

BABYLON INDUSTRIAL DEVELOPMENT AGENCY

Thomas E. Dolan
Chief Executive Officer

FORM APPLICATION FOR FINANCIAL ASSISTANCE

DATE: MARCH 8TH 2023

APPLICATION OF: VOGUE GROUP INC
Company Name of Beneficial User of Proposed Project
(Not Realty or Special Purpose Entity (SPE) created for liability)

CURRENT ADDRESS: 550 SMITH STREET, FARMINGDALE, NY 11735

**ADDRESS OF PROPERTY
TO RECEIVE BENEFITS:** 480 Smith Street, Farmingdale, NY 11735

2015 New Highway, Farmingdale, NY 11735 | 550 Smith Street, Farmingdale NY 11735

Tax Map # District 0100 **Section** 005.00 **Block** 014 **Lot (s)** 003

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Part I: User (Applicant) & Owner Data (if different)

1. User Data (Applicant):

4 A. User: VOGUE GROUP INC

Address: 550 SMITH STREET

FARMINGDALE, NY 11735

Federal Employer ID #: [REDACTED]

Website: WWW.VOGUEFABRICSINC.COM

NAICS Code: [REDACTED]

(The North American Industry Classification System (NAICS) is the standard used by Federal statistical agencies in classifying business establishments for the purpose of collecting, analyzing, and publishing statistical data related to the U.S. business economy. www.census.gov/eos/www/naics/)

Name of User Officer Certifying Application: [REDACTED]

Title of Officer: [REDACTED]

Phone Number: [REDACTED]

E-mail: [REDACTED]

B. Business Type:

Sole Proprietorship ☐

Partnership ☐**Privately Held** ☒Public Corporation ☐

Listed on

State of Incorporation/Formation: S-CORP / NEW YORK

C. Nature of Business:

(e.g., "manufacturer of _____ for _____ industry"; "distributor of _____")

Wholesale distribution of fabrics / textiles and manufacturer of curtains and event decorations

D. User Counsel:

Firm Name: LAW OFFICES OF HARVEY FOX

Address: 25 ROSLYN ROAD - FIRST FLOOR

MINEOLA, NEW YORK 11501

Individual Attorney: HARVEY FOX

Phone Number: 516-742-1344

E-mail: HFOXESQ@GMAIL.COM

E. Principal Stockholders, Members or Partners, if any, of the User (5% or more equity):

Name	Percent Owned
BALBEER SINGH	55
SHAWN SINGH	45

F. Has the User, or any subsidiary or affiliate of the User, or any stockholder, partner, member, officer, director or other entity with which any of these individuals is or has been associated with:

- i. ever filed for bankruptcy, been adjudicated bankrupt or placed in receivership or otherwise been or presently is the subject of any bankruptcy or similar proceeding? (if yes, please explain)

NO

- ii. been convicted of a felony, or misdemeanor, or criminal offense (other than a motor vehicle violation)? (if yes, please explain)

NO

G. If any of the above persons (see "E", above) or a group of them, owns more than 50% interest in the User, list all other organizations which are related to the User by virtue of such persons having more than a 50% interest in such organizations.

NO

H. Is the User related to any other organization by reason of more than a 50% ownership? If so, indicate name of related organization and relationship:

NO

I. List parent corporation, sister corporations and subsidiaries:

NO

- J. Has the User (or any related corporation or person) been involved in or benefited by any prior industrial development financing in the municipality in which this project is located, whether by this agency or another issuer? (Municipality herein means city, town or village, or if the project is not in an incorporated city, town or village, the unincorporated areas of the county in which it is located.) If so, explain in full:

YES, VOGUE GROUP INC / BALBEER SINGH HAVE APPLIED FOR IDA BENEFITS ON 550 SMITH STREET IN FARMINGDALE NY 11735 IN YEAR 2020. THE APPLICATION WAS ACCEPTED.

- K. List major bank references of the User:

JP MORGAN CHASE, FARMINGDALE - SHERI PRUDENTE

CAPITAL ONE, FARMINGDALE - DOUGLAS GIFFORD

2. Owner Data

**** (for co-applicants for assistance or where a landlord/tenant relationship will exist between the owner and the user) ****

- A. Owner (together with the User, the "Applicant"): Vogue Holding LLC, 480 Smith St LLC

Address: 550 SMITH STREET

FARMINGDALE NY 11735

Federal Employer ID #: 870915285, 921817189 Website: _____

NAICS Code: 53121

Name of Owner Officer Certifying Application: BALBEER SINGH

Title of Officer: OWNER / CEO

Phone Number: 516-884-4757

E-mail: SHAWN@VOGUEFABRICSINC.COM

- B. Business Type:

Sole Proprietorship ☐

Partnership ☐

Privately Held ☒

Public Corporation ☐

Listed on _____

State of Incorporation/Formation: LLC / NEW YORK

- C. Nature of Business:

(e.g., "manufacturer of _____ for _____ industry"; "distributor of _____"; or "real estate holding company")

REAL ESTATE HOLDING COMPANY

D. Are the User and the Owner Related Entities?

Yes ☒ No ☐

- i. If yes, the remainder of the questions in this Part I, Section 2 (with the exception of "F" below) need not be answered if answered for the Owner.
- ii. If no, please complete all questions below.

E. Owner's Counsel:

Firm Name: _____

Address: _____

Individual Attorney: _____

Phone Number: _____ E-mail: _____

F. Principal Stockholders or Partners, if any (5% or more equity):

Name	Percent Owned
BALBEER SINGH	55
SHAWN SINGH	45
_____	_____
_____	_____

G. Has the Owner, or any subsidiary or affiliate of the Owner, or any stockholder, partner, officer, director or other entity with which any of these individuals is or has been associated with:

- i. ever filed for bankruptcy, been adjudicated bankrupt or placed in receivership or otherwise been or presently is the subject of any bankruptcy or similar proceeding? (if yes, please explain)

- ii. been convicted of a felony or criminal offense (other than a motor vehicle violation)? (if yes, please explain)

- H. If any of the above persons (see "F", above) or a group of them, owns more than 50% interest in the Owner, list all other organizations which are related to the Owner by virtue of such persons having more than a 50% interest in such organizations.

- I. Is the Owner related to any other organization by reason of more than a 50% ownership? If so, indicate name of related organization and relationship:

- J. List parent corporation, sister corporations and subsidiaries:

- K. Has the Owner (or any related corporation or person) been involved in or benefited by any prior industrial development financing in the municipality in which this project is located, whether by this agency or another issuer? (Municipality herein means city, town or village, or if the project is not in an incorporated city, town or village, the unincorporated areas of the county in which it is located.) If so, explain in full:

- L. List major bank references of the Owner:

Part II – Operation at Current Location

1. Current Location Address: 550 SMITH STREET, FARMINGDALE, NY 11735

2. Owned or Leased: OWNED

3. Describe your present location (acreage, square footage, number of buildings, number of floors, etc.):
20,000 SQ FT, 1 BUILDING, 1 ACRE, 1 FLOOR

4. Type of operation (manufacturing, wholesale, distribution, retail, etc.) and products and/or services:
WHOLESALE DISTRIBUTION OF FABRICS/TEXTILES, MANUFACTURER OF CURTAINS AND EVENT DECOR

5. Are other facilities or related companies of the Applicant located within the State?
Yes ☒ No ☐

A. If yes, list the Address: 2015 New Highway, Farmingdale, NY 11735 | 480 Smith St, Farmingdale, NY 11735

6. If yes to above ("5"), will the completion of the project result in the removal of such facility or facilities from one area of the state to another OR in the abandonment of such facility or facilities located within the State? Yes ☐ No ☒

A. If no, explain how current facilities will be utilized: 550 smith street - will be used to keep additional inventory, 480 smith street - will be used for shipping & 2015 new highway - will be both storage and order fulfillment.

B. If yes, please indicate whether the project is reasonably necessary for the Applicant to maintain its competitive position in its industry or remain in the State and explain in full:

7. Has the Applicant actively considered sites in another state? Yes ☒ No ☐

A. If yes, please list states considered and explain: We have considered moving operations to NJ due to
more affordable industrial real estate and reduced transportation costs as our customers are mainly in NJ.

8. Is the requested financial assistance reasonably necessary to prevent the Applicant from moving out of New York State? Yes ☒ No ☐

A. Please explain: Yes. Without the financial assistance of NYS, we will have to consider NJ as a potential option
for relocation as the cost of real estate is lower and our clients are in NJ, which will reduce our transportation costs.

9. Number of full-time employees at current location and average salary: _____

550 Smith Street - 36 employees - avg salary \$40,500, 480 Smith Street - 9 employees - avg salary \$44,500

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Part III – Project Data**1. Project Type:****A. What type of transaction are you seeking?: (Check one)**

Straight Lease ☒ Taxable Bonds ☐ Tax-Exempt Bonds ☐
 Equipment Only Straight Lease ☐

B. Type of benefit(s) the Applicant is seeking: (Check all that apply)

Sales Tax Exemption ☒ Mortgage Recording Tax Exemption ☒
 Real Property Tax Abatement: ☒

2. Location of project:

A. Street Address: 2015 New Highway, Farmingdale, NY 11735 | 480 Smith Street, Farmingdale, NY 11375

B. Tax Map: District 100 | 100 Section 005 | 006 Block 01 | 01 Lot(s) 014.003 | 022.000

C. Municipal Jurisdiction:

i. Village: _____
 ii. School District: Half Hollow Hills
 iii. Library: Half Hollow Hills

D. Acreage: 2.26 Acres | 1 Acre

3. Project Components (check all appropriate categories):

- A. Construction of a new building** ☒ Yes ☐ No
 i. Square footage: 40,000 (2015 NEW HIGHWAY)
- B. Renovations of an existing building** ☒ Yes ☐ No
 i. Square footage: 15,000 (480 SMITH STREET)
- C. Demolition of an existing building** ☒ Yes ☐ No
 i. Square footage: 10,472 (2015 NEW HIGHWAY)
- D. Land to be cleared or disturbed** ☐ Yes ☒ No
 i. Square footage/acreage: _____
- E. Construction of addition to an existing building** ☐ Yes ☒ No
 i. Square footage of addition: _____
 ii. Total square footage upon completion: _____
- F. Acquisition of an existing building** ☒ Yes ☐ No
 i. Square footage of existing building: 15K (480 smth)

- G. Installation of machinery and/or Equipment ☒ Yes ☐ No

i. List principal items or categories of equipment to be acquired: _____

Shelving, dye sublimation printers and sewing machines

4. Current Use at Proposed Location:

A. Does the Applicant currently hold fee title to the proposed location?

i. If no, please list the present owner of the site: AJA 480 Smith St Realty Co LLC

B. Present use of the proposed location: 480 Smith St is currently leased to Vogue Group Inc. We are

using this facility to help with order fulfillment and shipping of our orders. 2015 New Highway is a restaurant / bar.

C. Is the proposed location currently subject to an IDA transaction (whether through this Agency or another?) ☐ Yes ☒ No

i. If yes, explain: _____

D. Is there a purchase contract for the site? (if yes, attach): ☒ Yes ☐ No

E. Is there an existing or proposed lease for the site? (if yes, attach): ☐ Yes ☒ No

5. Proposed Use:

A. Describe the specific operations of the Applicant or other users to be conducted at the project site: 550 Smith St - will be used as a stock warehouse to house fabrics and to ship palletized wholesale orders

480 Smith St - will be used to continue growing our order fulfillment and shipping of cut fabric orders

2015 New Highway - will be used to grow our warehousing to bring new product and expand fulfillment capacity

B. Proposed product lines and market demands: _____

Table covers, curtains, on demand fabric printing, fabrics for upholstery, crafts, notions, apparel & fashion, backpack

C. If any space is to be leased to third parties, indicate the tenant(s), total square footage of the project to be leased to each tenant, and the proposed use by each tenant:

N/A

D. Need/purpose for project (e.g., why is it necessary, effect on Applicant's business):

By acquiring 480 smith street, we will be able to properly outfit the building to our exact specifications as the owner.

Currently we are subject to how the landlord wants to outfit the building, which limits our capacity and also does not give us the long-term assurances we need in order to continue invested in our Farmingdale operations. By purchasing this property, we will be able to expand our fulfillment capabilities. By building 2015 new highway, we will be able to further our expansion by building a state of the art 40000 square foot industrial flagship warehouse that will more than triple our output with it's high ceilings and allow for storage of new fabrics that we plan to manufacture and distribute.

