

Thomas E. Dolan Chief Executive Officer

FORM APPLICATION FOR FINANCIAL ASSISTANCE

DATE: September 16, 2024

| APPLICATION OF: | Catholic Health System of Long Island, Inc. d/b/a Catholic Health Company Name of Beneficial User of Proposed Project (Not Realty or Special Purpose Entity (SPE) created for liability) |
|---|--|
| CURRENT ADDRESS: | 992 North Village Avenue |
| | Rockville Centre, New York 11570 |
| ADDRESS OF PROPERTY TO RECEIVE BENEFITS: | 110 Bi-County Boulevard |
| | Farmingdale, New York 11735 |

Tax Map # District 0100 Section 069.00 Block 03.00 Lot (s) 005.024

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

1. User Data (Applicant):

A. User: Catholic Health System of Long Island, Inc. d/b/a Catholic Health

Address: 992 North Village Avenue Rockville Centre, New York 11570 Federal Employer ID #: Website: https://www.catholichealthli.org/ NAICS Code: 62 (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/cos/www/naics/) Name of User Officer Certifying Application: Title of Officer: Senior Vice President, Real Estate Development & Facilities Phone Number: E-mail: B. Business Type: Sole Proprietorship Partnership Privately Held Public Corporation Listed on State of Incorporation/Formation: Charitable Corporation under 201 NY Not-for-profit Corporation Law C. Nature of Business: (e.g., "manufacturer of _____ for _____ industry"; "distributor of _____") Not-for-profit corporation organized to serve the healthcare needs of patients in Nassau and Suffolk Counties. D. User Counsel: Firm Name: Greenberg Traurig, LLP Address: 900 Stewart Avenue Garden City, New York 11530 Individual Attorney: Daniel J. Baker, Esq.

Phone Number: E-mail:

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

| | Name | Percent Owned | | | | | |
|--------------|---|---|--|--|--|--|--|
| | N/A | N/A | | | | | |
| of | fficer, director or other entity with which an vith: i. ever filed for bankruptcy, been ad otherwise been or presently is proceeding? (if yes, please explain | the User, or any stockholder, partner, member, y of these individuals is or has been associated judicated bankrupt or placed in receivership or the subject of any bankruptcy or similar | | | | | |
| No | ii. been convicted of a felony, or m motor vehicle violation)? (if yes, pl | isdemeanor, or criminal offense (other than a lease explain) | | | | | |
| int | any of the above persons (see "E", above terest in the User, list all other organizations ersons having more than a 50% interest in suc | e) or a group of them, owns more than 50% which are related to the User by virtue of such ch organizations. | | | | | |
| N// | /Α | | | | | | |
| H. Is inc | the User related to any other organization by dicate name of related organization and relat | y reason of more than a 50% ownership? If so, ionship: | | | | | |
| N// | Α | | | | | | |
| | ¥. | | | | | | |
| I. Lis | st parent corporation, sister corporations and | subsidiaries: | | | | | |

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, Applicant entered into straight lease transaction with Town of Babylon IDA in 2013 concerning the subject

property.

K. List major bank references of the User:

TD Bank 550 Long Beach Blvd Long Beach, NY 11561

Contact: Brieanne Miller Koutsogiannis

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"): 110 Bi-County Boulevard, LLC

| | Address: 85 South Service Road |
|----|---|
| | Plainview, New York 11803 |
| | Federal Employer ID #: Website: https://rechlerequity.com/ |
| | NAICS Code: 531120 |
| | Name of Owner Officer Certifying Application: |
| | Title of Officer: Authorized Signatory |
| | Phone Number: E-mail: |
| B. | Business Type: |
| | Sole Proprietorship 🗆 Partnership 🗆 Privately Held 🗹 |
| | Public Corporation Listed on |
| | State of Incorporation/Formation: 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 ye of "F | s, the remainder of the question "below) need not be answered | ons in this Part I, Sect d if answered for the C | ion 2 (with the exception Owner. | | | | |
| | ii. If no | please complete all questions | below. | | | | | |
| E. | Owner's Counse | el: | | | | | | |
| | Firm Name: | Greenberg Traurig, LLP | | | | | | |
| | Address: | 900 Stewart Avenue | | | | | | |
| | | Garden City, New York 11530 | | | | | | |
| | Individual A | ttomey: Daniel J. Baker | | | | | | |
| | Phone Numb | er: E-n | nail: | | | | | |
| F. | Principal Stockh | olders or Partners, if any (5% o | or more equity): | | | | | |
| | | Name | Percent Owr | ned | | | | |
| | Art. 3 Trust create | d under the Roger Rechler Trust | 25% | | | | | |
| | Estate of Donald | Rechler | 25% | | | | | |
| | Gregg and Mitche | Il Rechler | 9% each | | | | | |
| G. | officer, director of with: i. ever f otherw | or any subsidiary or affiliate or other entity with which any iled for bankruptcy, been adju- vise been or presently is f eding? (if yes, please explain) | of these individuals | is or has been associated placed in receivership or | | | | |
| | | | | | | | | |
| * | | convicted of a felony or crition)? (if yes, please explain) | iminal offense (othe | r than a motor vehicle | | | | |
| | Νο | | | | | | | |
| ¥. | | fown of Babylon Industrial Dev | elopment Agency | | | | | |

- 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.
 - N/A
- 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:

The individuals listed in F. above, through their real estate holding company Rechler Equity Partners and related

limited liability companies, own or control and operate more than 100 industrial/office/multi-family properties on LI.

J. List parent corporation, sister corporations and subsidiaries:

Please refer to Paragraph I above.

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:

Related companies receive IDA benefits with respect to the Greybarn Amityville project.

L. List major bank references of the Owner:

TD Bank, 324 South Service Road, Melville NY 11747 -

Part II - Operation at Current Location

- 1. Current Location Address: 110 Bi-County Boulevard, Farmingdale, NY 11735
- 2. Owned or Leased: Leased
- 3. Describe your present location (acreage, square footage, number of buildings, number of floors, etc.):

Applicant currently leases 48,866 square feet of office space at project location.

4. Type of operation (manufacturing, wholesale, distribution, retail, etc.) and products and/or services:

Facility used to house Catholic Health Home Care which offers support for patients/family member recovering from

illness/surgery after returning home from hospital. See Attachment Number 3 for specific services provided.

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

A. If yes, list the Address: See Attachment Number 2

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: Current facilities will continue in same fashion.

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:

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| 7. Has | the Applicant | t actively | considered | sites in | another state? | Yes | | No 🗹 |
|--------|---------------|------------|------------|----------|----------------|-----|--|------|
|--------|---------------|------------|------------|----------|----------------|-----|--|------|

A. If yes, please list states considered and explain:

- 8. Is the requested financial assistance reasonably necessary to prevent the Applicant from moving out of New York State? Yes 🗆 No 🖸
 - A. Please explain: However, it is necessary to prevent consolidation of existing use and employees to other existing

facilities Nassau and Suffolk Counties.

9. Number of full-time employees at current location and average salary: 640 full time employees with

an average annual salary of \$101,241.96

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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: 110 Bi-County Boulevard, Farmingdale NY 11735
- B. Tax Map: District 0100 Section 069.00 Block 03.00 Lot(s) 005.024
- C. Municipal Jurisdiction:
 - i. Village: n/a
 - ii. School District: Farmingdale School District iii. Library: Farmingdale Public Library
 - Elorary. Tarminguale Public Libr
- D. Acreage: 9.83

3. Project Components (check all appropriate categories):

| A. | Construction of a new building i. Square footage: | □ Yes | 🖾 No |
|----|--|-------|------|
| В. | Renovations of an existing building i. Square footage: <u>48,866</u> | ☑ Yes | □ No |
| C. | Demolition of an existing building i. Square footage: | □ Yes | 🛛 No |
| D. | Land to be cleared or disturbed i. Square footage/acreage: | □ Yes | 🗹 No |
| E. | Construction of addition to an existing building i. Square footage of addition: | □ Yes | 🗹 No |
| | ii. Total square footage upon completion: | | |
| F. | Acquisition of an existing building i. Square footage of existing building: | □ Yes | 🗹 No |

| C | j. | Installation of machinery and/or Equipment | | | | | | | | | | Yes | | Ц | No | | |
|----|---|--|------------|--------------|----------------|----------|----------|------------|---------|---------|----------|--------|-------|---------|-------|--------|------|
| | i. List principal items or categories of equipment to be acquired: New IT equipment | | | | | | | | | quipmer | nt and | | | | | | |
| | | computers; i | new office | e furniture. | | | | | | | | | | - | | | |
| 4. | <u>Cu</u> | rrent Use a | t Propo | sed Loca | ation: | | | | | | | | | | | | |
| | A. | Does the A | Applica | nt currer | ntly hold | d fee ti | itle to | the p | oropo | sed | locat | ion? | | | | | |
| | | i. | lf no, | please li | st the pr | resent | owne | r of t | he sit | te: _1 | 110 Bi-0 | Count | / Bou | levard | LLC | | |
| | B. | Present us | se of the | propose | ed locati | ion: O | ffice sp | ace | | | | | | | | | |
| | | | | | | | | | | | | | | | | | |
| | C. | Is the pro Agency or | | | curren ☑ Ye | | ıbject | to a No | in IE | DA | transa | actio | n (w | heth | er tl | nrough | this |
| | | i. | If yes, | explain: | Applicar | nt enter | ed into | straig | ht leas | e tra | nsactio | n with | Towr | n of Ba | bylor | IDA in | 2013 |
| | D. | Is there a p | purchas | e contrac | ct for th | e site? | (if ye | es, at | tach) | : | | | Y | es | 7 | No | |
| | E. | Is there an | existin | g or prop | posed le | ease fo | r the | site? | (if ye | es, a | ttach) | : 🗹 | I Y | es | | No | |
| | | | | | | | | | | | | | | | | | |
| 5 | Pro | nosed Use | | | | | | | | | | | | | | | |

A. Describe the specific operations of the Applicant or other users to be conducted at the project site: Applicant currently occupies 48,866 sq ft in the building, for administrative use by Catholic Health Home Care

and hospice services. With the renovation, Catholic Health will consolidate Employee Health Services Services

supporting all 6 Catholic Health hospitals, create more storage capabilities and administrative space.

