Act, the “Act”) for the benefit of the Town of Babylon and the inhabitants thereof; and

WHEREAS, to accomplish the purposes of the Act, the Agency entered into a Straight Lease (as defined in the Act) dated April 29, 2016, with the Lessee for the benefit of Stellae International Inc., a corporation organized and existing under the laws of the State of New York (the “Sublessee”) for the acquisition of a “project” within the meaning of the Act within the territorial boundaries of the Town of Babylon, New York (the “Town”) and located on those certain lots, pieces or parcels of land generally known as and located at 50 Marcus Drive and 333 Smith Street, 50 Marcus Drive, and 66 Marcus Drive, all in Farmingdale, New York, which consisted of the acquisition, renovation and equipping of an approximately 163,765 square foot warehousing and office facility (the “Facility”) for use by the Sublessee in its business of providing logistics and distribution services for the luxury and fashion industries (the (the “Project”)); and

WHEREAS, in connection with the Project the Agency granted Lessee and Sublessee financial assistance in the form of among others, exemptions from real property taxes and state and local sales and use taxes in accordance with a Lease Agreement, between the Agency and Lessee dated April 29, 2016 (the “Lease Agreement”), a Sublease Agreement, between Lessee

and Sublessee dated April 29, 2016 (the "Sublease Agreement") and a Sales Tax Agent Authorization Letter, dated April 29, 2016 (the "Sales Tax Letter"), from the Agency to Sublessee and Sublessee (the "Agent Authorization Letter"); and

WHEREAS, it is desired that the Agency and the Lessee amend the Lease Agreement to (i) increase the Maximum Sales Tax Savings Amount in the Lease Agreement from \$431,250 to \$965,371 as the Lessee and Sublessee plan to invest an additional \$6,192,703 towards improvements to the Project and (ii) extend the sales tax termination date from April 29, 2018 to June 30, 2018; and

NOW, THEREFORE, in consideration of the premises and the respective representations and agreements hereinafter contained, the parties hereto agree as follows (provided that in the performance of the agreements of the Agency herein contained, any obligation it may incur for the payment of money shall not create a debt of the State of New York or of the Town of Babylon, and neither the State of New York nor the Town of Babylon shall be liable on any obligation so incurred, but any such obligation shall be payable solely out of the lease rentals, revenues and receipts derived from or in connection with the Facility including moneys received under the Lease Agreement):

Section 1. Amendments.

(a) The definition of Maximum Sales Tax Savings Amount contained in Section 1.1 of the Lease Agreement is hereby amended and replaced with the following:

"Maximum Sales Tax Savings Amount shall mean the aggregate maximum dollar amount of Sales Tax Savings that the Lessee and all Agents acting on behalf the Lessee are permitted to receive under this Agreement, which shall equal \$965,371."

(b) Section 2.4(b)(i) of the Lease Agreement is hereby amended and replaced with the following:

"(i) The Sales Tax Exemption shall be effective only for a term commencing on the Commencement Date and expiring upon the earliest of (A) June 30, 2018, (B) the expiration or termination of this Agreement, (C) receipt by the Lessee of notice from the Agency of termination of the Sales Tax Exemption, and (D) the termination of the Sales Tax Exemption authorization pursuant to Section 7.2 (the "Termination Date")."

(c) The Expiration Date set forth in the Sales Tax Agent Authorization Letter attached as Schedule B to the Lease Agreement is extended from "April 29, 2018" to "June 30, 2018".

(d) Sublessee hereby approves and accepts such amended Expiration Date in the fully executed Agent Authorization Letter by executing this First Amendment.

Section 2. No Further Amendment. Except for the forgoing amendments to the Lease Agreement, the Lease Agreement shall remain in full force and effect.

Section 3. Severability. If any clause, provision or section of this First Amendment be ruled invalid by any court of competent jurisdiction, the invalidity of such clause, provision or section shall not affect any of the remaining provisions hereof.

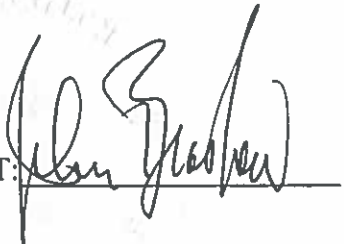
Section 4. Counterparts. This First Amendment may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument

Section 5. Binding Effect. This First Amendment shall inure to the benefit of, and shall be binding upon, the Agency, the Lessee and its respective successors and assigns.

IN WITNESS WHEREOF, the Agency has caused its corporate name to be hereunto subscribed by its duly authorized Chief Executive Officer and attested under the seal of the Agency by its Secretary, or an Assistant Secretary and the Lessee duly executed this First Amendment all being done as of the year and day first above written.

(SEAL)

ATTEST:


JOHN BRASLOW
COUNSEL
TOWN OF BABYLON
IND. DEV. AGENCY

**TOWN OF BABYLON INDUSTRIAL
DEVELOPMENT AGENCY**

By:


Name: Matthew McDonough
Title: Chief Executive Officer

By:


Name: George Daguillard
Title: Managing Member

By:


Name: Carl Daguillard
Title: Managing Member

Accepted and Approved with respect to Section 1(d) above:

STELLAE INTERNATIONAL INC.

By:


Name: Carl Daguillard
Title: President

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

On the 14th of May, in the year two thousand and eighteen, the undersigned, personally appeared Matthew McDonough, 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.


Lynn A. Aramani
Notary Public

LYNN A. ARAMANI
Notary Public, State of New York
No. 01AR5071444
Qualified in Suffolk County
Commission Expires January 13, 2019

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

On the 10TH of May, in the year two thousand and eighteen, the undersigned, personally appeared Carl Daguillard, 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.

HUGO MONTOYA
Notary Public, State of New York
No. 01MO6163350
QUALIFIED IN NASSAU COUNTY
Commission Expires MAR. 26. 2019



Notary Public

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

On the 10TH of May, in the year two thousand and eighteen, the undersigned, personally appeared George Daguillard, 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.

HUGO MONTOYA
Notary Public, State of New York
No. 01MO6163350
QUALIFIED IN NASSAU COUNTY
Commission Expires MAR. 26. 2019



Notary Public