E. Will any portion of the project be used for the making of retail sales to customers who personally visit the project location? Yes ☐ No ☒

- i. If yes, what percentage of the project location will be utilized in connection with the sale of retail goods and/or services to customers who personally visit the project location? _____

6. Project Work:

A. Has construction work on this project begun? If yes, complete the following:

i. Site Clearance:	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	% Complete	_____
ii. Foundation:	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	% Complete	_____
iii. Footings:	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	% Complete	_____
iv. Steel:	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	% Complete	_____
v. Masonry:	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	% Complete	_____
vi. Other:	_____			

B. What is the current zoning? LIGHT INDUSTRIAL

C. Will the project meet zoning requirements at the proposed location?

Yes ☒ No ☐

D. If a variance or change of zoning is required, please provide the details/status of the variance or change of zone request:

N/A

E. Have site plans been submitted to the appropriate planning department? Yes ☒ No ☐

7. Project Completion Schedule:

A. What is the proposed commencement date for the acquisition and the construction/renovation/equipping of the project?

i. Acquisition: Acquire 480 Smith Street - 4/30/23

ii. Construction/Renovation/Equipping: Construct 2015 New Highway, 3 yrs, 8/1/23 - 8/1/26

B. Provide an accurate estimate of the time schedule to complete the project and when the first use of the project is expected to occur: We will acquire the 480 smith street building within the next few

months if we are able to get the IDA approval. We will then also schedule the construction for 2015 new highway to

commence this summer and expect a 3 year completion for the building to be fully built and properly outfitted with

shelving and machinery for company use. 550 Smith St will be used for keeping stock and fulfilling wholesale orders.

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Part IV – Project Costs and Financing**1. Project Costs:**

- A. Give an accurate estimate of cost necessary for the acquisition, construction, renovation, improvement and/or equipping of the project location:

<u>Description</u>	<u>Amount</u>
Land and/or building acquisition	\$ 5,450,000
Building(s) demolition/construction	\$ 6,000,000
Building renovation	\$ 500,000
Site Work	\$
Machinery and Equipment	\$ 500,000
Legal Fees	\$ 50,000
Architectural/Engineering Fees	\$ 80,000
Financial Charges	\$
Other (Specify)	\$
Total	\$ 12,580,000

2. Method of Financing:

	<u>Amount</u>	<u>Term</u>
A. Tax-exempt bond financing:	\$	_____ years
B. Taxable bond financing:	\$	_____ years
C. Conventional Mortgage:	\$ 2,250,000	5 _____ years
D. SBA (504) or other governmental financing:	\$	_____ years
E. Public Sources (include sum of all State and federal grants and tax credits):	\$	
F. Other loans:	\$	_____ years
G. Owner/User equity contribution:	\$ 10,330,000	_____ years
Total Project Costs	\$ 12,580,000	

- i. What percentage of the project costs will be financed from public sector sources?

0%

3. **Project Financing:** (***Complete only if Bond Financing is being utilized***)

A. Have any of the above costs been paid or incurred (including contracts of sale or purchase orders) as of the date of this application? Yes ☐ No ☒

i. If yes, provide detail on a separate sheet.

B. Are costs of working capital, moving expenses, work in progress, or stock in trade included in the proposed uses of bond proceeds? Give details:

C. Will any of the funds borrowed through Agency Bonds be used to repay or refinance an existing mortgage or outstanding loan? Give details:

D. Has the Applicant made any arrangements for the marketing or the purchase of the bond or bonds? If so, indicate with whom:

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Part V – Project Benefits**1. Mortgage Recording Tax Benefit:**

- A. Mortgage Amount for exemption (include sum total of construction/permanent/bridge financing):

\$ 2,250,000

- B. Estimated Mortgage Recording Tax Exemption (product of Mortgage Amount and current Mortgage Recording Tax Rate):

\$ 16,875

2. Sales and Use Tax Benefit:

- A. Gross amount of costs for goods and services that are subject to State and local Sales and Use Tax (such amount to benefit from the Agency's exemption):

\$ 2,400,000

- B. Estimated State and local Sales and Use Tax exemption (product of current State and Local Sales and Use Tax Rate and figure above):

\$ 207,000

- C. If your project has a landlord/tenant (owner/user) arrangement, please provide a breakdown of the number in "B" above:

i. Owner: \$

ii. User: \$

3. Real Property Tax Benefit:

- A. Identify and describe if the project will utilize a real property tax exemption benefit other than the Agency's PILOT benefit:

NO

- B. Agency PILOT Benefit:

i. Term of PILOT requested: 12 years for 550 smith street, 480 smith street & 2015 new highway

ii. Upon acceptance of this application, the Agency staff will create a PILOT schedule and indicate the estimated amount of PILOT Benefit based on anticipated tax rates and assessed valuation and attached such information to Exhibit A hereto. At such time, the Applicant will certify that it accepts the proposed PILOT schedule and requests such benefit to be granted by the Agency.

**** This application will not be deemed complete and final until Exhibit A hereto has been completed and executed.****

Part VI – Employment Data

1. List the Applicant's and each users present employment, and estimates of (i) employment at the proposed project location at the end of year one and year two following project completion and (ii) the number of residents of the Labor Market Area* ("LMA") that would fill the full-time and part-time jobs at the end of year second year following completion:

	<u>Present</u>	<u>First Year</u>	<u>Second Year</u>	<u>Residents of LMA</u>
Full-Time	9	12	15	95%
Part-Time**				

* The Labor Market Area includes the Town of Babylon, Nassau and Suffolk Counties.

Full-Time Employee shall mean, with respect to an Annual Period, an individual on the payroll of, receiving customary benefits from, and directly employed during such Annual Period by, any Company Group Entity (and excluding any individuals employed by temporary employment or similar agencies) and each of whom works within the Town for any Company Group Entity during such Annual Period on a "full-time basis" (i.e., working at least a 35-hour week, subject to customary vacation, holiday and sick leave).

****Agency converts Part-time staff to Full-Time Equivalent Employee** as follows, with respect to an Annual Period, two (2) individuals on the payroll of, receiving customary benefits from, and directly employed during such Annual Period by, any Company Group Entity (and excluding any individuals employed by temporary employment or similar agencies) and each of whom works within the Town for any Company Group Entity during such Annual Period on a "part-time basis" (i.e., working at least a 20-hour week, subject to customary vacation, holiday and sick leave).

2. **Salary and Fringe Benefits:**

Category of Jobs to be Retained and Created	Number of Employees	Average Salary or Range of Salary	Average Fringe Benefits or Range of Fringe Benefits
Management	2	73,040	2,000
Professional			
Administrative	2	50,000	2,000
Production			
Supervisor			
Laborer	11	40,000	2,000
Other			

Note: The Agency reserves the right to visit the facility to confirm that job creation numbers are being met.

3. Annualized salary range of jobs to be created in the first two years (see question #1).

FROM \$ 40,000 TO \$ 70,000

4. List the number of *Construction jobs (if applicable) to be created by the Applicants Project.

	<u>First Year</u>	<u>Second Year</u>	<u>Third Year</u>
* Full-Time	<u>5</u>	<u>5</u>	<u>5</u>
** Part-Time	<u></u>	<u></u>	<u></u>

*Construction jobs are defined as full-time equivalents (FTE), or 2,080-hour units of labor (one construction period job equates to one full-time job for 1 year).

**A part-time or temporary job may be considered one job by other models, but would constitute only a fraction of a job. For example, if a laborer or craftsman worked only 3 months on a construction or renovation project (assuming no overtime), that would be considered one-quarter of a job.

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Part VII – Representations, Certifications and Indemnification

1. Is the Applicant in any litigation which would have a material adverse effect on the Applicant's financial condition? (if yes, furnish details on a separate sheet)

Yes ☐ No ☒

2. Has the Applicant or any of the management of the Applicant, the anticipated users or any of their affiliates, or any other concern with which such management has been connected, been cited for a violation of federal, state or local laws or regulations with respect to:

- a. Labor practices,

(with respect to workers and/or their working conditions and/or their wages, including but not limited to pending or threatened labor strikes, hand billing, consumer boycotts, mass demonstrations or other similar incidents; unfair labor practices complaints; incurred, or potentially incurred, liability including withdrawal liability with respect to an employee benefit plan, including a pension plan; any complaints, claims, proceedings or litigation arising from alleged discrimination in the hiring, firing, promoting, compensating or general treatment of employees. Please consider "discrimination" to include sexual harassment.)

Yes ☐ No ☒ (If yes, furnish details on a separate sheet)

- b. hazardous wastes, environmental pollution,

Yes ☐ No ☒ (If yes, furnish details on a separate sheet)

- c. other operating practices

Yes ☐ No ☒ (If yes, furnish details on a separate sheet)

3. Is there a likelihood that the Applicant would not proceed with this project without the Agency's assistance? (If yes, please explain why; if no, please explain why the Agency should grant the benefits requested)

Yes ☒ No ☐

Yes. The expansion project is not feasible for Vogue Group Inc. without the financial assistance of IDA. The benefits

granted by the agency will offset rising real estate and labor costs in LI. Otherwise, we need to consider other locations.

4. If the Applicant is unable to obtain financial assistance from the Agency for the project, what would be the impact on the Applicant and on the municipality?

Vogue Group Inc would be forced to look for expansion efforts outside of Farmingdale and relocate the company to NJ.

The impact on municipality would be removal of jobs that Vogue created, local vendors we source from, & tax revenue.

5. The Applicant understands and agrees that the provisions of Section 862(1) of the New York General Municipal Law, as provided below, will not be violated if financial assistance is provided for the proposed project:

§ 862. Restrictions on funds of the agency. (1) No funds of the agency shall be used in respect of any project if the completion thereof would result in the removal of an industrial or manufacturing plant of the project 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 the project occupant located within the state, provided, however, that neither restriction shall apply if the agency shall determine on the basis of the application before it that the project is reasonably necessary to discourage the project occupant from removing such other plant or facility to a location outside the state or is reasonably necessary to preserve the competitive position of the project occupant in its respective industry.

Initial Sm

6. The Applicant understands and agrees that in accordance with Section 858-b(2) of the General Municipal Law, except as otherwise provided by collective bargaining agreements, new employment opportunities created as a result of the project will be listed with the New York State Department of Labor, Community Services Division and with the administrative entity of the service delivery area created pursuant to the Job Training Partnership Act (PL 97-300) in which the project is located (collectively, the "Referral Agencies"). The Applicant also agrees, that it will, except as otherwise provided by collective bargaining contracts or agreements to which they are parties, first consider for such new employment opportunities persons eligible to participate in federal job training partnership programs who shall be referred by the Referral Agencies

Initial Sm

7. The Applicant confirms and acknowledges that the owner, occupant, or operator receiving financial assistance for the proposed project is in substantial compliance with applicable local, state and federal tax, worker protection and environmental laws, rules and regulations.

Initial Sm

8. The Applicant confirms and acknowledges that the submission of any knowingly false or knowingly misleading information may lead to the immediate termination of any financial assistance and the reimbursement of an amount equal to all or part of any tax exemption claimed by reason of the Agency's involvement the Project.

Initial Sm

9. The Applicant confirms and hereby acknowledges that as of the date of this Application, the Applicant is in substantial compliance with all provisions of Article 18-A of the New York General Municipal Law, including, but not limited to, the provision of Section 859-a and Section 862(1) of the New York General Municipal Law.

Initial Sm

10. In accordance with Section 862(1) of the New York General Municipal Law the Applicant understands and agrees that projects which result in the removal of an industrial or manufacturing plant of the project 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 the project occupant within the State is ineligible for financial assistance from the Agency, unless otherwise approved by the Agency as reasonably necessary to preserve the competitive position of the project in its respective industry or to discourage the project occupant from removing such other plant or facility to a location outside the State.

Initial Sim

11. The Applicant represents and warrants that to the Applicant's knowledge neither it nor any of its affiliates, nor any of their respective partners, members, shareholders or other equity owners, and none of their respective employees, officers, directors, representatives or agents is, nor will they become a person or entity with who United States persons or entities are restricted from doing business under regulations of the Office of Foreign Asset Control (OFAC) of the Department of the Treasury (including those named on OFAC's Specially Designated and Blocked Persons List or under any statute, executive order including the September 24, 2001, Executive Order Block Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism, or other governmental action and is not and will not assign or otherwise transfer this Agreement to, contract with or otherwise engage in any dealings or transactions or be otherwise associated with such persons or entities.

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Initial after receipt and acceptance of Schedule A and Schedule B

12. The Applicant confirms and hereby acknowledges it has received the Agency's fee schedule attached hereto as Schedule A and agrees to pay such fees, together with any expenses incurred by the Agency, including those of Transaction Counsel, with respect to the Facility. The Applicant agrees to pay such expenses and further agrees to indemnify the Agency, its members, directors, employees and agents and hold the Agency and such persons harmless against claims for losses, damage or injury or any expenses or damages incurred as a result of action taken by or on behalf of the Agency in good faith with respect to the project.