- B. Proposed product lines and market demands: n/a
- 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

11 . .

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

The user has sought an extension of its existing lease with Landlord. In order to accommodate the extension,

certain upgrades are necessary at the subject property. Tenant improvements include a build-out of new office

space within the current leased area; upgrades to furniture, equipment and IT systems; and cosmetic improvements

to existing office space. As part of the lease extension, landlord will also be making improvements to the ancillary

facilities of the subject property including upgrades to the roof and HVAC. The total cost of improvements are

estimated to be in excess of \$1,000,000.00. See Attachment Number 3 for additional information.

- E. Will any portion of the project be used for the making of retail sales to customers who personally visit the project location? Yes D No D
 - 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. ii. iii. iv. v. vi. | Site Clearance: Foundation: Footings: Steel: Masonry: Other: | Yes □ Yes □ Yes □ | No 🗆 No 🗖 No 🗖 | % Complete% Complete% Complete% Complete% Complete | |
|---------------------------------------|---|-------------------------|----------------------|--|--|
| V1. | | | | | |

B. What is the current zoning? G 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 D No D

7. Project Completion Schedule:

- A. What is the proposed commencement date for the acquisition and the construction/renovation/equipping of the project?
 - i. Acquisition: n/a
 - ii. Construction/Renovation/Equipping: 2 months following IDA approval
- 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: The estimated date for completion of the Project is December

24, 2024.

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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:

| Description | Amount |
|-------------------------------------|------------------------------|
| Land and/or building acquisition | \$ |
| Building(s) demolition/construction | \$ <u>811,474</u> |
| Building renovation | \$ 200,000 |
| Site Work | \$ |
| Machinery and Equipment | \$ 100,000 |
| Legal Fees | \$ |
| Architectural/Engineering Fees | \$ |
| Financial Charges | \$ |
| Other (Specify) | \$ 100,000 (new furnishings) |
| Total | \$ 1,211,474.00 |

2. Method of Financing:

| | Amount | Term |
|---|---|-------|
| A. Tax-exempt bond financing: | \$ | years |
| B. Taxable bond financing: | \$ | years |
| C. Conventional Mortgage: | \$ | 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: | 1,211,474.00 | years |
| | | |
| Total Project Costs | \$ 1,211,474.00 | |
| | × · · · · · · · · · · · · · · · · · · · | |

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:

| n/a | |
|-----|--|
| | |
| | |
| | |

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

n/a

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

n/a

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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):

\$_n/a

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

\$_n/a

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):

\$ 606,884

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

\$ 52,374

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: _{n/a}

B. Agency PILOT Benefit:

- i. Term of PILOT requested: 10 years
- 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 <u>Exhibit A</u> hereto has been completed and executed.******

Part VI - Employment Data

 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:

| | Present | First Year | Second Year | Residents of LMA |
|-------------|---------|------------|-------------|------------------|
| Full-Time | 640 | 654 | 654 | 607 |
| Part-Time** | 119 | 119 | 119 | 115 |

* 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).

| Number of Employees | Average Salary or Range of Salary | Average Fringe Benefits or Range of Fringe Benefits |
|------------------------|---|---|
| 65 | \$173,645.25 | \$50,357 -\$52,094 |
| 527 | \$109,216.52 | \$31,673 - \$32,765 |
| 116 | \$60,846.88 | \$17,646 - 18,254 |
| 0 | 0 | n/a |
| 6 | \$86,854.21 | \$25,185 - \$26,054 |
| 55 | \$40,750.99 | \$11,818 - \$12,225 |
| 4 | \$45,621.32 | \$13,230-\$13,686 |
| | | |
| | | - |
| | Employees 65 527 116 0 6 55 | EmployeesSalary65\$173,645.25527\$109,216.52116\$60,846.88006\$86,854.2155\$40,750.99 |

2. Salary and Fringe Benefits:

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 \$ 60,845.21 TO \$ \$170,324.70

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

| | First Year | Second Year | Third Year | |
|--------------|------------|-------------|------------|--|
| * Full-Time | 12-15 | n/a | _n/a | |
| ** Part-Time | n/a | n/a | n/a | |

*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 D No D (If yes, furnish details on a separate sheet)

b. hazardous wastes, environmental pollution,

Yes \Box No \Box (If yes, furnish details on a separate sheet)

c. other operating practices

Yes D No Z (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 🗖

Without IDA assistance, improvements and renovations to the property will not take place due to increased construction

costs, taxes, etc. 1st Amendment to the lease provides tenant with the right to terminate if IDA benefits are not approved.

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?

As stated above, the project would not move forward and the Applicant would likely consolidate and move to other

Catholic Health offices leaving existing space vacant at end of lease term.

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.

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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

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 C

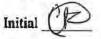
8. The Applicant confirms and acknowledges that the submission of any knowingly false or knowingly misleading information may lead to the immediate termination of any financial assistance and the reimbursement of an amount equal to all or part of any tax exemption claimed by reason of the Agency's involvement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

Initial (CP

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 C

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.



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.

Initial

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 <u>Schedule A</u> 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

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 <u>Schedule B</u>.

Initia

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.

(Remainder of Page Intentionally Left Blank)

Part IX - Certification

Christine Flahuty (name of representative of company submitting application) deposes and says that he or she is the <u>Service VP</u> (title) of <u>Reveestate</u> - Face 1: thus ICHS 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 $\frac{22^{n}}{Day of \underline{August}}$, $20 \underline{24}$

(seal)

BARBARA MORAN NOTARY PUBLIC-STATE OF NEW YORK No. 01MO6337145 Qualified in Nassau County My Commission Expires 02-16-2028

as true m.

To julp of Bybyion Industrial Density mena 4551.

Part IX - Certification

Property Owner (if different from Applicant)

Gregg Rechter (name of representative of owner submitting application) deposes and says that he or she is the <u>Authorizet Signator</u> (title) of <u>110 Bir County Boulevard</u> 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 22nd Day of August, 20 24

TONI HOVERKAMP Notary Public, State of New York No. 02HO6158508 Qualified in Suffolk County Commission Expires January 2, 20

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.

EXHIBIT A

Payments in Lieu of Taxes on the Land and the Buildings:

For the period commencing on the PILOT Commencement Date (hereinafter defined) until the **Abatement Termination Date** or (ii) the date on which the Agency no longer owns the Facility Realty, the Company shall make payment in lieu of real estate taxes (the "**PILOT Payments**"), as follows:

Definitions

| X = | the then current assessed value of Facility Realty from time-to-time |
|---------------------------|---|
| Y = | the percentage of the Facility occupied by the Company (33.31%) multiplied by X |
| PILOT Commencement Date - | the Taxable Status Date of the Town immediately following the date hereof. |
| Normal Tax Due = | those payments for taxes and assessments, other than special ad valorem levies, special assessments, and service charges against real property located in the Town of Babylon (including any existing incorporated village or any village which may be or may have been incorporated after the date hereof, within which the Project is wholly or partially located) which are or may be imposed for special improvements or special district improvements, which are payable with respect other Facility without exemption. |
| Tax Year – | the Tax Year of the Town commencing each December 1 and ending the following November 30. |
| Pavment | |
| Tay Vear | |

| 1 | 50.0% Normal Tax Due on Y |
|-------------------|---------------------------|
| 2 | 55.0% Normal Tax Due on Y |
| 3 | 60.0% Normal Tax Due on Y |
| 4 | 65.0% Normal Tax Due on Y |
| 5 | 70.0% Normal Tax Due on Y |
| 6 | 75.0% Normal Tax Due on Y |
| 7 | 80.0% Normal Tax Due on Y |
| 8 | 85.0% Normal Tax Due on Y |
| 9 | 90.0% Normal Tax Due on Y |
| 10 | 95.0% Normal Tax Due on Y |
| 11 and thereafter | 100% Normal Tax Due on Y |

The tax benefits provided for in this subsection shall be deemed to commence on the PILOT Commencement Date. In no event shall the Company be entitled to receive real property tax benefits due to the Project under this agreement for a period longer than the period set forth in the formula immediately above. Notwithstanding the foregoing schedule, the Company further covenants and agrees that for any period that the Agency continues to hold a leasehold interest in the Facility after the Abatement Termination Date, the Company shall pay 100% of the Normal Tax Due on Y together with any special assessment and services charges relating to the Facility whichever may be imposed for special district improvements in accordance with the provisions of this Section.

CP 9/16/2027

Town of Babylon Industrial Development Agency Town PILOT Schedule

Catholic Health System of Long Island, Inc.

9/6/2024

Tax Savings for the following property:

Town Assessed Value

110 Bi-County Boulevard, Farmingdale 0100 069.00 03.00 005.024

60090

PILOT Information

| Assumptions | | PILOT Schedule | |
|-----------------------|-------------|---------------------|----------|
| Total Assessed Value | 60090 | PILOT Length | 10 years |
| Tax without Exemption | \$212,380 | Abatements start at | 50% |
| Eligible Tax Rate of | 340.4566 | | 5070 |
| Ineligible Taxes | \$0.00 | | |
| Rate Increment of | 2% / year | | |
| Referenced Tax Bill | 2023 - 2024 | | |

| Year # | Abatement PILOT Estimated Taxes # % % To be Paid | | Constraint Story Medical | | Estima | ted Savings |
|--------|---|-----|--------------------------|----|---------|-------------|
| 1 | 50% | 50% | \$ 106,400 | \$ | 106,350 | |
| 2 | 45% | 55% | \$ 119,362 | \$ | 97,650 | |
| 3 | 40% | 60% | \$ 132,801 | \$ | 88,550 | |
| 4 | 35% | 65% | \$ 146,767 | \$ | 79,000 | |
| 5 | 30% | 70% | \$ 161,200 | \$ | 69,100 | |
| 6 | 25% | 75% | \$ 176,191 | \$ | 58,700 | |
| 7 | 20% | 80% | \$ 191,677 | \$ | 47,950 | |
| 8 | 15% | 85% | \$ 207,753 | \$ | 36,650 | |
| 9 | 10% | 90% | \$ 224,354 | \$ | 24,950 | |
| 10 | 5% | 95% | \$ 241,578 | \$ | 12,700 | |

Estimated Taxes to be paid: Estimated Savings: \$1,708,083 \$621,600

000 9/16/2024

SCHEDULE A

24

Agency's Fee Schedule

Town of Babylon Industrial Development Agency

*

Schedule A Fee Policy

Application Fee: Projects under \$10,000,000 - \$2,500 Projects over \$10,000,000 - \$5,000

Straight Lease Transaction: 1.25% of hard costs plus 1% of savings (PILOT, estimated sales tax, mortgage recording)

Unconnected Campus: All newly acquired buildings shall be subject to a 1.25% IDA transaction fee. Existing buildings shall be charged .75% of fair market value plus 1.25% on equipment and renovations plus 1% of combined savings (PILOT, estimated sales tax, mortgage recording)

Deals involving leases and reups: A list of six (6) recent deals similar in size will be created. The average fee of that list shall be divided by the average square footage of that list. The average per square foot calculation shall be multiplied by the building's square footage reups plus 1% of savings plus 1.25% on equipment and renovations.