Initial Sim

13. The Applicant hereby agrees to comply with Section 875 of the General Municipal Law. The Company further agrees that the financial assistance granted to the project by the Agency is subject to recapture pursuant to Section 875 of the Act and the Agency's Recapture Policy, attached hereto as Schedule B.

Initial Sim

Part VIII – Submission of Materials

Please send under separate cover all information directly to Agency Counsel:

William F. Dudine, Partner
Katten Muchin Rosenman LLP
50 Rockefeller Plaza
New York, NY 10020-1605

1. Financial statements for the last two fiscal years (unless included in the Applicant's annual report).
2. Applicant's annual reports (or 10-K's if publicly held) for the two most recent fiscal years.
3. Quarterly reports (form 10-Q's) and current reports (form 8-K's) since the most recent annual report, if any.
4. In addition, please attach the financial information described in items A, B, and C of any expected guarantor of the proposed bond issue.
5. Completed Long Environmental Assessment Form.
6. Most recent quarterly filing of NYS Department of Labor Form 45, as well as the most recent fourth quarter filing. Please remove or redact any employee Social Security numbers and note the full-time equivalency for part-time employees.

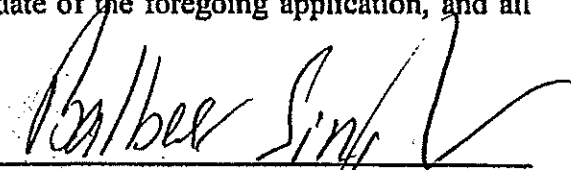
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Part IX – Certification

BALBEER SINGH (name of representative of company submitting application) deposes and says that he or she is the CEO / OWNER (title) of VOGUE GROUP INC, the corporation (company name) named in the attached application; that he or she has read the foregoing application and knows the contents thereof; and that the same is true to his or her knowledge.

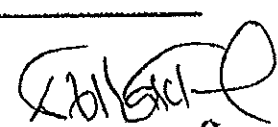
Deponent further says that s/he is duly authorized to make this certification on behalf of the entity named in the attached Application (the "Applicant") and to bind the Applicant. The grounds of deponent's belief relative to all matters in said Application which are not stated upon his/her personal knowledge are investigations which deponent has caused to be made concerning the subject matter this Application, as well as information acquired by deponent in the course of his/her duties in connection with said Applicant and from the books and papers of the Applicant.

As representative of the Applicant, deponent acknowledges and agrees that Applicant shall be and is responsible for all costs incurred by the Town of Babylon Industrial Development Agency (hereinafter referred to as the "Agency") in connection with this Application, the attendant negotiations and all matters relating to the provision of financial assistance to which this Application relates, whether or not ever carried to successful conclusion. If, for any reason whatsoever, the Applicant fails to conclude or consummate necessary negotiations or fails to act within a reasonable or specified period of time to take reasonable, proper, or requested action or withdraws, abandons, cancels or neglects the application or if the Applicant is unable to find buyers willing to purchase the total bond issue required, then upon presentation of invoice, Applicant shall pay to the Agency, its agents or assigns, all actual costs incurred with respect to the application, up to that date and time, including fees to bond or transaction counsel for the Agency and fees of general counsel for the Agency. Upon successful conclusion and sale of the transaction contemplated herein, the Applicant shall pay to the Agency an administrative fee set by the Agency in accordance with its fee schedule in effect on the date of the foregoing application, and all other appropriate fees, which amounts are payable at closing.


Representative of Applicant

Sworn to me before this 14th
Day of April, 20 23

(seal)


BURES THAKKAR
NOTARY PUBLIC STATE OF NEW YORK
NASSAU COUNTY
LIC.# 017H0210720

COM. EXP: 1/25/2026

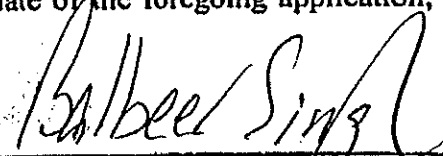
Part IX – Certification

Property Owner (if different from Applicant)

BALBEER SINGH (name of representative of owner submitting application)
deposes and says that he or she is the CEO (title) of 480 Smith St LLC & Vogue Holding LLC,
the corporation (company name) named in the attached application; that he or she has read the foregoing
application and knows the contents thereof; and that the same is true to his or her knowledge.

Deponent further says that s/he is duly authorized to make this certification on behalf of the entity
named in the attached Application (the "Applicant") and to bind the Applicant. The grounds of
deponent's belief relative to all matters in said Application which are not stated upon his/her personal
knowledge are investigations which deponent has caused to be made concerning the subject matter this
Application, as well as in formation acquired by deponent in the course of his/her duties in connection
with said Applicant and from the books and papers of the Applicant.

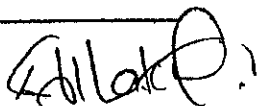
As representative of the Applicant, deponent acknowledges and agrees that Applicant shall be and is
responsible for all costs incurred by the Town of Babylon Industrial Development Agency (hereinafter
referred to as the "Agency") in connection with this Application, the attendant negotiations and all
matters relating to the provision of financial assistance to which this Application relates, whether or not
ever carried to successful conclusion. If, for any reason whatsoever, the Applicant fails to conclude or
consummate necessary negotiations or fails to act within a reasonable or specified period of time to take
reasonable, proper, or requested action or withdraws, abandons, cancels or neglects the application or if
the Applicant is unable to find buyers willing to purchase the total bond issue required, then upon
presentation of invoice, Applicant shall pay to the Agency, its agents or assigns, all actual costs incurred
with respect to the application, up to that date and time, including fees to bond or transaction counsel for
the Agency and fees of general counsel for the Agency. Upon successful conclusion and sale of the
transaction contemplated herein, the Applicant shall pay to the Agency an administrative fee set by the
Agency in accordance with its fee schedule in effect on the date of the foregoing application, and all
other appropriate fees, which amounts are payable at closing.



Representative of Applicant

Sworn to me before this 14th
Day of April, 20 23

(seal)



BURESH THAKKAR
NOTARY PUBLIC STATE OF NEW YORK
NASSAU COUNTY
LIC.# 01TH0210728

COM.EXP: 1/25/2026

Town of Babylon Industrial Development Agency

EXHIBIT A

Proposed PILOT Schedule

Upon acceptance of the Application and completion of the Cost Benefit Analysis, the Agency will attach the proposed PILOT Schedule, together with the estimates of net exemptions based on estimated tax rates and assessment values to this Exhibit.

Tax Savings for property with physical address of:

550 Smith Street	13210	13210
480 Smith Street	10300	10300
2015 New Highway	17410	32000

April 14, 2023

Assuming: 1st 3 years

	Current AV	AV with Expansion
Assessed Value of:	40920	55510

2022 - 2023	Current Tax without Exemption	126,741
2022 - 2023	Estimated Tax without Exemption	171,037

Tax Rate of: 299.7116

Rate Increment of: 2.00%

PILOT number of years 12

Abatements starting at 60%

Number of Years	Abatement %	PILOT %	Estimated Taxes To be Paid	Estimated Savings
1	60.0%	40.0%	\$ 55,692	\$ 76,500
2	55.0%	45.0%	63,199	71,550
3	50.0%	50.0%	71,017	66,350
4	45.0%	55.0%	105,654	82,650
5	40.0%	60.0%	117,053	74,900
6	35.0%	65.0%	128,834	66,850
7	30.0%	70.0%	141,075	58,450
8	25.0%	75.0%	153,721	49,700
9	20.0%	80.0%	166,855	40,550
10	15.0%	85.0%	180,417	31,050
11	10.0%	90.0%	194,495	21,100
12	5.0%	95.0%	209,027	10,800

Estimate Taxes to be paid \$ 1,587,039

Estimated Savings \$ 650,450

Sim

**Schedule A
Agency Fee Schedule**

VOGUE GROUP INC

4/14/2023

Vogue Holding LLC, 480 Smith St LLC

550 Smith Street	0100 000.00 00.00 000.000
480 Smith Street	0100 006.00 01.00 022.000
2015 New Highway	0100 005.00 01.00 014.003

Farmingdale, NY 11735 (HHH)

\$ 5,000

Application Fee

\$ 1,200

Estimated Public Hearing Notice

Straight lease

1.25% of Hard costs + 1% of Est savings

Acquisition - 480 Smith St	5,450,000	1.25%	\$ 68,125
Building Demo / Construction	6,000,000	1.25%	\$ 75,000
Renovation	500,000	1.25%	\$ 6,250
Machinery & Equipment	500,000	1.25%	\$ 6,250
Other Soft costs	130,000		
	<u>12,580,000</u>		

Uniform% of
Value
0.0078

Current AV

550 Smith Street	13210		
2015 New Highway	17410		
.75% of FMV of existing building	<u>30,620</u>	3,925,641	0.75% \$ 29,450

1% \$ 8,740

Estimated Savings

\$ 193,815

\$ 193,815

Estimated Closing fee

\$ 200,015

Total Estimated Fees

Estimated Savings

Est PILOT			12 @ 60	650,450
565 Broad Hollow	EF			
Est Mtg Rec	100%	2,250,000	0.75	16,875
Est Sales Tax	100%	2,400,000	0.08625	207,000
Estimated Savings				874,325
1% of Estimated Savings				8740

SCHEDULE B

Recapture of Agency Benefits. It is understood and agreed by the parties to this Agreement that the Agency is entering into this Agreement in order to provide financial assistance to the Lessee for the Project and to accomplish the public purposes of the Act. In consideration therefor, the Lessee hereby agrees as follows:

(a)(i) If there shall occur a Recapture Event after the date hereof, the Lessee or the Sublessee shall pay to the Agency as a return of public benefits conferred by the Agency, the following amounts:

(A) one hundred per cent (100%) of the Benefits (as defined below) if the Recapture Event occurs within the first (4) years after the date hereof;

(B) eighty per cent (80%) of the Benefits if the Recapture Event occurs during the fifth (5th) year after the date hereof;

(C) sixty per cent (60%) of the Benefits if the Recapture Event occurs during the sixth (6th) year after the date hereof;


(D) forty per cent (40%) of the Benefits if the Recapture Event occurs during the seventh (7th) year after the date hereof; or

(E) twenty per cent (20%) of the Benefits if the Recapture Event occurs during the eighth (8th) year after the date hereof.

As used in this Section, the term "**Benefits**" shall mean, collectively:

(1) all real estate tax benefits which have accrued to the benefit of the Lessee or the Sublessee commencing from and after the "Commencement Date", and during the period of time that the Agency is the owner of the Facility, such tax benefits to be computed by subtracting the payments in lieu of taxes paid hereof from those payments which the Lessee or the Sublessee would have been required to pay during the term of this Agreement had the Town determined the amount of such real estate taxes as would be due if the Lessee had been the owner of the Facility Realty during such term; and

(2) all miscellaneous benefits derived from the Agency's participation in the straight-lease transaction contemplated by this Agreement, including, but not limited to, any exemption from any applicable state or local sales and use tax, mortgage recording tax and filing and recording fees accruing from and after the date hereof.



As used in this Section, the term "Recapture Event" shall mean any of the following events:

- (1) The Lessee or the Sublessee shall have liquidated its operations and/or assets (absent a showing of extreme hardship);
- (2) The Lessee or the Sublessee shall have ceased all or substantially all of its operations at the Facility (whether by relocation to another facility or otherwise, or whether to another facility either within or outside of the Town) through no force majeure event;
- (3) The Lessee or the Sublessee shall have transferred all or substantially all of its employees within the Town to a location outside of the Town through no force majeure event;
- (4) The Lessee or the Sublessee shall have subleased all or any portion of the Facility in violation of the limitations imposed hereof, without the prior written consent of the Agency;
- (5) The Lessee or the Sublessee shall have sold, leased, transferred or otherwise disposed of all or substantially all of its interest in the Facility; or
- (6) Base Employment Reduction Percentage shall be greater than fifteen percent (15%) due to a Relocation Reduction occurring with respect to an Annual Period.

Notwithstanding the foregoing, a Recapture Event shall not be deemed to have occurred if the Recapture Event shall have arisen as a direct, immediate result of (i) a taking or condemnation by governmental authority of all or substantially all of the Facility, or (ii) the inability at law of the Lessee to rebuild, repair, restore or replace the Facility after the occurrence of a Loss Event to substantially its condition prior to such Loss Event, which inability shall have arisen in good faith through no fault on the part of the Lessee or any Affiliate.