Large developments over \$30 million: 1% first \$10 million 34 of 1% between 10 - 20 32 of 1% between 20 - 30 34 of 1% over 30

Plus .75% of savings

Bond Schedule

% of 1% first \$15 million % of 1% between 15 – 25 % of 1% between 25 – 35 1/10 of 1% over 35

Ability to negotiate: The CEO shall have the ability to negotiate the fee. The CEO may not extend greater than a 20% discount on the fee without Board consent.

Legal Fee: Applicant is responsible for all legal fees at closing, which include both local and project counsel.

Administrative Fee: \$2,500 everything else (termination of lease, mortgage modifications); \$5,000 - amendments to lease (sales tax extensions, PILOT schedule changes); and the cost of legal advertising in Newsday

9/14/2021

Housing Projects Independent Study Fee: All potential housing projects are required to cover the entire cost of any independent third party studies commissioned in relation to the potential project.

CERTIFICATION FOR BOND

Upon successful conclusion and sale of the required bond issue, the applicant shall pay to the Agency an administrative fee set by the Agency not to exceed an amount equal to 1% of the total project cost financed by the bond issue, which amount is payable at closing. The Agency's Bond Counsel's fees, its general counsel's fees and the administrative fee may be considered as a cost of the project and included as party of any resultant bond issue.

CERTIFICATION (Straight Lease)

The applicant shall pay to the Agency an administrative fee set by the Agency not to exceed an amount equal to 1 % of the total project cost, which amount is payable at closing.

Annual compliance: Projects over \$10,000,000 must pay an annual compliance fee of \$1,000 for the duration of the PILOT.

CB 116 2027

SCHEDULE B

Agency's Recapture Policy

Schedule B

<u>Recapture of Agency Benefits.</u> It is understood and agreed by the Applicant that the Agency intends to enter into a Lease and Project Agreement with the Applicant in order to provide financial assistance to the Applicant for the Project and to accomplish the public purposes of the Act. In consideration therefor, the Applicant will agree to the following:

(a)(i) If there shall occur a Recapture Event at any time after the execution of the Lease and Project Agreement, the Applicant will pay to the Agency, or to the State of New York, if so directed by the Agency as a return of public benefits conferred by the Agency one hundred percent (100%) of the Benefits (as defined below):

(A) one hundred percent (100%) of the Benefits (as defined below) if the Recapture Event occurs within the first two (2) years of the execution date of the Agreement;

(B) seventy-five percent (75%) of the Benefits (as defined below) if the Recapture Event occurs during the period from the third (3rd) year through and including the fifth (5th) year after the execution date of the Agreement;

(C) fifty percent (50%) of the Benefits (as defined below) if the Recapture Event occurs during the period from the sixth (6th) year through and including the seventh (7th) year after the execution date of the Agreement;

(D) twenty-five percent (25%) of the Benefits (as defined below) if the Recapture Event occurs during the period from the eighth (8th) year through and including the ninth (9th) year after the execution date of the Agreement;

(E) zero percent (0%) of the Benefits (as defined below) if the Recapture Event occurs after the ninth (9th) year after the execution date of the Agreement.

The term "Benefits" shall mean all direct monetary benefits, tax exemptions and abatements and other financial assistance, if any, derived solely from the Agency's participation in the Project as contemplated by the Lease and Project Agreement including, but not limited to, the amount equal to one hundred percent (100%) of:

- (i) the Mortgage Recording Tax Exemption savings, if any; and
- (ii) Sales Tax Exemption savings realized by or for the benefit of the Applicant, including any savings realized by the Applicant or any affiliate or agent of the Applicant pursuant to the Lease and Project Agreement and each Sales Tax Agent

0 11/2021

US_301574868v2

Authorization Letter issued in connection with the foregoing (the "Company Sales Tax Savings"); and

(iii) real property tax abatements granted pursuant to Section 5.1 hereof (the "Real Property Tax Abatements");

which Benefits from time to time shall upon the occurrence of a Recapture Event in accordance with the provisions described below and the declaration of a Recapture Event by notice from the Agency to the Applicant be payable directly to the Agency or the State of New York if so directed by the Agency within ten (10) days after such notice.

The term "Recapture Event" shall mean any of the following events:

(i) sale or closure of the Project;

(ii) a material violation of the terms and conditions of the Lease and Project Agreement and other transaction documents;

(iii) the Applicant 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;

a material misrepresentation made by the Applicant and contained in the application (iv) for Financial Assistance, or in the Lease and Project Agreement or any transaction documents or any other materials delivered by the Applicant pursuant to the transaction documents;

(v) the Applicant shall have subleased all or any portion of the Project in violation of the limitations imposed by the Lease and Project Agreement or any other transaction documents, without the prior written consent of the Agency:

the Applicant and/or affiliates of the foregoing shall have sold, leased, transferred (vi) or otherwise disposed of all or substantially all of its interest in the Project without the prior written consent of the Agency:

the failure by the Applicant to complete the Project on or before the Completion (vii) Date as described in the Lease and Project Agreement substantially in accordance with the plans and specifications for the Project and the Project budget;

(viii) the Applicant receives Sales Tax Savings in connection with the Project in excess of the Maximum Company Sales Tax Savings Amount; provided, however, that the foregoing shall constitute a Recapture Event with respect to such excess Sales Tax Savings only. It is further provided that failure to repay the Sales Tax Savings within thirty (30) days shall constitute a Recapture Event with respect to all Benefits.

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 Project, or (ii) the inability at law of the Applicant to rebuild, repair, restore or replace the Project after the occurrence of a loss event to 9/14/2027 substantially its condition prior to such loss event, which inability shall have arisen in good faith through no fault on the part of the Applicant or any of its affiliates.

(b) The Applicant will covenant and agree in the Lease and Project Agreement to furnish the Agency with written notification upon any Recapture Event or disposition of the Project or any portion thereof made within nine (9) years of the commencement date of the Lease and Project Agreement, which notification shall set forth the terms of such Recapture Event and/or disposition.

(c) In the event any payment owing by the Applicant with respect to a Recapture Event shall not be paid on demand by the Applicant, 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 Applicant 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 Applicant with respect to recapture.



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: | | | | |
| Catholic Health System of Long Island, Inc. | | | | |
| Project Location (describe, and attach a location map): | | | | |
| 110 Bi-County Boulevard, Farmingdale, New York 11735 | | | | |
| Brief Description of Proposed Action: | | | | |
| Renovations and interior alterations to existing tenant space including upgrad | es to roof n | nembrane and HVA | \C system. | |
| Name of Applicant or Sponsor: | Telephon | e: | | |
| Catholic Health System of Long Island, Inc. d/b/a Catholic Health | E-Mail: | | | |
| Address: 992 North Village Avenue | 448-144 | | | |
| City/PO: Rockville Centre | St | ate: NY | Zip Code 11570 | |
| Does the proposed action only involve the legislative adoption of a plan, le administrative rule, or regulation? If Yes, attach a narrative description of the intent of the proposed action and may be affected in the municipality and proceed to Part 2. If no, continue to | the environ | mental resources th | hat V | YES |
| Does the proposed action require a permit, approval or funding from any If Yes, list agency(s) name and permit or approval: Town of Babylon IDA PILOT and sales tax exemption; Town of Babylon Buildi | - | - • | s NO | YES |
| 3.a. Total acreage of the site of the proposed action? 9.8: b. Total acreage to be physically disturbed? 0 c. Total acreage (project site and any contiguous properties) owned or controlled by the applicant or project sponsor? 9.8: | a | acres acres cres | | |
| 4. Check all land uses that occur on, adjoining and near the proposed action. □ Urban □ Rural (non-agriculture) □ Industrial □ Comm □ Forest □ Agriculture □ Aquatic □ Other (| ercial 🗆 | Residential (suburb | pan) | |