(b) The Lessee covenants and agrees to furnish the Agency with written notification upon any Recapture Event or disposition of the Facility or any portion thereof made within twelve (12) years of the Commencement Date, which notification shall set forth the terms of such Recapture Event and/or disposition.

(c) In the event any payment owing by the Lessee or the Sublessee under this Section shall not be paid on demand by the Lessee or the Sublessee, such payment shall bear interest from the date of such demand at the then current interest rate imposed on delinquent payments of real property taxes until the Lessee or the Sublessee shall have paid such payment in full, together with such accrued interest to the date of payment, to the Agency.

(d) The Agency, in its sole discretion, may waive all or any portion of any payment owing by the Lessee or the Sublessee under this Section.

(e) The provisions of this Section shall survive the termination of this Agreement for any reason whatsoever, notwithstanding any provision of this Agreement to the contrary.

617.20
Appendix B
Short Environmental Assessment Form

Instructions for Completing

Part 1 - Project Information. The applicant or project sponsor is responsible for the completion of Part 1. 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.

Complete all items in Part 1. You may also provide any additional information which you believe will be needed by or useful to the lead agency; attach additional pages as necessary to supplement any item.

Part 1 - Project and Sponsor Information			
Name of Action or Project: VOGUE GROUP INC			
Project Location (describe, and attach a location map): 480 SMITH STREET, FARMINGDALE, NY 11735 2015 NEW HIGHWAY, FARMINGDALE, NY 11735			
Brief Description of Proposed Action: Acquire 20K sqft industrial building at 480 Smith St & construct new 40K sqft warehouse at 2015 new highway.			
Name of Applicant or Sponsor: VOGUE GROUP INC		Telephone: 516 884 4757 E-Mail: shawn@voguefabricsinc.com	
Address: 550 SMITH STREET			
City/PO: FARMINGDALE		State: NY	Zip Code: 11735
1. Does the proposed action only involve the legislative adoption of a plan, local law, ordinance, administrative rule, or regulation? If Yes, attach a narrative description of the intent of the proposed action and the environmental resources that may be affected in the municipality and proceed to Part 2. If no, continue to question 2.			NO <input checked="" type="checkbox"/>
2. Does the proposed action require a permit, approval or funding from any other governmental Agency? If Yes, list agency(s) name and permit or approval:			YES <input checked="" type="checkbox"/>
3.a. Total acreage of the site of the proposed action? 3.215 acres			
b. Total acreage to be physically disturbed? _____ acres			
c. Total acreage (project site and any contiguous properties) owned or controlled by the applicant or project sponsor? _____ acres			
4. Check all land uses that occur on, adjoining and near the proposed action. <input type="checkbox"/> Urban <input type="checkbox"/> Rural (non-agriculture) <input type="checkbox"/> Industrial <input type="checkbox"/> Commercial <input type="checkbox"/> Residential (suburban) <input type="checkbox"/> Forest <input type="checkbox"/> Agriculture <input type="checkbox"/> Aquatic <input type="checkbox"/> Other (specify): _____ <input type="checkbox"/> Parkland			

	NO	YES	N/A
5. Is the proposed action, a. A permitted use under the zoning regulations?		✓	
b. Consistent with the adopted comprehensive plan?		✓	
6. Is the proposed action consistent with the predominant character of the existing built or natural landscape?	NO	YES	✓
7. Is the site of the proposed action located in, or does it adjoin, a state listed Critical Environmental Area? If Yes, identify: _____	NO	YES	✓
8. a. Will the proposed action result in a substantial increase in traffic above present levels?	NO	YES	✓
b. Are public transportation service(s) available at or near the site of the proposed action?		✓	
c. Are any pedestrian accommodations or bicycle routes available on or near site of the proposed action?		✓	
9. Does the proposed action meet or exceed the state energy code requirements? If the proposed action will exceed requirements, describe design features and technologies: _____	NO	YES	✓
10. Will the proposed action connect to an existing public/private water supply? [If Yes, does the existing system have capacity to provide service? <input type="checkbox"/> NO <input checked="" type="checkbox"/> YES] If No, describe method for providing potable water: _____	NO	YES	✓
11. Will the proposed action connect to existing wastewater utilities? [If Yes, does the existing system have capacity to provide service? <input type="checkbox"/> NO <input checked="" type="checkbox"/> YES] If No, describe method for providing wastewater treatment: _____	NO	YES	✓
12. a. Does the site contain a structure that is listed on either the State or National Register of Historic Places?	NO	YES	✓
b. Is the proposed action located in an archeological sensitive area?		✓	
13. a. Does any portion of the site of the proposed action, or lands adjoining the proposed action, contain wetlands or other waterbodies regulated by a federal, state or local agency?	NO	YES	✓
b. Would the proposed action physically alter, or encroach into, any existing wetland or waterbody? If Yes, identify the wetland or waterbody and extent of alterations in square feet or acres: _____		✓	
14. Identify the typical habitat types that occur on, or are likely to be found on the project site. Check all that apply: <input type="checkbox"/> Shoreline <input type="checkbox"/> Forest <input type="checkbox"/> Agricultural/grasslands <input type="checkbox"/> Early mid-successional <input type="checkbox"/> Wetland <input type="checkbox"/> Urban <input checked="" type="checkbox"/> Suburban			
15. Does the site of the proposed action contain any species of animal, or associated habitats, listed by the State or Federal government as threatened or endangered?	NO	YES	✓
16. Is the project site located in the 100 year flood plain?	NO	YES	✓
17. Will the proposed action create storm water discharge, either from point or non-point sources? If Yes, a. Will storm water discharges flow to adjacent properties? <input checked="" type="checkbox"/> NO <input type="checkbox"/> YES b. Will storm water discharges be directed to established conveyance systems (runoff and storm drains)? If Yes, briefly describe: _____ _____	NO	YES	✓

18. Does the proposed action include construction or other activities that result in the impoundment of water or other liquids (e.g. retention pond, waste lagoon, dam)? If Yes, explain purpose and size: _____	NO	YES
	✓	
19. Has the site of the proposed action or an adjoining property been the location of an active or closed solid waste management facility? If Yes, describe: _____	NO	YES
	✓	
20. Has the site of the proposed action or an adjoining property been the subject of remediation (ongoing or completed) for hazardous waste? If Yes, describe: _____	NO	YES
	✓	
I AFFIRM THAT THE INFORMATION PROVIDED ABOVE IS TRUE AND ACCURATE TO THE BEST OF MY KNOWLEDGE Applicant/sponsor name: <u>BALBEER SINGH</u> Date: <u>MARCH 8TH 2023</u> Signature: <u>Balbeer Singh</u>		

Part 2 - Impact Assessment. The Lead Agency is responsible for the completion of Part 2. Answer all of the following questions in Part 2 using the information contained in Part 1 and other materials submitted by the project sponsor or otherwise available to the reviewer. When answering the questions the reviewer should be guided by the concept "Have my responses been reasonable considering the scale and context of the proposed action?"

	No, or small impact may occur	Moderate to large impact may occur
1. Will the proposed action create a material conflict with an adopted land use plan or zoning regulations?		
2. Will the proposed action result in a change in the use or intensity of use of land?		
3. Will the proposed action impair the character or quality of the existing community?		
4. Will the proposed action have an impact on the environmental characteristics that caused the establishment of a Critical Environmental Area (CEA)?		
5. Will the proposed action result in an adverse change in the existing level of traffic or affect existing infrastructure for mass transit, biking or walkway?		
6. Will the proposed action cause an increase in the use of energy and it fails to incorporate reasonably available energy conservation or renewable energy opportunities?		
7. Will the proposed action impact existing: a. public / private water supplies? b. public / private wastewater treatment utilities?		
8. Will the proposed action impair the character or quality of important historic, archaeological, architectural or aesthetic resources?		
9. Will the proposed action result in an adverse change to natural resources (e.g., wetlands, waterbodies, groundwater, air quality, flora and fauna)?		

	No, or small impact may occur	Moderate to large impact may occur
10. Will the proposed action result in an increase in the potential for erosion, flooding or drainage problems?		
11. Will the proposed action create a hazard to environmental resources or human health?		

Part 3 - Determination of significance. The Lead Agency is responsible for the completion of Part 3. For every question in Part 2 that was answered "moderate to large impact may occur", or if there is a need to explain why a particular element of the proposed action may or will not result in a significant adverse environmental impact, please complete Part 3. Part 3 should, in sufficient detail, identify the impact, including any measures or design elements that have been included by the project sponsor to avoid or reduce impacts. Part 3 should also explain how the lead agency determined that the impact may or will not be significant. Each potential impact should be assessed considering its setting, probability of occurring, duration, irreversibility, geographic scope and magnitude. Also consider the potential for short-term, long-term and cumulative impacts.

- ☐ Check this box if you have determined, based on the information and analysis above, and any supporting documentation, that the proposed action may result in one or more potentially large or significant adverse impacts and an environmental impact statement is required.
- ☐ Check this box if you have determined, based on the information and analysis above, and any supporting documentation, that the proposed action will not result in any significant adverse environmental impacts.

Name of Lead Agency	Date
Print or Type Name of Responsible Officer in Lead Agency	Title of Responsible Officer
Signature of Responsible Officer in Lead Agency	Signature of Preparer (if different from Responsible Officer)

RIDER TO CONTRACT

Seller: AJA 480 Smith St Realty Co. LLC
Purchaser: 480 Smith St LLC
Premises: 480 Smith Street, Farmingdale, N.Y. 11735
Date: March 1, 2023

R1. In the event of any inconsistency or conflict between the terms and provisions of the printed portion of this Contract, any subsequent Riders or Assignments thereto, and this Rider, the terms and provisions of this Rider shall govern and be binding.

R2. The following paragraphs in the Contract of Sale dated January 19, 2023, supplemented by an Assignment of Contract dated January 20, 2023, are hereby amended as follows:

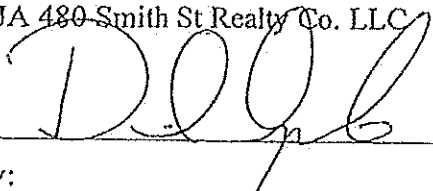
A. This Agreement is further conditioned upon receipt by Purchaser of a preliminary Inducement Resolution by the Town of Babylon Industrial Agency (the "Agency") for the granting of economic development benefits in accordance with its usual policies to include real estate, sales tax and mortgage tax abatements, if any, in such amounts and for such time periods as the Agency shall offer. The Purchaser agrees to make prompt and diligent efforts to apply for and procure such Agency acceptance and at its expense, and to pay all expenses incidental to the procurement thereof and provide all information as may be requested by the Agency of Purchaser and its affiliates. Purchaser has now obtained said Resolution, a copy of which is attached hereto.

R3. All other terms and conditions of the Contract of Sale remain unchanged.

R4. This Rider may be executed in counterparts, each of which when taken together shall constitute one and the same instrument, and electronic and/or facsimile signatures shall be deemed original signatures for all purposes.

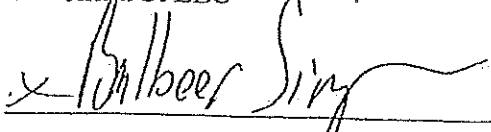
Seller:

AJA 480 Smith St Realty Co. LLC


By: _____

Purchaser:

480 Smith St LLC


By: Balbeer Singh managing member

AJA 480 SMITH ST REALTY CO. LLC

Seller

to

VOGUE GROUP, INC.

Purchaser

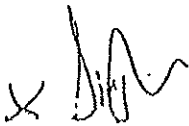
CONTRACT OF SALE

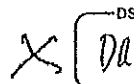
Dated as of: January 19, 2023
~~December~~, 2022

Premises:

District: 100
Section: 6
Block : 1
Lot : 22

Address: 480 Smith Street
Parmingdale, NY 11735

x 

x 

THIS AGREEMENT made as of the 19 day of JANUARY, 2022 by and between AJA 480 SMITH ST REALTY CO. LLC, with offices at 150 Old Field Road, Huntington, New York 11743 (herein called "Seller") and VOGUE GROUP, INC., having an address at 480 Smith Street, Farmingdale, NY 11735 (herein called "Purchaser").

In consideration of the premises and the mutual covenants and agreements contained herein, the parties hereto hereby agree as follows:

Article I.

Purchase and Sale

Section 1.01 Upon the terms and conditions of this Agreement, Seller hereby agrees to sell and convey to Purchaser, and Purchaser hereby agrees to purchase from Seller:

- (a) The real property located in Suffolk County, New York and designated on the Suffolk County Land and Tax Map as District ____, Section ____, Block ____, Lot ____, commonly known as 480 Smith Street, Farmingdale, New York 11735 and more particularly described on Schedule A attached hereto and forming a part hereof (the "Land").
- (b) All buildings and improvements situated on the Land (collectively, the "Improvements").
- (c) All right, title and interest of Seller in and to any land lying in the bed of any highway, street, road or avenue, open or proposed, adjoining the Land.
- (d) All right, title and interest of Seller in and to the fixtures, equipment and other personal property attached or appurtenant to the Improvements (the "Fixtures").
- (e) All right, title and interest of Seller in and to all easements, tenements, hereditaments, privileges and appurtenances in any way belonging to or benefiting the Land.

The Land, Improvements and Fixtures are hereinafter sometimes collectively referred to as the "Premises."

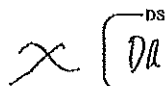
Article II.

Purchase Price

Section 2.01 The purchase price (the "Purchase Price") for the Premises is THREE MILLION and 00/100 (\$3,000,000.00) DOLLARS, payable as follows:

- (a) Three Hundred Thousand and 00/100 (\$300,000.00) Dollars (the "Deposit") upon the full execution of this Agreement by Check subject to collection, the receipt of which is hereby acknowledged, said Deposit to be held in escrow pursuant to the provisions of Article XIV of this Agreement.
- (b) Two Million Seven Hundred Thousand and 00/100 (\$2,700,000.00) Dollars (subject to adjustment as provided in this Agreement) by wire transfer, if

X 

X  DS

requested by Seller, to an account designated by Seller, or certified or bank check payable to the order of Seller or its designee upon delivery of the Deed as hereinafter described.

Article III.

Section 3.01 Seller shall convey and Purchaser shall accept marketable fee simple title to the Premises free and clear of all liens, encumbrances and other defects (sometimes collectively referred to hereinafter as "Title Defects") in title, except for the following (the "Permitted Exceptions"): Title
of insurable

- (a) All laws, ordinances, codes, regulations or requirements (including, but not limited to, zoning, building and environmental protection and rent laws and regulations affecting the Premises or the use thereof), adopted by any governmental or municipal authority having jurisdiction thereof, and all amendments and additions thereto now or which will be at the Closing (as hereinafter defined) in force and effect; *providing same are not violated by existing structures or present use thereof & subject to terms of this contract.*
- (b) Such state of facts as would be shown by an accurate survey of the Premises, provided none of the facts shown thereon shall render title unmarketable or uninsurable;
- (c) Real estate taxes, unpaid water charges and sewer rents and vault taxes, if any, whether or not same are liens; *subject to adjustment at closing, seller to obtain final water read at closing unless purchaser as tenant was responsible.*
- (d) Any easements, conditions, covenants and restrictions of record placed upon the Premises by Purchaser or its agents, employees, assignees or subtenants, or any other party at the direction of any of the foregoing;
- (e) All violations and/or notes or notices of violations of law or municipal ordinances, orders, or requirements noted in or issued by any Governmental Authority (as hereinafter defined) having jurisdiction against or affecting the Premises; *up to third closing unless caused by purchaser, for tenant's responsibility under the lease*
- (f) Any lien or encumbrance encumbering the Premises as to which Seller shall deliver to the Title Company at or prior to the Closing, proper instruments, in recordable form, canceling such lien or encumbrance, together with the cost of recording and canceling the same provided the Title Company omits same from its title policy incurred the purchase of the Premises by Purchaser; *providing*
- (g) Any exceptions caused by, consented to or approved by, in writing by Purchaser, its agents, representatives or employees;
- (h) Encroachments and/or projections of stoop areas, roof cornices, window trims, vent pipes, cellar doors, steps, columns and column bases, flue pipes, signs, piers, lintels, window sills, fire escapes, ledges, fences, coping, retaining walls and yard walls, if any, on, under or above any street or highway, the Premises,

DS
DA

Receipt of purchaser's title report by
seller's atty shall be deemed
notice of any title defect or issues.

or adjoining premises; variations between tax lot lines and lines of record title
not to exceed five (5') feet; and

Purchased shall contain title via its selected CO thru NY title CO.

Section 3.02 Seller shall cause the Title Company to promptly send an updated title binder (the "Title Report") to the Purchaser's attorney, and Purchaser agrees to purchase its title insurance through the Title Company. Purchaser shall, within ten (10) days of its receipt of the title report, advise Seller of any Title Defects and the Seller shall be entitled to have the Closing (as defined in Section 9.01 herein) of title adjourned for a reasonable time period for the purpose of clearing such Title Defects. Neither Purchaser nor its attorneys shall have any right to raise or make objection to any of the Permitted Exceptions. In the event Seller is unable or unwilling to cure any Title Defects, Seller shall deliver notice ("Seller's Notice") to Purchaser that such Title Defects will not be removed. Notwithstanding the foregoing, (a) in the event such Title Defects can be cured by the payment of money not to exceed Five Thousand (\$5,000.00) Dollars, or (b) if such Title Defects are mortgages, federal tax liens, or other liens which can be satisfied by the payment of money in an aggregate amount not to exceed the Purchase Price, Seller shall be obligated to cure such Title Defects. In the event Seller elects not to cure the Title Defects as herein provided, Purchaser shall have the right to either terminate this Agreement by notifying Seller in writing of its intention to terminate this Agreement within ten (10) days after its receipt of Seller's Notice or close title subject to such Title Defects and receive a \$5,000.00 credit against the Purchase Price. In the event Purchaser terminates the Agreement, the provisions of Section 11.01 of this Agreement shall apply. Failure of the Purchaser to notify Seller of Title Defects or of its intention to terminate this Agreement within the aforesaid ten (10) day period after Seller's Notice shall constitute a waiver of Purchaser's right under this Section 3.02, and in such event, Purchaser shall be required to perform hereunder and accept title subject to those Title Defects which Seller is either unable or unwilling to cure. In the event a continuation of title at Closing reveals additional Title Defects, Seller shall be entitled to adjourn the Closing for reasonable period of time and Seller and Purchaser shall have the same rights with respect to such additional Title Defects as if they had appeared in the original title report. \$10,000

Section 3.03 Unpaid franchise taxes of any corporation in the chain of title shall be no objection to title provided that the Title Company agrees to insure against collection of same out of the Premises and Seller deposits with the Title Company sufficient security, acceptable to and required by the Title Company, to issue such insurance.

Section 3.04 If the Title Report discloses judgments, bankruptcies or other returns against other persons having names the same as or similar to that of Seller, Seller shall on request deliver to Purchaser or the Title Company an affidavit showing that such judgments, bankruptcies or other returns are not against Seller.

Section 3.05 If on the Closing Date (as defined in Section 9.01 herein), there are any liens or encumbrances which the Seller is obligated to pay and discharge, the Seller may use any portion of the Purchase Price to satisfy same, provided the Seller shall have delivered to the Title Company at the Closing of title, instruments in recordable form sufficient to satisfy such liens and encumbrances of record, together with the cost of recording and filing said instruments. The Purchaser agrees, upon no less than two (2) business days' prior notice from Seller, to provide at the Closing separate certified or bank checks as requested, aggregating the amount of the cash balance of the Purchase Price. The existence of any such tax or other liens and encumbrances shall not be deemed objections to title if the Seller shall comply with the foregoing requirements.

[Signature]

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Section 3.06

- UP thru Closing } (a) All notes or notices of violation of law, or municipal ordinances, order or requirements noted in or issued by the Departments of Housing and Buildings, Fire, Labor, Health or other State or Municipal Departments having jurisdiction against or affecting the Premises ("Governmental Authority") on or before the date hereof shall be complied with by Seller before the Closing Date, or within a reasonable time thereafter. *subject to approval of title cl. as per p. 3.01(c)*
- (b) In the event the aggregate cost of removal of any violations which Seller may be required to remove hereunder shall exceed the sum of \$5,000.00, then Seller shall have the following options: *\$ 10,000*
- (i) to remove the same in accordance with the provision of this Agreement, or
- (ii) to refuse to remove the same, which decision Seller shall make within five (5) days after receipt of notice of violations. In the event Seller refuses to remove the same, then Purchaser shall have the following options: (x) to take title subject to such damages, in which event Purchaser shall receive an allowance of ~~\$5,000.00~~ *\$75,000* in reduction of the Purchase Price, or (y) to cancel this Agreement, and in the latter event, upon repayment of the Deposit and Interest, the cost of the survey (as hereinafter defined), and the cost of a title insurance binder without the issuance of title insurance, this Agreement shall be null and void and each of the parties hereto shall be fully released from any further liability.

Article IV.

ASSESSMENTS

Section 4.01 If on the date hereof the Premises or any part thereof shall be or shall have been affected by a special assessment which are or may become payable in annual installments, of which the first installment is then a charge or lien, or has been paid, then for the purposes of this Agreement all the unpaid installments of any such special assessment, including those which are to become due and payable after Closing, shall be deemed to be due and payable, to be liens upon the Premises and shall be paid and discharged by Seller at or prior to the Closing.

Article V.

Apportionments/Reimbursements of
Certain Expenses

Section 5.01 The following are to be apportioned as of 11:59 P.M. of the day preceding the date of the Closing (the "Adjustment Date"):

- (a) Water charges and sewer rents, if any, on the basis of the lien years, respectively, for which the same have been assessed. If there are water meters on the Premises, Seller, to the extent obtainable, shall supply to Purchaser a water meter reading current through the Closing Date, or if not feasible to so read, to a date not more than ten (10) days prior to the Closing Date, and the Seller to obtain final read at closing *as per least provisions for same.*
- 4 in name of existing tenancy*
- X [Da]*

unfixed meter charges based thereon for the intervening period shall be apportioned on the basis of such last meter reading. Upon the taking of a subsequent actual water meter reading, such apportionment shall be readjusted and Seller or Purchaser, as the case may be, will promptly deliver to the other the amount determined to be due upon such readjustment. If Seller is unable to furnish such prior meter reading, any reading subsequent to the Closing will be apportioned on a per diem basis from the date of such reading immediately prior thereto, and Seller shall pay the proportionate charges due up to the date of Closing.

- (b) The value of fuel oil for heating, if any, stored at the Premises at the prevailing price, including sales tax. *To the best of Seller's knowledge no underground oil storage tanks exist on premises.*
- (c) Any matter specified in this Article that cannot reasonably be determined and apportioned between Seller and Purchaser on the Closing Date shall be specified by Purchaser and Seller in writing at Closing, and shall be subject to final settlement at such time as such matter is finally determined but in no event later than 60 days following the Closing Date. Such apportionments shall be effective as of the Closing Date. These provisions shall survive the Closing.

Section 5.02 Insurance Premiums. No existing insurance policy shall be assigned to Purchaser, and no adjustment of any insurance premiums shall be made.

Section 5.03 Closing Costs. Purchaser shall pay all premiums and charges of the Title Company for the Owner's Title Policy to be issued pursuant to the Title Report, the cost of the Survey, all recording and filing charges in connection with the instruments by which Seller conveys the Premises, and any other costs customarily paid by a purchaser pursuant to local practice. Seller shall pay all transfer taxes applicable to the transfer of the Premises to Purchaser, all required charges for satisfactions of liens that are necessary to provide acceptable title to Purchaser, and except as otherwise provided herein, any other costs customarily paid by a seller pursuant to local practice. Each party shall pay its own attorneys. The obligations of the parties to pay applicable escrow or closing charges shall survive the termination of this Agreement.

Section 5.04 Any omissions or errors made in the computation of any apportionments at Closing shall be corrected post-closing. Reimbursement of the appropriate amounts shall be made promptly after determination of the correction is made. The provisions of this Section 5.04 shall survive the date of Closing for a period of six (6) months.

Article VI.

Inspection

Condition of Premises; Right of

Section 6.01

- (a) The Purchaser has examined the Premises and is familiar with the physical condition thereof. The Seller has not made and does not make any representations as to the physical condition, expenses, operation, use or any other matter or thing affecting or related to the Premises, except as herein

5

specifically set forth, and the Purchaser hereby expressly acknowledges that no representations have been made, and, subject to the provisions of this Section (b) below, the Purchaser further acknowledges that it agrees to take the Premises "as is" at the Closing in their present condition, subject to reasonable use, wear, tear and natural deterioration between the date hereof and the Closing Date (as hereinafter defined). Purchaser or an entity controlled by Purchaser is currently occupying the Premises and Seller shall have no responsibility to repair any damage or deterioration to the building caused by Purchaser's actions or inaction.

- (b) Purchaser acknowledges that it is the sole occupant (or in control of the sole occupant) of the Premises and agrees to take title subject to said occupancy.

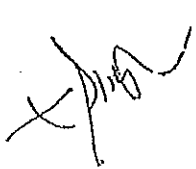
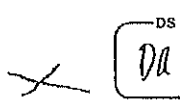
Article VII.