Ń

| . Is the proposed action, | NO | YES | N/A |
|---|------------|--------------|--------------|
| a. A permitted use under the zoning regulations? | | ✓ | |
| b. Consistent with the adopted comprehensive plan? | | 1 | |
| 5. Is the proposed action consistent with the predominant character of the existing built or natural | | NO | YE |
| landscape? | | | 1 |
| . Is the site of the proposed action located in, or does it adjoin, a state listed Critical Environmental A | rea? | NO | YE |
| f Yes, identify: | | \checkmark | |
| 3. a. Will the proposed action result in a substantial increase in traffic above present levels? | | NO ✓ | YE |
| b. Are public transportation service(s) available at or near the site of the proposed action? | | | 1 |
| c. Are any pedestrian accommodations or bicycle routes available on or near site of the proposed a | ction? | | 1 |
| Does the proposed action meet or exceed the state energy code requirements? f the proposed action will exceed requirements, describe design features and technologies: | | NO | YE |
| 0. Will the proposed action connect to an existing public/private water supply? | | NO | YE |
| [If Yes, does the existing system have capacity to provide service? | | | 1 |
| 1. Will the proposed action connect to existing wastewater utilities? | | NO | YE |
| [If Yes, does the existing system have capacity to provide service? If No, describe method for providing wastewater treatment: | | | \checkmark |
| 2. a. Does the site contain a structure that is listed on either the State or National Register of Historic | | NO | YE |
| Places? | | \checkmark | |
| b. Is the proposed action located in an archeological sensitive area? | | \checkmark | |
| 3. a. Does any portion of the site of the proposed action, or lands adjoining the proposed action, conta wetlands or other waterbodies regulated by a federal, state or local agency? | in | NO | YES |
| b. Would the proposed action physically alter, or encroach into, any existing wetland or waterbody Yes, identify the wetland or waterbody and extent of alterations in square feet or acres: | | ~ | |
| 4. Identify the typical habitat types that occur on, or are likely to be found on the project site. Check | all that : | annly: | |
| □ Shoreline □ Forest □ Agricultural/grasslands □ Early mid-success | ional | -PF+). | |
| 🗋 Wetland 🔲 Urban 🗹 Suburban | | NO | YE |
| Wetland Urban Suburban Does the site of the proposed action contain any species of animal, or associated habitats, listed | | | |
| Wetland Urban Suburban 5. 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? | | √ | |
| 5. Does the site of the proposed action contain any species of animal, or associated habitats, listed | | ✓ NO | YE |
| 5. 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? 6. Is the project site located in the 100 year flood plain? | | NO ✓ | YES |
| 5. 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? 6. Is the project site located in the 100 year flood plain? 7. Will the proposed action create storm water discharge, either from point or non-point sources? | | NO | YE: |
| 5. 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? 6. Is the project site located in the 100 year flood plain? | | NO ✓ | |

| NO | YES |
|--------------|----------|
| 1 | |
| NO | YES |
| \checkmark | |
| NO | YES |
| 1 | |
| | e prod l |
| 2024 | - |
| | NO V |

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?"

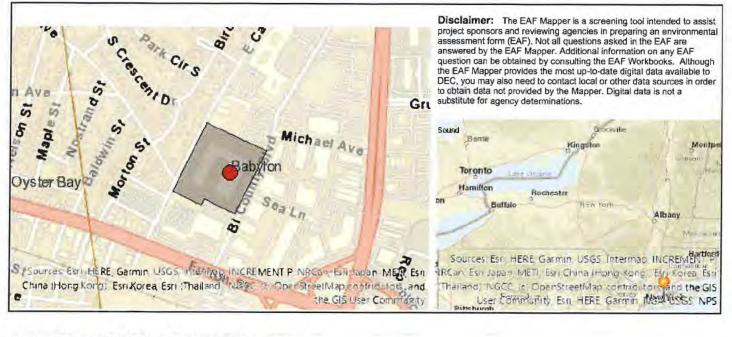
| | | No, or small impact may occur | Moderate to large impact may occur |
|----|---|---|--|
| 1. | Will the proposed action create a material conflict with an adopted land use plan or zoning regulations? | 6.1 | |
| 2. | Will the proposed action result in a change in the use or intensity of use of land? | | |
| 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? | 0 T (| |
| 7. | Will the proposed action impact existing: a. public / private water supplies? | | |
| | b. public / private wastewater treatment utilities? | 12.0 | |
| 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)? | r = 2 | |

| | 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.

| ۵ | 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. | | | | |
|--|---|--|--|--|--|
| 0 | | rmation and analysis above, and any supporting documentation, 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) | | | |

EAF Mapper Summary Report



| Part 1 / Question 7 [Critical Environmental Area] | No |
|---|---|
| Part 1 / Question 12a [National or State Register of Historic Places or State Eligible Sites] | No |
| Part 1 / Question 12b [Archeological Sites] | No |
| Part 1 / Question 13a [Wetlands or Other Regulated Waterbodies] | Yes - Digital mapping information on local and federal wetlands and waterbodies is known to be incomplete. Refer to EAF Workbook. |
| Part 1 / Question 15 [Threatened or Endangered Animal] | No |
| Part 1 / Question 16 [100 Year Flood Plain] | No |
| Part 1 / Question 20 [Remediation Site] | No |

Attachment 1

Catholic Health System of Long Island, Inc. ("CH") Hospitals/Home Care/Hospice/Nursing Homes November 3, 2023

| Name | Type of Organization | Function | Corporate Parent/ Sole Member |
|--|-------------------------|----------------------|-------------------------------------|
| Good Samaritan University Hospital (includes nursing home operations) | NFP Corp | Hospital | CH NH is hospital department |
| Mercy Hospital | NFP Corp | Hospital | СН |
| St. Catherine of Siena Hospital (includes nursing home operations) | NFP Corp | Hospital | CH NH is hospital department |
| St. Charles Hospital | NFP Corp | Hospital | СН |
| St. Francis Hospital & Heart Center® | NFP Corp | Hospital | СН |
| St. Joseph Hospital | NFP Corp | Hospital | CH |
| Our Lady of Consolation Nursing and Rehabilitative Care Center | NFP Corp | Nursing Home | СН |
| Catholic Health Home Care | NFP Corp | Home Care Agency | СН |
| Good Shepherd Hospice | NFP Corp | Hospice | СН |
| CHS Services, Inc. | NFP Corp | Support organization | СН |

Attachment 2

CH OWNED PROPERTIES AND LEASE INFORMATION - 9-10-2024

LEASES

| LEASES | | | |
|----------------------------------|------------------------|---|--|
| Address | City | Lessor | Lessee |
| 15 East 40th Street | New York | Ya Zhou Wen Hua Enterprises, Ltd. | Good Samaritan Hospital Medical Center |
| 556 Montauk Highway | West Islip | ASJV Associates Inc. | Good Samaritan Hospital Medical Center |
| 661 Deer Park Avenue, Suite 3 | Babylon | Good Samaritan Hospital Medical Center | Pediatric Cardiology of Long Island, P.C. |
| 4900 Hempstead Turnpike | Farmingdale | Conklin Street Medical Realty, LLC | St. Joseph Hospital |
| 108 Hempstead Avenue | Lynbrook | Rana Muneeruddin | St. Francis Hospital |
| 185 South 10th Street | Lindenhurst | Good Samaritan Hospital Medical Center | Vestal Healthcare, LLC |
| 635 Belle Terre Road | Port Jefferson | Port Jefferson Physician Realty, LLC | St. Charles Hospital |
| 635 Belle Terre Road | Port Jefferson | Port Jefferson Physician Realty, LLC | St. Charles Hospital |
| 635 Belle Terre Road | Port Jefferson | Port Jefferson Physician Realty, LLC | St. Charles Hospital |
| 2500 Nesconset Highway | Stony Brook | 2500 Nesconset Highway Building 7, LLC | St. Charles Hospital and Rehabilitation Center |
| 373 Route 111 | Smithtown | PBJ Partners, LLC | St. Catherine of Siena Medical Center |
| 205 Froehlich Farm Boulevard | Woodbury | Health Plus Management, LLC | Mercy Medical Center |
| 310 East Shore Road | Great Neck | Monitor Holding Corp. | St. Francis Hospital |
| 1122 Franklin Avenue | Garden City | Marc Agulnick M.D., LLC | CHS Physician Partners, P.C. |
| 2500 Nesconset Highway | Stony Brook | Neuro Brain & Spine Surgery, P.C. | CHS Physician Partners, P.C. |
| 138-48 Elder Avenue | Flushing | Elder Realty LLC | St. Francis Hospital |
| 213-235 Montauk Highway | West Sayville | Bayview Realty Group, LLC | St. Francis Hospital |
| 1245 Montauk Highway | West Islip | 1245 Montauk Highway, LLC | Good Samaritan Hospital Medical Center |
| 265 Main Street | Islip | Contemporary Medical Services, P.C. | Good Samaritan Hospital Medical Center |
| 116 Terryville Road | Port Jefferson Station | Sangwan & Sangwan, LLC | St. Charles Hospital and Rehabilitative Center |
| 213-235 Montauk Highway | West Savville | Bayview Realty Group, LLC | St. Francis Hospital |
| 306 Broadway | Lynbrook | DVV Realty LLC | Mercy Medical Center |
| 191-32 Northern Boulevard | Flushing | Barone Properties, Inc. c/o First Step Management LLC | Saint Francis Hospital |
| 146 Manetto Hill Road | Plainview | 146 Manetto Hill Road LLC | St. Francis Hospital |
| 5 Cedar Court | Copiague | Sygnarowicz Corporation | |
| 340 Howells Road | Bay Shore | Good Samaritan Hospital Medical Center | Good Samaritan Medical Center |
| 4230 Hempstead Turnpike | Bethpage | Gailrach Realty Company LLC | Suffolk Nephrology Associates, P.C. |
| 3 Huntington Quadrangle | Melville | Catholic Health System of Long Island, Inc. | St. Joseph Hospital |
| 403 Lake Avenue | St. James | 403 Lake Avenue Associates, Inc. | Healthcare Community Securities Corp. |
| 755 New York Avenue | Huntington | N.S. Capital, LLC | St. Catherine of Siena Medical Center |
| 1743 North Ocean Avenue | Medford | North Ocean Properties | CHS Physicians Partners, P.C |
| 1174 Route 112 | Port Jefferson Station | Zain 2022 LLC | St. Catherine of Siena Medical Center |
| 1895 Walt Whitman Road | Melville | St. Charles Hospital and Rehabilitation Center | St. Charles Hospital and Rehabilitation Center |
| 1895 Walt Whitman Road | Melville | 1895 WWA, LLC | Rheumatology Associates of Long Island, LLP |
| 240 Middle Country Road | Smithtown | 240 Middle Country Road, LLC | St. Charles Hospital |
| 95 Pine Street | Freeport | The Church of Our Holy Redeemer | St. Charles Hospital & Rehabilitation Center |
| 163-03 Horace Harding Expressway | Flushing | | Mercy Medical Center |
| 1400 Deer Park Avenue | North Babylon | Banled Associates, LLC c/o DGNY Property Management Leo Family Limited Partnership | |
| 45 Terry Road | Smithtown | PQM Realty LLC | Good Samaritan University Hospital |
| 2100 Middle Country Road | Centereach | 2300 MCR Partners LLC | St. Catherine of Siena Medical Center |
| 77 North Centre Avenue | Rockville Centre | CAF Rockville Centre, LLC | St. Charles Hospital |
| 77 Medford Avenue | Patchogue | Medford Operating LLC | Mercy Medical Center |
| 643 Broadway | Massapequa | 643 Broadway Real Estate Group LLC c/o Alan Schecter | St. Charles Hospital and Rehabilitation Center |