Covenants

Warranties, Representations and

Section 7.01 Seller warrants and represents that:

- (a) Seller is the sole owner of the Premises and has the full right, power and authority to sell, convey and transfer same in accordance with the terms of this contract.
- (b) The performance of this Agreement will not result in any violation of; or will not be in conflict with; or will not constitute a default under, any corporate charter, certificate of incorporation, by-law, mortgage, indenture, contract, permit, judgment, decree, order, statute, rule or regulation, applicable to Seller, and no approval, consent, order or authorization by any third party is required in connection with the execution and delivery of and compliance with this Contract by Seller.
- (c) Seller has no actual knowledge of any assessment payable in annual installments, or any part thereof, which has become a lien on the Premises.
- (d) Seller is not a "foreign person" as defined in the Internal Revenue Code Withholding Section.
- (e) Seller has no actual knowledge of any action or proceeding or governmental investigation pending or threatened against or relating to Seller or the Premises.
- (h) Seller has not received written notice of any condemnation or taking of the Premises and has no knowledge of any pending or threatened condemnation or taking.
- (i) To Seller's knowledge there are no management, service, equipment, supply, security, maintenance, concession or other agreements with respect to or affecting the Premises (herein collectively called "Service Agreements") which cannot be cancelled prior to Closing.

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[Signature]

- (j) There is (i) no litigation, proceeding or investigation pending against or affecting Seller or the Premises that might affect or relate to (a) the validity of this Contract, (b) any action taken or to be taken pursuant hereto, or (c) the Premises or any part or the operation thereof, whether or not fully covered by insurance, (ii) no proceeding pending for the increase or decrease of the assessed valuation of all or a portion of the Premises, and (iii) no mechanics' lien against the Premises, and no work has been performed or is otherwise in progress on the Premises by or on behalf of Seller that could result in a mechanic's lien being filed against the Premises.
- (k) Seller and Seller's employees and agents have not let any contracts for improvements to the Premises which will not be fully completed and fully paid for prior to Closing.

Section 7.02 Purchaser warrants and represents that:

- (a) Purchaser has the requisite power and authority to enter into and perform the terms of this Agreement, and the execution and delivery of this Agreement, and the consummation of the transactions contemplated hereby require no further action or approval to constitute this Agreement as a valid and binding obligation of Purchaser.
- (b) The performance of this Agreement will not result in any violation of; or will not be in conflict with; or will not constitute a default under, any corporate charter, certificate of incorporation, by-law, mortgage, indenture, contract, permit, judgment, decree, order, statute, rule or regulation, applicable to Purchaser.

Section 7.03 Seller covenants between the date hereof and the Closing:

- (a) Provided same is not the responsibility of Tenant under the current Lease, Seller shall operate, manage and maintain the Premises or cause same to be operated, managed and maintained in substantially the same general manner as it is being operated on the date hereof, and the Premises will be delivered to Purchaser on the Closing Date in substantially the same condition as exists on the date hereof, subject to reasonable wear and tear and damage by casualty or the elements;
- (b) Seller and Seller's employees and agents will not let any contracts for improvements to the Premises which will not be fully completed and fully paid for prior to Closing;
- (c) Seller will not transfer all or any portion of the air or other development rights appurtenant to the Premises;
- (d) No liability shall be incurred nor any transaction entered into relating to the Premises except in the ordinary course of business which liability shall be fully discharged prior to the Closing;

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- (e) Seller shall not construct any improvements on the Premises without the prior written consent of Purchaser in each instance, which approval may be withheld for any reason whatsoever; and
- (g) Seller shall maintain all insurance policies in full force and effect. *+ in closing.*

Article VIII.

Conditions Precedent to Closing

Section 8.01 In addition to any other condition set forth in this Agreement, Purchaser's obligation to close is subject to each and all of the following conditions precedent:

- (a) All of Seller's representations and warranties shall be true and correct in all material respects as of the Closing Date.
- (b) Seller shall have performed all of the obligations of Seller hereunder to be performed on or prior to the Closing.

Section 8.02 In addition to any other condition set forth in this Agreement, Seller's obligation to close shall be subject to the following conditions precedent:

- (a) All of Purchaser's representations and warranties shall be true and correct in all material respect as of the Closing Date; and
- (b) Purchaser shall have performed all of the obligations of Purchaser herein to be performed on or prior to the Closing.

Article IX.

Closing and Closing Documents

Section 9.01 The consummation of the transactions provided for hereunder (the "Closing") shall take place at *on or about 10:00 A.M. on February 1, 2023* at the offices of Bradford J. Martin, 434 New York Avenue, Huntington, NY 11740. The date on which the Closing occurs is referred to herein as the "Closing Date".

Section 9.02 At the Closing:

- (a) Seller shall deliver to Purchaser:
 - (i) A bargain and sale deed with covenant against grantor's acts (the "Deed") in proper statutory short form for recording, which shall be duly executed and acknowledged so as to convey to Purchaser fee simple title to the Premises, free of all Title Defects, except as herein stated, which Deed shall contain the covenant required by subdivision 5 of Section 13 of the Lien Law;

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(a) Purchaser shall deliver to Seller:

- (i) the balance of the Purchase Price pursuant to and in the manner set forth in this Agreement; and
- (ii) such other instruments and documents herein required to be delivered to Seller at the Closing, including, but not limited to, signed counterparts of the appropriate New York State real property transfer tax forms (TP-584 and RP-5217) in the amount of the Purchase Price hereunder;

Section 9.04 At any time or times on or before the date specified for the satisfaction of any condition, Purchaser or Seller may elect in writing to waive the benefit of any such condition set forth in Section 9.02 or Section 9.03, respectively. By closing the transaction, Purchaser and Seller shall be conclusively deemed to have waived the benefit of any remaining unfulfilled conditions set forth in Section 9.02 or Section 9.03, respectively. In the event any of the conditions set forth in Section 9.02 or Section 9.03 are neither waived nor fulfilled, Purchaser or Seller (as appropriate) may terminate their obligations to perform at the Closing and otherwise under this Agreement in accordance with the provisions of Article XI or Article XII, respectively.

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Article X.

Transfer Taxes and Other Charges

Section 10.01 At the Closing, Seller shall pay all federal, state and local transfer, documentary stamps and other taxes and charges imposed upon or relating to the transfer of the Premises. At the Closing, Seller and Purchaser shall each, to the extent required by applicable law, duly execute and deliver all tax returns and information returns necessary and proper in connection therewith. The provisions of this Section 10.01 shall survive the Closing.

Article XI.

Seller's Inability to Perform

Section 11.01 In the event that Seller is unable to convey title in accordance with the terms of this Agreement, or if the Seller is unable to satisfy any other conditions precedent to Purchaser's obligations under this Agreement, then the sole liability of Seller shall be to cause the return to Purchaser of the Deposit and any accrued interest thereon, and to pay Purchaser's net cost of examining the title, which cost is not to exceed the charges approved by the New York State Insurance Department (the "Cost of Title Examination") and the cost of the Survey or. Upon such payments being made, this Agreement shall be deemed cancelled and the parties hereto shall be released from all of their respective obligations and liabilities hereunder. Purchaser shall have no rights of action against Seller in law or in equity, for damages or specific performance. Notwithstanding the foregoing, Purchaser shall have the right to accept such title as Seller can convey, and to waive any conditions to Purchaser's obligations hereunder, in which event Seller shall make the deliveries provided for herein to Purchaser to the extent that Seller is able so to do, and there shall be no reduction in the Purchase Price. Seller shall have no duty nor be required to take any action, to institute any proceedings or to incur any expense in order to remedy or remove any Title Defects or otherwise to render title in accordance with the terms called for in this Agreement except as otherwise expressly provided herein. Purchaser shall have a vendee's lien against the Premises for the amount of the Deposit, but such lien shall not continue after default by Purchaser under this Agreement or termination of this Agreement.

Article XII.

Default

Section 12.01 If Purchaser ^{written} willfully, negligently or intentionally fails to comply with any material term of this Agreement, or any non-material term of this Agreement within ten (10) days of Seller's demand, the Purchaser shall cause to be paid to Seller the Deposit, as liquidated damages and as Seller's sole and exclusive remedy, it being agreed that Seller's actual damages are difficult or impossible to determine, and neither party shall have any further rights or obligations hereunder provided.

Section 12.02 If the Closing does not occur as a result of the default of Seller, Purchaser shall be entitled to the right to exercise all of its legal and equitable remedies, including, without limitation, an action for damages or specific performance and shall also be entitled to have the Contract deposit and interest thereon deposited in Court, pending Purchaser's action for damages or specific performance. In the alternative, Purchaser may elect to have the Deposit and Interest refunded together with the cost of Purchaser's survey and title examination and declare this

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Agreement null and void.

Article XIII.

Damage or Destruction; Condemnation

Section 13.01 Damage or Destruction. Seller shall keep in full force and effect until Closing its present hazard insurance with respect to the Premises. The risk of any loss by fire or other casualty shall be assumed solely by Seller until Closing; provided, however, that in the event of damage to or destruction of the Premises, or any part thereof, this Agreement shall be governed by Section 5-1311 of the General Obligations Law. For the purposes of this Agreement, the term "material" as used in Section 5-1311 of the General Obligations Law shall be defined as greater than 20% or less of the value of the Improvements on the Premises and the term "immaterial" shall be defined as 20% of the value of the Improvements on the Premises. Notwithstanding the foregoing, Purchaser, at its option, may elect to close title under this Contract notwithstanding any damage or destruction, and receive an assignment of Seller's rights under its casualty insurance policies and a credit against the Purchase Price in the amount of Seller's deductible. After such assignment and closing, Seller shall reasonably cooperate with Purchaser after Closing to collect same.

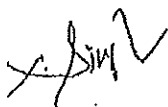
Section 13.02 Condemnation. The risk of any loss by the taking of the Premises or any part thereof by eminent domain (hereinafter a "taking") shall be assumed solely by Seller until Closing; provided, however, that in the event of a material taking, Purchaser may, upon notice to Seller, not later than 10 days after receipt of notice of such taking, (i) terminate this Agreement, or (ii) elect to proceed to Closing as provided in this Agreement, in which case, Seller shall pay over to Purchaser the amount of the condemnation proceeds collected, or, if any proceeds have not been collected, Seller shall assign to Purchaser all its right, title and interest in and to the same, to the extent not applied by Seller to the restoration or repair of the Premises, and shall reasonably cooperate with Purchaser after Closing to collect same. Upon termination pursuant to the preceding sentence, the obligations of each party to the other shall terminate without further liability hereunder or otherwise, except that the Deposit shall be refunded by Seller to Purchaser.

Section 13.03 The provisions of Section 13.01 and Section 13.02 shall survive the Closing of title hereunder.

Article XIV.

Escrow Agent

Section 14.01 The Deposit shall be held in escrow until closing by Seller's attorneys, Bradford J. Martin ("Escrow Agent"). The Escrow Agent shall hold the Deposit in a IOLA account at a licensed banking institution, and shall dispose of the Deposit in accordance with Paragraph 2.01 hereof. The Escrow Agent is acting hereunder as stakeholder only, without compensation and for the convenience and at the request of the parties. The Escrow Agent shall not be liable for any action taken or omitted in good faith, provided that the Escrow Agent shall be liable for its gross negligence or willful misconduct in any event. The Escrow Agent shall not be liable for and the parties jointly and severally agree to indemnify Escrow Agent against and hold Escrow Agent harmless from the payment of any interest or court costs or legal fees in any legal action that may be brought to recover the monies held in escrow or any part thereof unless the Escrow Agent shall fail or refuse to pay over any such monies pursuant to a final judgment, order or

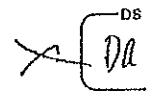
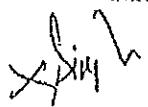


decree. At any time, Escrow Agent shall be entitled, in its sole discretion, to apply to any court of competent jurisdiction to determine the rights of the parties hereof, and in the event the deposit is paid into such court, Escrow Agent shall be relieved and discharged from any liability or responsibility to the parties hereto.