| 332 East Main Street | Bay Shore | 332 East Main Street, LLC | Good Samaritan Hospital Medical Center |
|---------------------------------|------------------------|---|--|
| 3 School Street | Glen Cove | R Four Properties, LLC | St. Francis Hospital |
| 100 Quentin Roosevelt Boulevard | Garden City | Quentin Roosevelt Blvd c/oJeffrey Management Corp | Catholic Health System of Long Island, Inc. |
| 750 South Broadway | Hicksville | T & T Holdings NY, LLC | Catholic Health Services of Long Island, Inc. |
| 373 Route 111 | Smithtown | PBJ Partners, LLC | St. Catherine of Siena Medical Center |
| 6144 Route 25A, Suite 15 | Wading River | Farrell Building Company, Inc. | St. Charles Hospital and Rehabilitation Center |
| 24 East Main Street | Bay Shore | PKM Associates LLC | Good Samaritan Hospital Medical Center |
| 15 Park Avenue | Bay Shore | Good Samaritan Hospital Medical Center | Island Surgical and Vascular Group, P.C. |
| 2920 Hempstead Turnpike | Levittown | Central Nassau Professional, LLC c/o Dental World for C | |
| 153-199 Trade Zone Drive | Ronkonkoma | Trade Plaza V LLC c/o Staller Associates, Inc. | Good Samaritan Hospital Medical Center |
| 2840 Jerusalem Avenue | Wantagh | North Bellmore Realty Corp. | St. Joseph Hospital |
| 127 West Main Street | Riverhead | Rivshore 2, LLC | St. Catherine of Siena Medical Center |
| 2 Montauk Highway | Water Mill | FRC Flying Point LLC | St. Francis Hospital, Roslyn |
| 510 Hicksville Road | Massapequa | H. J. Sacher Realty, LLC | St. Francis Hospital |
| 101-105 Grand Avenue | Massapequa | Cimli Realty Holdings, LLC | St. Francis Hospital |
| 1647A Route 112 | Medford | 1647A Route 112 LLC | Good Samaritan University Hospital |
| 373 Sunrise Highway | West Babylon | 373 Sunrise Highway L.L.C. | Good Samaritan Hospital Medical Center |
| 393 Sunrise Highway | West Babylon | Brim Real Estate Holdings LLC | Good Samaritan Hospital Medical Center |
| 877 Stewart Avenue | Garden City | Stewart Avenue Associates LLC | St. Francis Hospital |
| 3 Technology Drive | East Setauket | 3 Technology Drive Investors, LLC | St. Charles Hospital and Rehabilitation Center |
| 179 North Beile Meade Road | East Setauket | SPS Realty LLC | St. Charles Hospital and Rehabilitation |
| 761 Merrick Avenue | Westbury | Lebion Realty LLC | Mercy Medical Center |
| 220 East Main Street | East Islip | Lovac Associates, Inc. | Good Samaritan University Hospital |
| 2017 Deer Park Avenue | Deer Park | DP 2017 Holding Company LLC | Good Samaritan Hospital Medical Center |
| 3 Huntington Quadrangle | Melville | 3HQ Partners LLC | Catholic Health Services of Long Island |
| 929 Sunrise Highway | Bay Shore | Good Samaritan University Hospital | |
| 1500 Route 112 | Port Jefferson Station | 1500 Property Partners, LLC | New York Dialysis Services, Inc. St. Charles Hospital and Rehabilitation Center |
| 131 Merrick Road | Merrick | Cobes Holding Corp. | |
| One Grant Avenue | Islip | One Grant Ave. LLC | Mercy Medical Center |
| 320 South Service Fload | Melville | | Good Samaritan University Hospital |
| 4 Ohio Drive | | 320 Expressway Associates LLC | Catholic Health Systems of Long Island Inc. |
| | Lake Success | AG-WE'RE 4 Ohio, LLC | Catholic Health Systems of Long Island, Inc. |
| 245 Old Country Road | Melville | Harvest 245 Old Country Road, LLC | Catholic Health System of Long Island, Inc. |
| 55 Medford Avenue | Patchogue | Medford Operating LLC | Catholic Health Systems of Long Island, Inc. |
| 150 North Main Street | Sayville | Contemporary Medical Services, P.C. | Good Samaritan Hospital Medical Center |
| 500 Commack Road | Commack | Steel Forest, LLC | St. Catherine Of Siena Medical Center |
| 105 Froehlich Farm Boulevard | Woodbury | Froehlich Associates LLC c/o The Feil Organization | St. Francis Hospital |
| 61 East Industry Court | Deer Park | 61 East Industry Court Management Corp. | Good Samaritan Hospital Medical Center |
| 3279 Veterans Memorial Highway | Ronkonkoma | Naya Jeff Vets, LLC | St. Charles Hospital & Rehabilitation Center |
| 1850 Sunrise Highway | Bay Shore | 1850 Bay Shore Realty LLC | Catholic Health System of Long Island, Inc. |
| 400 West Main Street | Babylon | 400 West Main Street LLC c/o Damianos Realty Group L | |
| 83 West Main Street | East Islip | The Paula Hirt Living Trust | Good Samaritan University Hospital |
| 610 Broadhollow Road | Melville | POM Melville LLC | Catholic Health System of Long Island, Inc. |
| 501A Montauk Highway | West Babylon | Basser-Kaufman 228, LLC | Catholic Health System of Long Island, Inc. |
| 45 Park Avenue | Bay Shore | MI Bayshore, LLC | Catholic Health Systems of Long Island, Inc. |
| 506 Stewart Avenue | Garden City | Stewart & Clinton Co., LLC | Mercy Medical Center |
| 506 Stewart Avenue | Garden City | Stewart & Clinton CO., LLC | Mercy Medical Center |
| 800 Old Country Road | Riverhead | Riverhead Commons, LLC | Catholic Health System of Long Island, Inc. |

| 110 Bi-County Boulevard | Farmingdale | 110 Bi-County Boulevard, LLC | Catholic Health System of Long Island, Inc. |
|----------------------------------|--------------|---|---|
| 4277 Hempstead Turnpike | Bethpage | 4277 Bethpage Realty, LLC | WSNCHS North, Inc. (St. Joseph Hospital) |
| 2200 Northern Boulevard | East Hills | 2200 Northern Steel, LLC | St. Francis Hospital |
| 2200 Northern Boulevard | East Hills | 2200 Northern Steel, LLC | St. Francis Hospital |
| 2200 Northern Boulevard | East Hills | 2200 Northern Steel, LLC, c/o Steel Equities | St. Francis Hospital |
| 2200 Northern Boulevard | East Hills | 2200 Northern Steel, LLC | St. Francis Hospital |
| 2200 Northern Boulevard | East Hills | 2200 Northern Steel, LLC | St. Francis Hospital |
| 2200 Northern Boulevard | East Hills | 2200 Northern Steel, LLC | St. Francis Hospital |
| 2200 Northern Boulevard | East Hills | 2200 Northern Steel, LLC | St. Francis Hospital |
| 540, 560 and 580 Union Boulevard | West Islip | Delilah Realty Co. LLC c/o Majestic Property Services Co. | |
| 15 Park Avenue | Bay Shore | Columbia Partners LLC | Good Samaritan Hospital Medical Center |
| 546 Greengrove Avenue | Uniondale | Roman Catholic Church of St. Martha | Mercy Medical Center |
| 2112 Middle Country Road | Centereach | March Mar | Catholic Health System of Long Island, Inc. |
| 4277 Hempstead Turnpike | Bethpage | 4277 Bethpage Realty, LLC | WSNCHS North, Inc. (St. Joseph Hospital) |
| 4277 Hempstead Turnpike | Bethpage | 4277 Bethpage Realty, LLC | WSNCHS North, Inc. (St. Joseph Hospital) |
| 3 Hawkins Avenue | Ronkonkoma | Hawkins Ave Development RHP2, LLC | Catholic Health System of Long Island, Inc. |
| 393 Sunrise Highway | West Babylon | | Good Samaritan Hospital Medical Center |

CH- OWNED PROPERTIES

| 1000 North Village Avenue | Rockville Centre | Mercy Hospital | Hospital |
|--|------------------|---------------------------------------|--------------------------------------|
| 100 Port Washington Avenue | Roslyn | St. Francis Hospital | Hospital |
| 4295 Hemstead Turnpike | Bethpage | St. Joseph Hospital | Hospital |
| 50 Route 25A | Smithtown | St. Catherine of Siena Medical Center | Hospital |
| 1000 Montauk Highway | West Islip | Good Samaritan University Hospital | Hospital |
| 200 Belle Terre Road | Pt. Jefferson | St. Charles Hospital | Hospital |
| 992 North Village Ave., Rockville Centre | Rockville Centre | Mercy Hospital | Corporate Offices |
| 70 Arkay Drive | Hauppauge | Good Samaritan University Hospital | Regional Lab/Pharmacy |
| 101 Elm Street | Sayville | Good Samaritan Nurshing Home | Nursing Home |
| 111 Beach Drive | West Islip | Our Lady of Consolation | Nursing Home |
| 52 Route 25A | Smithtown | St. Catherine Nursing Home | Nursing Home |
| 2000 North Village Avenue | Rockville Centre | Mercy Hospital | Ryan Medical Office Building |
| 30 E. Sunrise Highway | Valley Stream | Mercy Hospital | Medical Office Space |
| 1000 North Village Avenue | Rockville Centre | Mercy Hospital | St. Anne's Building |
| 1000 North Village Avenue | Rockville Centre | Mercy Hospital | Miracle Building |
| 1000 North Village Avenue | Rockville Centre | Mercy Hospital | Bishop McGann Center |
| 1000 North Village Avenue | Rockville Centre | Mercy Hospital | Family Care Center |
| 48 Route 25A | Smithtown | Siena Medical Realty | Medical Office Space |
| 50 Route 25A | Smithtown | Siena Retirement Community Realty | Hazeltine Building |
| 1111 Montauk Hwy, Ste 1.1, Ste.1.2 | West Islip | Good Samaritan University Hospital | Condominium for Medical Office Space |
| 1111 Montauk Hwy, Ste 3.4 | West Islip | Good Samaritan University Hospital | Condominium for Medical Office Space |
| 1111 Montauk Hwy, Ste 3.3 | West Islip | Good Samaritan University Hospital | Condominium for Medical Office Space |
| 1111 Montauk Hwy, Ste 2.1 | West Islip | Good Samaritan University Hospital | Condominium for Medical Office Space |
| 1111 Montauk Hwy, Ste 305 | West Islip | Good Samaritan University Hospital | Condominium for Medical Office Space |
| 1221B-1223 Montauk Hwy | Sayville | Good Samaritan University Hospital | Condominium for Medical Office Space |
| 929 Sunrise Highway | Bay Shore | Good Samaritan University Hospital | Medical Office Building |
| 185 South 10th Street | Lindenhurst | Good Samaritan University Hospital | Medical Office Building |

| 661 Deer Park Avenue | Babylon | Good Samaritan University Hospital | Medical Office Building |
|-------------------------------|---------------|--|--|
| 655 Deer Park Avenue | Babylon | Good Samaritan University Hospital | Medical Office Building |
| 340 Howells Road | Bay Shore | Good Samaritan University Hospital | Medical Office Building |
| 369 E. Main Street | E. Islip | Good Samaritan University Hospital | Condominium for Medical Office Space |
| 735 Montauk Highway | W. Islip | Good Samaritan University Hospital | Medical Office Building |
| 100 Pt. Washington Boulevard | Roslyn | St. Francis Hospital and Heart Center® | Medical Office Building |
| 100 Pt. Washington Boulevard | Roslyn | St. Francis Hospital and Heart Center® | Medical Office Building |
| 101 Northern Boulevard | Greenvale | St. Francis Hospital and Heart Center® | Medical Office Building |
| 101 Northern Boulevard | Greenvale | St. Francis Hospital and Heart Center® | Medical Office Building |
| 115 Terryville Road | Pt. Jefferson | St. Charles Hospital (Wisdom Gardens) | Low-income residential housing |
| 64 North Carona Avenue | Valley Stream | Mercy Hospital | Mental Health Residence |
| 150 Buffalo Avenue | Freeport | Mercy Hospital | Residential Treatment Center (Substance Abuse) |
| 179 Elmont Road | Eimont | Mercy Hospital | Mental Health Residence |
| 2957 Burns Avenue | Bellmore | Mercy Hospital | Mental Health Residence |
| 179 Deer Park Avenue | Babylon | Good Samaritan University Hospital | Thrift Shop |
| 101 Port Washington Boulevard | Roslyn | St. Francis Hospital and Heart Center® | Priest's Residence |
| 157 Bay 1st Street, W. Islip | West Islip | Good Samaritan University Hospital | Residence (on-call) |
| 23 E. Bay Drive, W. Islip | West Islip | Good Samaritan University Hospital | Residence (on-call) |
| 175 Beech Street, W Islip | West Islip | Good Samaritan University Hospital | Vacant Home |
| 35 E. Bay Drive, W. Islip | West Islip | Good Samaritan University Hospital | Residential Apartments - 8 units |

Attachment 3

Part II, Question 4:

Catholic Health, a not-for-profit corporation, uses this present location for Home Care Services. Catholic Health Home Care serves patients throughout Suffolk and Nassau counties with the support they or a family member needs to recover from a recent illness or surgery after returning home from the hospital (services include, without limitation, behavioral health, counseling and long-term planning, disease and pain management, fall prevention, infusion services, medication management, palliative care, wound care, PT, skilled nursing, and telehealth monitoring).

Part III, Question 5 (D)

The improvement work at this space is required by Catholic Health for its continued operation at the premises both to maximize efficiencies of space and to accommodate the addition of centralized CH Employee Health staffing. The effect of the improvement work will result in both operational efficiencies and cost savings in centralizing functions so that Catholic Health will be better able to serve the Long Island population.

AGREEMENT OF LEASE

BETWEEN

110 BI-COUNTY BOULEVARD, LLC

AND

CATHOLIC HEALTH SYSTEMS OF LONG ISLAND, INC. d/b/a Catholic Health Services Of Long Island

1

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AGREEMENT OF LEASE, made as of this \mathcal{H} day of February, 2013, between 110 BI-COUNTY BOULEVARD, LLC, a Delaware limited liability company, having its principal office at c/o Rechler Equity Partners, 85 South Service Road, Plainview, New York 11803 (hereinafter referred to as "Landlord"), and CATHOLIC HEALTH SYSTEMS OF LONG ISLAND, INC. d/b/a Catholic Health Services Of Long Island, a New York not-for-profit corporation having an office at 922 North Village Avenue, Rockville Centre, New York 11570 (hereinafter referred to as "Tenant").

WITNESSETH: Landlord and Tenant hereby covenant and agree as follows:

1. <u>Space/Agency Inducement</u>. (A) Landlord hereby leases to Tenant and Tenant hereby hires from Landlord the space substantially as shown on the Floor Plan initialed by the parties and made part hereof as Exhibit "A" ("Demised Premises" or "Premises") in the building located at 110 B-County Boulevard, Farmingdale, New York (hereinafter referred to as the "Building"), and the parties stipulate and agree that such space contains 48,866 square feet in a Building containing 146,705 square feet which constitutes 33.31 percent of the area of the Building ("Tenant's Proportionate Share"). The parties acknowledge and agree that the foregoing measurements were calculated based upon the standards and methods promulgated by the American Institute of Architects. The term "Real Property" as used herein shall mean and refer to the land upon which the Building stands and any part or parts thereof utilized for parking, landscaped areas or otherwise used in connection with the Building, the Building and other improvements appurtenant thereto.

(B) The parties hereby acknowledge and agree that Tenant has submitted an application to the Town of Babylon Industrial Development Agency (the "Agency"), for a straight lease transaction providing an abatement on the portion of the Taxes (as hereinafter defined) payable by Tenant (the "IDA Transaction") and has received an Inducement Resolution from the Agency. Landlord shall share in all costs and expenses imposed by the Agency or its counsel in connection with the IDA Transaction and shall share all other transaction costs with respect to the IDA Transaction other than the attorneys' fees and disbursements of Tenant's counsel (collectively, the "IDA Costs"). The parties hereby agree that the IDA Costs are estimated to consist of \$1,500.00 application fee, \$62,000.00 Agency fee, \$31,000.00 for the Agency's counsels. Tenant also hereby agrees to reimburse Landlord for one half of the fees and disbursements of Landlord's counsel incurred in connection with the IDA Transaction ("Landlord's IDA Counsel"). Notwithstanding the foregoing, Tenant's obligation to pay Landlord's IDA Counsel shall not exceed \$7,500.00 plus one half of any disbursements. The parties hereby acknowledge and agree that the closing of the IDA Transaction is currently schedule to occur on February 27, 2013. At such closing, Landlord shall pay the IDA Costs and the invoice of Landlord's IDA Counsel and Tenant shall reimburse Landlord for its share of the actual costs within thirty (30) days of Landlord's invoice therefor. In addition, each party hereby agrees to indemnify, defend and hold harmless the other party from and against any suits, actions, claims, losses, liability and/or damages (including, without limitation, reasonable attorneys' fees and disbursements) arising out of the default by the indemnifying party under any of the indemnifying party's obligations under the IDA Transaction.

(C) The parties hereby acknowledge and agree that this lease is subject to and contingent upon Landlord and Bed Bath & Beyond of Farmingdale, Inc. ("BBB") entering into a Lease Termination Agreement whereby BBB surrenders the Demised Premises and transfers its right, title and interest in and to the Generator (as defined in Article 53 hereof) to Landlord.

2. <u>Term</u>. (A) The term ("Term", "term" or "Demised Term") of this lease, Tenant's right to occupy the Demised Premises and Tenant's obligation to pay Rent (as defined in Paragraph 43 hereof) and all items of additional rent shall commence on the earlier to occur of (i) Substantial Completion (as hereinafter defined) of Landlord's Work (as hereinafter defined), and (ii) the date Tenant takes occupancy of the Demised Premises and commences its business operations therein (the "Commencement Date"). The Term of this lease shall expire on the day preceding the day which is twelve (12) years and six (6) months after (x) the Commencement Date (but only if the Commencement Date occurred on the first day of a calendar month) or (y) the first day of the first full calendar month following the Commencement Date (if the Commencement Date did not occur on the first day of a calendar month) (the "Expiration Date").

The terms "Substantial Completion" and "Substantially Completed" (or other variations (B) thereof), as used herein, are defined to mean when: (a) the only items of Landlord's Work needed to be completed are punchlist items, and (b) the final inspection by the municipality having jurisdiction over the Demised Premises has been successfully passed; but if Landlord shall be delayed in such "substantial completion" as a result of (i) Tenant's failure to deliver the Design Plan (as hereinafter defined) on or before the Design Plan Delivery Deadline (as hereinafter defined); (ii) Tenant's request for materials, finishes or installations other than Landlord's standard; (iii) Tenant's changes in said the Design Plan or in any plans or specifications contained therein or in the Construction Documents; (iv) the performance or completion of any work, labor or services by a party employed by Tenant; (v) Tenant's interference or failure to cooperate with the performance of Landlord's Work (including without limitation the execution of documents required by the local municipality); (vi) Tenant's failure to approve, or approve as noted, final construction documents within five (5) business days after submission thereof to Tenant for approval; (vii) Tenant's failure to provide Landlord with finish specifications for Landlord's Work within five (5) days following Tenant's delivery of the Design Plan, or (viii) Tenant's failure to pay the initial installment of Rent and Tenant's portion of the IDA Costs due under Article 1(B) hereof(it being understood and agreed that Landlord shall not commence the performance of Landlord's Work until all such deliveries and payments have been made), or (ix) Tenant's failure to complete the Value Engineering Process and/or the Board Approval Process (as such terms are defined in Article 5) if applicable, on or before the end of the VAP/BAP Period (as defined in Article 5 hereof) (all such delays being hereinafter referred to as "Tenant Delay"); then the Commencement Date shall be accelerated by the number of days of such Tenant Delay (however, Landlord shall not be obligated to deliver the Demised Premises to Tenant and Tenant shall not have the right to occupy the Demised Premises until Landlord's Work is "Substantially Completed"). Moreover, in the event of an accumulation of Tenant Delays in excess of thirty (30) days in the aggregate, the Commencement Date shall automatically be deemed to be the date that is ten weeks following the effective date of this lease. Tenant waives any right to rescind this lease under Section 223-a of the New York Real Property Law or any successor statute of similar import then in force and further waives the right to recover any damages which may result from Landlord's failure to deliver possession of the Demised Premises on the Commencement Date set forth in Article 2(A) above.