Section 14.02 The Escrow Agent shall deliver the Deposit to Seller or to Purchaser, as the case may be, under the following conditions:

- (a) To Seller at the Closing, upon receipt by the Escrow Agent of a statement executed by Seller and Purchaser that the Closing has occurred; or
- (b) Subject to 14.03 below, to Seller upon the Escrow Agent's receipt of written demand therefor from Seller (with copy sent to Purchaser and Purchaser's counsel), stating that the Closing has not occurred because Purchaser has defaulted in the performance of its obligations under this Agreement and setting forth the facts and circumstances underlying such default, if Purchaser shall not have given written notice of objection within the sixty-business day period specified in Section 14.03; or
- (c) Subject to 14.03 below, to Purchaser upon the Escrow Agent's receipt of written demand therefor from Purchaser (with copy sent to Seller), stating that the Closing has not occurred because Seller has defaulted in the performance of any of its material obligations under this Agreement or because this Agreement was terminated under circumstances entitling Purchaser to the return of the Deposit, and setting forth the facts and circumstances underlying such default or termination, if Seller shall not have given written notice of objection within the sixty (60) business day period specified in Section 14.03; or
- (d) To Purchaser or Seller as directed by joint written instructions of Seller and Purchaser.

Section 14.03 Upon the filing of a written demand for the Deposit by Purchaser or Seller pursuant to Section 14.02(b) or 14.02(c), the Escrow Agent shall promptly give written notice thereof (including a copy of such demand) to the other party and its counsel. The other party shall have the right to object to the delivery of the Deposit by receipt of notice from the Escrow Agent of such objection to the Escrow Agent at any time within ten (10) business days after the giving of notice by Escrow Agent, but not thereafter. Such notice shall set forth the basis for objecting to the delivery of the Deposit. Upon receipt of such notice, the Escrow Agent shall promptly give notice (including a copy thereof) to the party who filed the written demand. In the event the Escrow Agent shall have received the notice of objection provided for herein and within the time herein prescribed, the Escrow Agent shall continue to hold the Deposit and the Interest until (a) the Escrow Agent receives written notice as set forth in Paragraph 14.02(d), or (b) in the event of litigation between Seller and Purchaser, the Escrow Agent shall deposit the Deposit, and the Interest with the clerk of the court in which said litigation is pending or (c) the Escrow Agent may take such affirmative steps as the Escrow Agent, at the Escrow Agent's option, may elect in order to terminate the Escrow Agent's duties hereunder, including, but not limited to, depositing the Deposit and the Interest in court and commencing an action for interpleader, the costs thereof to be borne by whichever of Seller or Purchaser is the losing party.




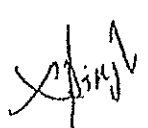
Section 14.04 At the time the Deposit is paid to Purchaser, Seller or a third party pursuant to this Article 14 or pursuant to a final, unappealable court order, the Interest shall thereupon be paid to the recipient of the Deposit. Notwithstanding the foregoing, if the exact amount of the Interest is not ascertainable at the time of delivery of the Deposit, the Interest shall be delivered as soon thereafter as practical.

Section 14.05 The Escrow Agent may rely and act upon any instrument or other writing believed by it to be genuine and purporting to be signed and presented by any person or persons purporting to have authority to act on behalf of Seller or Purchaser, as the case may be, and shall not be liable in connection with the performance of any duties imposed upon the Escrow Agent by the provisions of this Agreement, except for the Escrow Agent's own willful default or gross negligence. The Escrow Agent shall have no duties or responsibilities except those set forth herein. The Escrow Agent shall not be bound by any modification, cancellation or rescission of this Agreement unless the same is in writing and signed by Purchaser and Seller, and, if the Escrow Agent's duties are hereunder affected, unless the Escrow Agent shall have given prior written consent thereto. The Escrow Agent shall be reimbursed by Seller and Purchaser for any reasonable expenses (including reasonable legal fees of outside counsel) incurred in connection with its services as Escrow Agent under this Agreement, and such liability shall be joint and several. In the event that the Escrow Agent shall be uncertain as to the Escrow Agent's duties or rights hereunder, or shall receive instructions from Purchaser or Seller which, in the Escrow Agent's opinion, are in conflict with any of the provisions hereof, the Escrow Agent shall be entitled to hold and apply the Deposit and the Interest pursuant to Section 14.03 hereof and may decline to take any other action. After delivery of the Deposit and Interest in accordance herewith, the Escrow Agent shall have no further liability or obligation of any kind whatsoever.

Section 14.06 The Escrow Agent shall have the right at any time to resign upon five (5) business days' prior notice to Seller and Purchaser. Seller and Purchaser shall jointly select a successor Escrow Agent and shall notify the Escrow Agent of the name and address of such successor Escrow Agent within five (5) business days after receipt of notice. If the Escrow Agent has not received notice of the name and address of such successor Escrow Agent within such period, the Escrow Agent shall have the right to select on behalf of Seller and Purchaser a bank or trust company to act as successor Escrow Agent hereunder, for such compensation as such bank or trust company shall reasonably require. At any time after the five (5) business day period, the Escrow Agent shall have the right to deliver the Deposit and the Interest to any successor Escrow Agent selected hereunder, and upon such delivery the successor Escrow Agent for all purposes hereunder and shall have all of the rights and obligations of the Escrow Agent hereunder, and the resigning Escrow Agent shall have no further responsibilities or obligations hereunder.

Section 14.07 Notwithstanding any other provision of this Agreement, no notice, demand, request or other communication to the Escrow Agent in connection herewith shall be binding on the Escrow Agent unless it is in writing, refers specifically to this Agreement, is addressed to the Escrow Agent and is delivered pursuant to Article 15 below.

Section 14.08 The parties acknowledge that the Escrow Agent represents Seller in the subject transaction, and that it shall be permitted to represent Seller in any dispute as to this Agreement, the disbursement of the Deposit, or any other dispute between the parties, whether or not it is then acting as Escrow Agent.



Article XV.

Notices

Section 15.01 Any notice, required or permitted to be given, rendered or made by either party to the other pursuant to the terms of this Agreement or pursuant to any applicable law or requirement of any public authority shall be in writing and shall be deemed to have been properly given, rendered or made by (a) delivery by hand, (b) overnight courier, or (c) certified mail, return receipt requested, addressed as appropriate, if to Seller, at the address listed above, with a copy to:

Bradford J. Martin
434 New York Avenue
Huntington, NY 11743

and to Purchaser, at the address listed above, with a copy to:

Harvey Fox
25 Roslyn Road
Mineola, NY 11501

Any such notice, if (x) delivered by hand, shall be deemed to have been given, rendered or made when actually delivered by hand, (y) sent by overnight courier, shall be deemed given, rendered or made one (1) business day after deposit with the carrier, or (z) sent by certified mail, return receipt requested, shall be deemed given, rendered or made as of three (3) days from the postmark of such notice. Either party may, by notice as aforesaid, designate a different address or addresses for notices, statements, demands or other communications intended for it. The attorneys for the respective parties hereto may transmit or receive any notice hereunder on behalf of their respective clients.

fax notice and/or email notice shall be deemed acceptable.

Article XVI.

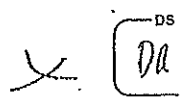
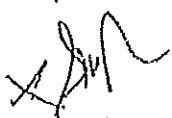
No Oral Modification

Section 16.01 This Agreement constitutes the entire Agreement between the parties hereto and may not be modified or amended except by instrument in writing signed by the parties hereto, and no provisions or conditions may be waived other than by a writing signed by the party waiving such provision or condition.

Article XVII.

Construction of Agreement

Section 17.01 This Agreement shall be construed and interpreted without reference to the principle that a contract is to be construed against the drafter thereof. It is acknowledged and agreed by the parties hereto that the provisions hereof have been drafted by both parties hereto through the course of negotiations.



Article XVIII.

Schedules

Section 18.01 All Schedules referred to in this Agreement, if any, are hereby incorporated in this Agreement by reference.

Article XIX.

Applicable Law

Section 19.01 This Agreement shall be governed by the laws of the State of New York.

Article XX.

Successors and Assigns

Section 20.01 This Agreement shall be binding upon and inure to the benefit of Seller and Purchaser and their respective successors and permitted assigns.

Article XXI.

Article Headings

Section 21.01 Article headings are inserted only for the purpose of convenient reference and in no way define, limit or prescribe the scope or intent of this Agreement or any part thereof and shall not be considered in interpreting or construing this Agreement.

Article XXII.

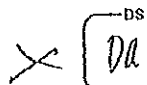
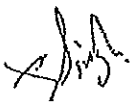
Severability

Section 22.01 If any term, covenant, condition or provision of this Agreement to any circumstance or to any party shall be invalid or unenforceable to any extent, the remaining terms, covenants, conditions and provisions of this Agreement or the application thereof to any circumstances or to any party other than those as to which any term, covenant, condition or provision is held invalid or unenforceable, shall not be affected thereby and each remaining term, covenant, condition and provision of this Agreement shall be valid and shall be enforceable to the fullest extent permitted by law.

Article XXIII.

Brokers

Section 23.01 Seller and Purchaser represent and warrant to each other that they have not dealt with any broker, finder or like agent other than NONE (the "Broker") in connection with this transaction. The Seller will pay the Broker in accordance with the provisions of a separate agreement. The parties agree to, and hereby do, indemnify and save harmless each other and its respective legal representatives, heirs, successors and assigns against and from any loss, liability or expense, including reasonable attorneys' fees, arising out of any claim or claims for commission or other compensation for bringing about this Agreement or the transaction contemplated hereby made by any broker, finder or like agency which are based in whole or in part on dealing with such party or its representatives. The provisions of this Article survive the Closing and the termination of this Agreement.



Article XXIV.

Disclaimer

Section 24.01 Each of the parties hereto acknowledges that neither the other party nor any real estate broker nor any agent, officer, employee, servant or representative of such other party has made any representations whatsoever regarding the subject matter of this transaction except as specifically set forth herein, and each of the parties hereto acknowledges that in executing, delivering and/or performing this Agreement it has not relied upon and does not rely upon any such other representation.

Article XXV.

Assignment

Section 25.01 This Agreement may not be assigned by the Purchaser without the prior written consent of Seller, which consent may be withheld absolutely. Notwithstanding the foregoing, Purchaser may assign its rights and obligations under this Agreement to a corporation, partnership or limited liability company of which Purchaser is a controlling equity owner without Seller's consent. No such assignment shall relieve Purchaser of its obligations hereunder.

Article XXVI.

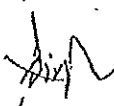
Confidentiality

Section 26.01 Purchaser shall keep in strict confidence all information obtained with respect to the Premises pursuant to or in connection with this Agreement (including, without limitation, all terms and provisions of this Agreement, all Exhibits attached hereto and all information obtained in connection with any Inspections (as hereinafter defined) of the Premises) until such time as the Closing is completed. Purchaser agrees to instruct its agents, employees, advisers and consultants to comply with the provisions of this Section 26.01. Notwithstanding the foregoing, Purchaser may disclose all information obtained with respect to the Premises to its directors, bankers and advisors, as long as such parties agree to keep the information confidential until such time as the Closing is completed. If the purchase and sale of the Premises contemplated hereby is not completed for any reason, Purchaser shall promptly return to Seller all instruments and materials, or copies of instruments and materials, or copies of instruments and materials, delivered pursuant hereto or made by Purchaser. The provisions of this Section 26.01 shall survive any termination of this Agreement.

Article XXVII.