(C) A "Lease Year" shall be comprised of a period of twelve (12) consecutive months (except the thirteenth Lease Year, which shall consist of six (6) consecutive months). The first Lease Year shall commence on the Commencement Date but, notwithstanding the first sentence of this paragraph, if the Commencement Date is not the first day of a month, then the first Lease Year shall include the additional period from the Commencement Date to the end of the then current month. Each succeeding Lease Year shall end on the anniversary date of the last day of the preceding Lease Year (except the thirteenth Lease Year). For example, if the Commencement Date is April 1, 2013, the first Lease Year would begin on April 1, 2013, and end on March 31, 2014, and each succeeding Lease Year would end on March 31st (except the thirteenth Lease Year, which would end on September 30, 2025). If, however, the Commencement Date is April 2, 2013, the first Lease Year would end on April 30, 2014, the second Lease Year would commence on May 1, 2014, and each succeeding Lease Year would end on April 30th (except the thirteenth Lease Year, which would end on October 31, 2025).

(D) If, within five (5) business days after Landlord's delivery to Tenant of a notice (which may be via fax or email or via written notice) confirming the Commencement Date under this lease and, if applicable, the date of substantial completion, Tenant does not object to the accuracy of the dates set forth in such notice, Tenant shall be deemed to have approved the dates set forth in said notice.

If Tenant or its agents and/or contractors enter the Demised Premises prior to the (E) Commencement Date in order for Tenant to install its telephone and computer lines and furniture for the performance of any Alterations (as hereinafter defined) or installations in preparation for Tenant's occupancy thereof, all of the provisions of this lease, except Tenant's obligation to pay Rent and additional rent, shall govern such entry (including without limitation, Tenant's indemnification obligations). Any such entry shall be subject to Landlord's prior written consent. Prior to entering the Demised Premises Tenant shall deliver to Landlord (a) evidence of all insurance policies required to be maintained by Tenant under this lease, and (b) evidence of insurance satisfactory to Landlord maintained by the contractors or vendors entering the Demised Premises. Tenant shall coordinate Tenant's (and/or Tenant's contractors and/or Tenant's employees) entry upon the Demised Premises and the performance of the above-referenced installations (and the timing thereof) with Landlord, and Tenant (and Tenant's contractors and employees) shall not interfere with Landlord's performance of Landlord's Work (hereinafter defined), if any, in entering upon the Demised Premises and/or in performing such installations. In the event that Tenant (and/or Tenant's contractors and/or Tenant's employees) interferes with Landlord's performance of Landlord's Work, such interference shall be deemed a Tenant Delay (in addition to those delineated herein).

3. <u>Rent.</u> (A) The annual minimum rental ("Rent" or "rent") is as follows:

During the first Lease Year, the Rent shall be \$745,206.48, payable in equal monthly installments of \$62,100.54.

During the second Lease Year, the Rent shall be \$767,562.72, payable in equal monthly installments of \$63,963.56.

During the third Lease Year, the Rent shall be \$790,589.52, payable in equal monthly installments of \$65,882.46.

During the fourth Lease Year, the Rent shall be \$814,307.28, payable in equal monthly installments of \$67,858.94.

During the fifth Lease Year, the Rent shall be \$838,736.52, payable in equal monthly installments of \$69,894.71.

During the sixth Lease Year, the Rent shall be \$863,898.60, payable in equal monthly installments of \$71,991.55.

During the seventh Lease Year, the Rent shall be \$889,815.48, payable in equal monthly installments of \$74,151.29.

During the eighth Lease Year, the Rent shall be \$916,509.96, payable in equal monthly installments of \$76,375.83.

During the ninth Lease Year, the Rent shall be \$944,005.32, payable in equal monthly installments of \$78,667.11.

During the tenth Lease Year, the Rent shall be \$972,325.44, payable in equal monthly installments of \$81,027.12.

During the eleventh Lease Year, the Rent shall be \$1,001,495.28, payable in equal monthly installments of \$83,457.94.

During the twelfth Lease Year, the Rent shall be \$1,031,540.04, payable in equal monthly installments of \$85,961.67.

During the thirteenth Lease Year (which shall consist of six (6) months only), the Rent shall be \$531,243.12, payable in equal monthly installments of \$88,540.52.

(B) Tenant agrees to pay the Rent to Landlord, without notice or demand, in lawful money of the United States which shall be legal tender in payment of the debts and dues, public and private, at the time of payment in advance on the first day of each calendar month during the Demised Term at the office of the Landlord, or at such other place as Landlord shall designate, except that Tenant shall pay the first monthly installment of Rent within thirty (30) days after the full execution and delivery of this lease.

(C) Tenant shall pay the Rent as above and as hereinafter provided, without any set off or deduction whatsoever. Should the Commencement Date be a date other than the first day of a calendar month, the Tenant shall pay a pro rata portion of the Rent on a per diem basis, based upon the first full calendar month of the first Lease Year, from such date to and including the last day of that current calendar month, and the first Lease Year shall include said partial month. The Rent payable for such partial month shall be in addition to the Rent payable pursuant to the Rent schedule set forth above.

(D) Notwithstanding the Rent schedule set forth in Article 3(A) above, provided Tenant is not in default of any of its obligations under this lease, Tenant shall receive a Rent credit in the total amount of \$372,603.24 to be applied in six (6) installments of \$62,100.54 toward the Rent due with respect to each of the second through seventh full calendar months of the first Lease Year.

4. <u>Use</u>. (A) Tenant shall use and occupy the Demised Premises only for general, administrative and medical offices, and for no other purpose. Landlord shall not unreasonably withhold its consent to a request by Tenant to use the Demised Premises (or a portion thereof) for a lawful use other than purposes permitted above. Without limiting the generality of the foregoing, Landlord shall be deemed to be acting reasonably where it withholds its consent to any office use which (i) involves the generation, storage, transport or processing of Hazardous Materials (other than as ancillary to another permitted use), (ii) would require the issuance of a variance or require a change in the zoning classification of the Real Property, (iii) would (in Landlord's determination) tend to diminish the value of the Building or the Real Property or damage the reputation of Landlord, or (iv) is prohibited pursuant to the provisions of Article 20(I) hereof. Tenant shall be solely responsible, at its cost and expense, for obtaining any required permits with respect to any such proposed use.

(B) Tenant shall not use or occupy, suffer or permit the Premises, or any part thereof, to be used in any manner which would in any way, in the reasonable judgment of Landlord, (i) violate any laws or regulations of public authorities; (ii) make void or voidable any insurance policy then in force with respect to the Building; (iii) impair the appearance, character or reputation of the Building; (iv) discharge objectionable fumes, vapors or odors into the Building, air-conditioning systems or Building flues or vents in such a manner as to offend other occupants. The provisions of this Section shall not be deemed to be limited in any way to or by the provisions of any other Section or any Rule or Regulation.

(C) The placement of any equipment which will impose an evenly distributed floor load in excess of 100 pounds per square foot shall be done only after written permission is received from the Landlord. Such permission will be granted only after adequate proof is furnished by a professional engineer that such floor loading will not overload the structure. Business machines and mechanical equipment in the Premises shall be placed and maintained by Tenant, at Tenant's expense, in such manner as shall be sufficient in Landlord's judgment to absorb vibration and noise and prevent annoyance or inconvenience from extending out of the Demised Premises or to Landlord or any other tenants or occupants of the Building. (D) Tenant will not at any time use or occupy the Demised Premises in violation of the certificate of occupancy (temporary or permanent) issued for the Building or portion thereof of which the Demised Premises form a part. Tenant hereby acknowledges that Landlord makes no representations as to the compatibility of the Building systems with Tenant's equipment.

(E) Except if specifically permitted under Section A of this Article, Tenant shall not use the Demised Premises or permit the Demised Premises to be used for any of the prohibited uses set forth in Article 20(I) hereof.

(F) Tenant shall have access to the Demised Premises on a twenty-four hour per day, seven (7) day per week basis.

(G) Tenant shall not be permitted to store any items, including, without limitation, inventory, furniture and equipment, outside of the Building unless Tenant first obtains Landlord's prior written consent.

(H) Tenant agrees that the value of the Demised Premises and the reputation of the Landlord will be seriously injured if the Demised Premises are used for any obscene or pornographic purposes or if any obscene or pornographic material is permitted in the Demised Premises. Tenant further agrees that Tenant will not permit any of these uses by Tenant or a sublessee or assignee of the Demised Premises. Tenant agrees that if at any time Tenant violates any of the provisions of this Article 4(H), such violation shall be deemed a breach of a substantial obligation of the terms of this lease and objectionable conduct. Pornographic material is defined for purposes of this Article 4(H) as any written or pictorial matter with prurient appeal or any objects or instruments that are primarily concerned with lewd or prurient sexual activity. Obscene material is defined here as it is in Penal Law '235.00.

(I) Tenant shall provide and maintain, at its expense, the hand-held fire extinguishers that are required to be maintained in Demised Premises by the governmental agency having jurisdiction over this matter.

(J) Tenant shall, at its own cost and expense, procure all necessary certificates, permits, orders or licenses which may be required for the conduct of its business by any governmental statute, regulation, ordinance or agency and that all governmental requirements relating to the use or uses of the Demised Premises by the Tenant shall be complied with by the Tenant at its own cost and expense.