Disclaimers and Limitations

Section 27.01 EXCEPT AS SPECIFICALLY PROVIDED HEREIN TO THE CONTRARY, PURCHASER EXPRESSLY UNDERSTANDS, ACKNOWLEDGES AND AGREES THAT THE CONVEYANCE OF THE PROPERTY SHALL BE MADE BY SELLER TO PURCHASER ON AN "AS IS, WHERE IS" BASIS AND WITH ALL FAULTS, AND PURCHASER ACKNOWLEDGES THAT PURCHASER HAS AGREED TO BUY THE PROPERTY IN ITS PRESENT CONDITION AND THAT PURCHASER IS RELYING SOLELY ON ITS OWN EXAMINATION AND INSPECTIONS OF THE PROPERTY AND NOT ON ANY STATEMENTS OR REPRESENTATIONS MADE BY SELLER OR ANY AGENTS OR REPRESENTATIVES OF SELLER, EXCEPT AS OTHERWISE



SPECIFICALLY SET FORTH HEREIN. ADDITIONALLY, PURCHASER HEREBY ACKNOWLEDGES THAT, EXCEPT AS OTHERWISE SPECIFIED HEREIN, SELLER MAKES NO WARRANTY OR REPRESENTATION, EXPRESS OR IMPLIED, OR ARISING BY OPERATION OF LAW, INCLUDING BUT IN NO WAY LIMITED TO, ANY WARRANTY OF CONDITION, HABITABILITY, MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE OF THE PROPERTY OR ANY PORTION THEREOF, OR WITH RESPECT TO THE ECONOMIC, FUNCTIONAL, ENVIRONMENTAL OR PHYSICAL CONDITION, OR ANY OTHER ASPECT, OF THE PROPERTY. SELLER HEREBY SPECIFICALLY DISCLAIMS ANY WARRANTY, GUARANTY OR REPRESENTATION, ORAL OR WRITTEN, PAST, PRESENT OR FUTURE, OF, AS TO, OR CONCERNING: (i) THE NATURE AND CONDITION OF THE PROPERTY OR ANY PART THEREOF, INCLUDING BUT NOT LIMITED TO ITS WATER, SOIL, OR GEOLOGY, OR THE SUITABILITY THEREOF FOR ANY AND ALL ACTIVITIES AND USES WHICH PURCHASER MAY ELECT TO CONDUCT THEREON, OR ANY IMPROVEMENTS PURCHASER MAY ELECT TO CONSTRUCT THEREON, OR ANY INCOME TO BE DERIVED THEREFROM, OR ANY EXPENSES TO BE INCURRED WITH RESPECT THERETO, OR ANY OBLIGATIONS OR ANY OTHER MATTER OR THING RELATING TO OR AFFECTING THE SAME; (ii) THE ABSENCE OF ASBESTOS OR ANY ENVIRONMENTALLY HAZARDOUS SUBSTANCES ON, IN OR UNDER THE PROPERTY OR ON, IN OR UNDER ANY PROPERTY ADJACENT TO OR ABUTTING THE PROPERTY; (iii) THE MANNER OF CONSTRUCTION OR CONDITION OR STATE OF REPAIR OR LACK OF REPAIR OF ANY IMPROVEMENTS; AND (iv) THE COMPLIANCE OF THE PROPERTY OR THE OPERATION OF THE PROPERTY OR ANY PORTION THEREOF WITH ANY LAWS, RULES, ORDINANCES OR REGULATIONS OF ANY GOVERNMENT OR OTHER BODY; AND (v) THE NATURE OR EXTENT OF ANY EASEMENT, RESTRICTIVE COVENANT, RIGHT-OF-WAY, LEASE, POSSESSION, LIEN, ENCUMBRANCE, LICENSE, RESERVATION, CONDITION OR OTHER SIMILAR MATTER PERTAINING TO THE PROPERTY, OR PORTION THEREOF. *clear title & subject to the terms of contract.*

Article XXVIII
Seller represents no third party has a right of first refusal or option to purchase the premises.

Article XXVII
Upon closing lease to be terminated & security deposit returned & rent to be adjusted.

Article XXX
Both parties represent no broker or finder brought about this sale & each party shall indemnify the other in said recovery.

Article XXXI
Seller to produce on or before closing true copies of all required certificates of occupancy or the like & no open permits. In the event seller elects not to do so, purchaser may opt to cancel & obtain refund.

Article XXXII
This contract may be signed in counterparts & pdf be deemed an original for all purposes.

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto as of the day and year first above set forth.

Seller:

AJA 480 SMITH ST REALTY CO. LLC

Federal Tax ID:

DocuSigned by:
By David Angelo
66860723BABA4CA...

Date: 1/18/2023

Purchaser:

VOGUE GROUP, INC.

Federal Tax ID:

By: Balbeer Singh
Title Balbeer Singh Pres

1/19/23

X 13-3494711

X [Signature]

X [Signature]

MORTGAGE CONTINGENCY RIDER

SELLER: AJA 480 SMITH ST REALTY CO. LLC

PURCHASER: VOGUE GROUP, INC.

PREMISES: 480 SMITH STREET, FARMINGDALE, NY 11735

Full
assignment
contract

(a) The obligation of Purchaser to purchase under this Agreement is conditioned upon issuance, on or before Forty-Five (45) days from the Effective Date (the "Commitment Date"), of 1) a written commitment from an Institutional Lender pursuant to which such Institutional Lender agrees to make a first mortgage loan to Purchaser, at Purchaser's sole cost and expense, of not less than Two Million Two Hundred Fifty and 00/100 Dollars (\$2,250,000.00) for a term of at least fifteen (15) years; (or such lesser sum or shorter term as Purchaser shall be willing to accept) at the prevailing fixed or adjustable rate of interest and on other customary commitment terms (the "First Mortgage Commitment"). To the extent such First Mortgage Commitment is issued and conditioned on payment of any outstanding debt, no material adverse change thereafter in Purchaser's financial condition or any other customary conditions, Purchaser accepts the risk that such conditions may not be met.

(b) Purchaser shall (i) make prompt application to an Institutional Lender (or its processor) for such First Mortgage Commitment, (ii) furnish accurate and complete information regarding Purchaser and members of Purchaser's family, as required, (iii) pay all fees, points and charges required in connection with such application and loan, (iv) pursue such application with diligence, and (v) cooperate in good faith with such Institutional Lender to obtain a First Mortgage Commitment. Purchaser shall accept the First Mortgage Commitment meeting the terms set forth herein (a) and shall comply with all requirements of such First Mortgage Commitment. Purchaser shall furnish Seller with a copy of the First Mortgage Commitment promptly after receipt thereof of all such Commitments.

(c) If Purchaser does not receive the First Mortgage Commitment or the same is denied, prior to the Commitment Date, Purchaser may cancel this Agreement by giving written notice thereof to Seller within Ten (10) days after the Commitment Date, provided that Purchaser has substantially complied with its obligations under this Rider and provided Seller does not offer the financing described in Section (f) below. If this Agreement is canceled by Purchaser pursuant to this Rider, neither party shall thereafter have any further rights against, or obligations or liabilities to, the other by reason of this Agreement, except that the Deposit under this Agreement and the Asset Purchase Agreement shall be promptly refunded to Purchaser.

(d) If Purchaser fails to give timely written notice of cancellation or if Purchaser accepts a written commitment from an Institutional Lender that does not conform to the terms set forth in this Rider (a), then Purchaser shall be deemed to have waived Purchaser's right to cancel this Agreement and to receive a refund of the Deposit under this Agreement by reason of the contingency contained herein.

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(e) For purposes of this Agreement, the term "Institutional Lender" shall mean any commercial bank, savings bank, trust company, credit union, savings and loan association or similar banking institution.

(f) In the event Purchaser's application for the financing called for herein is denied for any reason, Seller shall have the option to provide financing in the amount of \$2,225,000.00 at a rate equal to the greater of seven percent (7%) per year or the prevailing rate of interest for commercial loans at the time of closing by Chase Bank. The payments shall be based upon a 15 year amortization and require a balloon payment of all outstanding principal and interest at the end of the fifth (5th) year.

or fully amortizing at 7.80% prevailing rate whichever is greater
The loan documents shall be standard commercial mortgage documents including but not limited to a Note, Mortgage, Assignment of Leases and Rent, UCC 1, Personal Guarantees, Environmental Indemnity Agreement, etc. Purchaser shall be responsible for the cost of recording all documents related to the Seller financing, the payment of all mortgage taxes and the cost of Seller's attorney for the preparation of loan documents in the amount of \$5,000.00. Shawn Singh and Balbeer Vogue shall personally guaranty all of Purchaser's obligations and shall execute Guarantees at closing.

AJA 480 SMITH ST REALTY CO. LLC

DocuSigned by:

David Angelo

66880723BABAAGA...

By

VOGUE GROUP, INC.

X. Balbeer Singh
By Balbeer Singh Pres.

Asst

DS
Da

ENVIRONMENTAL INSPECTION RIDER

SELLER: AJA 480 SMITH ST REALTY CO. LLC

PURCHASER: VOGUE GROUP, INC.

PREMISES: 480 SMITH STREET, FARMINGDALE, NY 11735

45 days from execution of contract

During the period from the date hereof to 5:00 p.m. on the thirtieth (30th) day following said date (the "Environmental Inspection Period"), Purchaser, or Purchaser's agents, employees and/or contractors, shall, subject to the terms and conditions hereof, have the right to enter the Premises to make such Phase I or other environmental inspections, tests, analyses and investigations (collectively, "Inspections") of the Premises which Purchaser deems desirable; provided, however, that no Inspection shall result in the imposition of a lien or other encumbrance on the Premises or any part thereof. Such right of entry shall also be provided subsequent to the end of the Inspection Period. Seller shall not be liable to Purchaser or any third party for any injury or death to any person or damage to any property caused by, or related to, any act, omission or neglect of Purchaser, its agents or contractors or any third party occurring as a result of such Inspections. Purchaser hereby indemnifies and agrees to defend and hold Seller harmless from any claim, damage, liability, judgment, loss, cost, penalty, fine or expense (including, without limitation, reasonable attorneys' fees and disbursements) relating to any such injury, death, lien, encumbrance or damage arising out of the Inspections and attributable to the act, omission or neglect of the Purchaser or its agents. This indemnity shall survive the Closing or earlier termination of this Agreement. Purchaser shall return the Premises to the same condition it was in prior to conducting any Inspections, and this obligation shall survive the Closing or earlier termination thereof.

Purchaser's Cost. All Inspections shall be at Purchaser's sole cost and expense.

Copies to Seller; Confidentiality. Purchaser shall, promptly upon receipt of any report or other information produced as a result of any Inspections, provide Seller with a copy thereof. Purchaser and its agents, employees and contractors shall keep in strict confidence all information obtained related to such Inspections, and this obligation shall survive the termination of this Agreement.

Environmental Audits. If Purchaser conducts a Phase I environmental audit, then Purchaser shall promptly furnish a copy thereof to Seller as provided above. Purchaser may not conduct any Phase II environmental audit without the prior written consent of Seller. If Seller refuses to grant its consent to a Phase II environmental audit, then Purchaser, in its sole option, may

or fails due to any compliance or remediation required by a Phase I.

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(i) terminate this Agreement, in which event the Esorow Agent shall return to Purchaser the Deposit and Interest, or (ii) waive the request for such Phase II environmental audit. Seller agrees to reasonably review Purchaser's Phase I report in compliance with industry standards, and withhold consent to a Phase II investigation only if the Phase I report indicates the possibility of the existence of environmental conditions which could, if confirmed, require a program of remediation.

Phase I
or compliance of
remediation

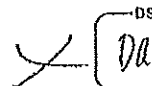
Advance Notice. Purchaser shall make any request to Seller to conduct an Inspection at least 24 hours prior to the proposed time for the conduct thereof. Such notice may be by telephone.

Insurance Requirements. Prior to any entry upon the Premises to conduct any inspection, Purchaser shall furnish, or cause its contractors or agents to furnish, to Seller, evidence of insurance insuring Seller from and against liability resulting from injury to or death of any person or persons and damage to or destruction of property, in an amount not less than ONE MILLION (\$1,000,000.00) DOLLARS, combined single limits.

Purchaser shall indemnify, protect, save, defend and hold forever harmless Seller from and against all liabilities, obligations, claims, damages, judgments, awards, penalties, costs, and expenses including, without limitation, reasonable attorney's fees and court costs at all levels of proceedings, which Seller may incur, suffer or sustain, or for which Seller may become obligated or liable by reason of any act or omission on the part of Purchaser, its employees, agents, and/or independent contractors in the performance of conduct of Purchaser's Investigation Period Permitted Activities or by reason of any injury to or death of persons or loss of or damage to property in connection with, or as a result of, any such entry or entries upon or use of the Premises by Purchaser, its employees, agents, and/or independent contractors in connection with Purchaser's Investigation Period Permitted Activities or as a result of any liens for labor or services performed and/or materials furnished by or for the account of Purchaser in respect of the Premises. In the event this Contract terminates for any reason, Purchaser shall also be obligated to restore the Premises to the condition in which it existed prior to the commencement of Purchaser's activities thereon. The provisions of this subsection shall survive any termination of this Contract.

Interference with Business. No Inspection shall unreasonably interfere with the operation of the Premises or the conduct of business by Seller or its tenants.

Right to Terminate this Agreement. At any time during the Environmental Inspection Period, Purchaser shall have the right to notify Seller, in writing, by facsimile or email transmission to Seller's attorney that it has elected to terminate this Agreement (the "Notice of Termination") due to the existence of a condition which breaches or is in violation of federal, state and local laws, ordinances, rules, regulations and any requirements and any directive, order or governmental instruction issued under any of the foregoing, relating to health or safety, hazardous or toxic substances or wastes, or air, ground and water pollution, protection and/or


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preservation of the environment (collectively, "Environmental Laws"). In the event of such termination, Seller agrees to refund to Purchaser the Deposit previously paid by Purchaser. In the event Purchaser does not so notify Seller on or before the expiration of the Inspection Period or any extension thereof, Purchaser shall be deemed to have waived its right to terminate this Agreement pursuant to this Section.

AJA 480 SMITH ST REALTY CO. LLC

DocuSigned by:

David Angelo

By

VOGUE GROUP, INC.

By Balbeer Singh Pres

[Signature]

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