(K) <u>Ethical and Religious Directives</u>. Tenant agrees that it shall not use the Premises as a drug/alcohol clinic and/or abortion clinic. Landlord agrees that no other Tenant in the building shall be permitted to use its space for either a drug/alcohol clinic and/or abortion clinic. Landlord acknowledges that Tenant may not permit or suffer the Demised Premises or any part thereof to be used for any purpose or activities which do not adhere to the Ethical and Religious Directives for the Catholic Health Care Services as published and interpreted by the Bishop of the Diocese of Rockville Centre as of the date of this Lease ("**ERDs**"), a copy of which ERD's, as now in effect, is available online at <u>http://www.ncbcenter.org/document.doc?id=147</u>.

5. <u>Landlord Alteration</u>. (A) Tenant hereby accepts the Demised Premises in its current "as is" condition and agrees that Landlord shall not be obligated to perform any work, make any installation or incur any expense in order to prepare the Demised Premises for Tenant's occupancy, except that Landlord shall engage, as general contractor, its construction affiliate, Rechler Equity Construction, LLC ("REC"), to perform the work and make the installations, as set forth on the Construction Documents (as hereinafter defined), which work is sometimes hereinafter referred to as the "Landlord's Work". In the event that there is a conflict or inconsistency between the provisions of this lease (including the exhibits annexed hereto) and the work set forth on the Construction Documents, such Construction Documents shall be controlling.

(B) On or before the date (the "Design Plan Deadline") that is seven (7) days following the date on which Landlord delivers to Tenant a fully-executed original of this lease, Tenant shall approve a complete, detailed design plan for the Demised Premises prepared by Landlord's architect (the "Design Plan").

(C) Following Tenant's approval of the Design Plan, Landlord shall commence the preparation of construction documents for Landlord's Work and shall submit same to Tenant for Tenant's approval, which shall not be unreasonably withheld. Tenant shall approve, or approve as noted, such construction documents within five (5) business days after submission thereof to Tenant for approval. Such final approved construction documents shall be herein referred to as the "Construction Documents"). During the performance of Landlord's Work, to the extent REC deems it necessary, REC shall have the right to make minor changes to the Construction Documents as necessary to achieve the overall scope of Landlord's Work, however any change that would materially increase the amount of Landlord's Work Charge shall be subject to the approval of Tenant, which approval shall not be unreasonably withheld, conditioned or delayed.

(D) Upon completion of the Construction Documents, but prior to the commencement of the Landlord's Work, REC shall engage in its customary commercial construction bidding process on an "open shop" basis, whereby REC solicits construction bids from qualified subcontractors in each construction discipline (i.e., trade) to be engaged by REC for the performance of the Landlord's Work. Landlord shall solicit bids from at least two (2) subcontractors for each construction discipline. At Tenant's request, with respect to the heating, ventilating and air-conditioning, electrical, plumbing and carpentry trades only, in addition to the subcontractors solicited by REC, Landlord shall cause REC to solicit bids from one (1) or more subcontractors selected by Tenant (provided such proposed subcontractor is reasonably acceptable to Landlord). Upon REC's receipt of a bid from each subcontractor bids, REC shall: (i) select the lowest qualified bid from among the subcontractors bidding in each such construction discipline, and (ii) provide Tenant with a notice (the "Landlord's Pricing Notice") setting forth (a) an estimate of Landlord's Work Charge (as hereinafter defined).

(E) If REC delivers a Landlord's Pricing Notice with a Landlord's Work Charge exceeding the sum of \$2,003,506.00, Tenant shall have the right to: (a) engage in a value engineering process to change the Construction Documents in order to reduce Landlord's Work Charge (the "Value Engineering Process"), and/or (b) submit a proposal to Tenant's board to approve a Landlord's Work Charge in excess of \$2,003,506.00 (the "Board Approval Process"). Landlord's and REC's architect and construction staff shall cooperate with Tenant in such value engineering process. If Tenant elects to engage in the Value Engineering Process, then following the written approval by Tenant of the desired changes to the Construction Documents, REC shall deliver a revised Landlord's Pricing Notice. Tenant shall have a period of seven (7) days (the "VEP/BAP Period") following the delivery of the initial Landlord's Pricing Notice to engage in either or both of the Value Engineering Process, as applicable are not completed by the end of the VEP/BAP Period, any delay in the completion of Landlord's Work caused by Tenant's failure to complete the Value Engineering Process and/or the Board Approval Process during the VEP/BAP Period shall be deemed to be a Tenant Delay.

(F) Landlord's Work shall be performed by REC at the cost and expense of Tenant, except that Landlord shall contribute ("Landlord's Contribution") the Allowance (as hereinafter defined) and the Non-Contingency Cost Overruns (as hereinafter defined). The term "Allowance" shall mean and refer to the sum of \$977,320.00. The term "Non-Contingency Cost Overruns" shall mean and refer to the amount by which the final Landlord's Work Charge as calculated upon the Substantial Completion of Landlord's Work exceeds the sum of (a) the amount of Landlord's Work Charges estimated in the final Landlord's Pricing Notice, plus (b) the amount of the Contingency. Notwithstanding the foregoing, any increases in Landlord's Work Charge resulting from Tenant Requested Change Orders (as hereinafter defined) and/or Noticed Tenant Delay (as hereinafter defined) shall not be included in the calculation of Non-Contingency Cost Overruns and shall be the responsibility of Tenant. The term "Contingency", as used herein, mean and refer to an amount equal to five (5%) of the Landlord's Work Charge set forth in the final Landlord's Pricing Notice. The term "Tenant Requested Change Order", as used herein, shall mean and refer to a change order requested by and approved by Tenant in writing. The term "Noticed Tenant Delay" shall mean and refer to a Tenant Delay of which Landlord has provided Tenant with notice (either in writing, by email or by facsimile) within ten (10) days of Landlord learning of same.

(G) Tenant shall be responsible for paying to Landlord or if designated by Landlord, to REC ("Tenant's Contribution"): (i) the amount by which the Landlord's Work Charge estimated in the final Landlord Pricing Notice exceeds the Allowance (the "Overage"), (ii) Contingency Cost Overruns (as hereinafter defined), and (iii) any increases in Landlord's Work Charge resulting from Tenant Requested Change Orders and/or Noticed Tenant Delays. The term "Contingency Cost Overruns" shall mean and refer to lesser of (a) the amount of the Contingency (which shall be used to pay actual increases in Landlord's Work Charge and shall not be a liquidated sum), and (b) the amount by which the final Landlord's Work Charge, as calculated upon the substantial completion of Landlord's Work, exceeds the Landlord's Work Charge estimated in the final Landlord's Pricing Notice (excluding any

increases in Landlord's Work Charge resulting from Tenant Requested Change Orders and/or Noticed Tenant Delays which shall not be included in the calculation of Contingency Cost Overruns).

(H) Tenant shall pay Tenant's Contribution as follows: (i) within ten (10) days after the delivery by REC of notice that fifty (50%) percent of Landlord's Work (based upon cost) has been completed, Tenant shall pay to Landlord, or to REC, if requested by Landlord, an amount equal to fifty (50%) of the Overage, and (ii) within ten days following the Substantial Completion of Landlord's Work. Tenant shall pay the balance of Tenant's Contribution (i.e., the remaining balance of the Overage, any Contingency Cost Overruns and any increases in Landlord's Work Charge resulting from Tenant Requested Change Orders and/or Noticed Tenant Delays). The parties here by acknowledge and agree that there may be certain third party invoices related to Landlord's Work which are not available at the time of Substantial Completion and that Tenant shall pay any such invoices within ten (10) days following Landlord's invoice therefor but only to the extent that such additional invoices would have been part of Tenant's Contribution (i.e., that such invoices are either Contingency Cost Overruns or increases in Landlord's Work Charges resulting from Tenant's Requested Change Orders and/or Noticed Tenant Delays). To the extent that such addition invoices consist of Non-Contingency Cost Overruns, Tenant shall not be obligated to pay same. In order to assist Tenant in expediting payment when said invoices are sent to Tenant, Landlord will make best efforts at the time of Substantial Completion to provide Tenant with a list of any third parties that, to Landlord's knowledge, are not paid in full, and any known unpaid amounts owed to third parties that have not yet been invoiced.

(I) As used throughout this Article, the "Landlord's Work Charge" means the sum of the following components: (i) the total Cost of Work (as hereinafter defined), plus (ii) an amount equal to ten (10%) percent of the total Cost of Work for REC's Overhead, plus (iii) an amount equal to one and one-half (1.5%) percent of the total Cost of Work, for REC's insurance costs, plus (iv) an amount equal to ten (10%) percent of the sum of the preceding three components, for REC's contractor fee. The term "Cost of Work" shall include direct sub-contractor costs, labor costs, direct material costs (including Attic stock), General Conditions (including but not limited to: cost for permits, licenses, inspections, bonds, carting & cleaning) any applicable sales tax and any other third party costs associated with the work.

(J) Notwithstanding anything to the contrary contained in this Article 5, Landlord's Work shall not include the purchase, transport or installation of Tenant's furniture, office equipment or communication and data lines, equipment and accessories, which shall be installed by Tenant, at Tenant's sole cost and expense, in accordance with plans and specifications developed by Tenant and approved by Landlord.

6. <u>Utilities</u>. (A) Tenant shall furnish and pay for, at its sole cost and expense, all utilities supplied to the Demised Premises (with the exception of water) by any utility company, whether public or private, including but not limited to gas, electricity, fuel oil and telephone. Notwithstanding the foregoing, if as of the Commencement Date, the electric and/or natural gas service is not separately metered for the Demised Premises Tenant shall pay to Landlord, as additional rent, within five (5) days

of Landlord's invoice thereof, Tenant's Proportionate Share of the electricity and/or natural gas charges as measured by the meter servicing the Demised Premises. In the event Tenant fails to open an account in its own name with the electric and/or natural gas utility company as of the Commencement Date (or as of the date that the Demised Premises becomes separately metered, if later than the Commencement Date), Tenant shall reimburse Landlord for the utility charges incurred by Landlord in providing service to the Demised Premises prior to the date the accounts have been transferred and shall pay Landlord's administrative fee of ten (10%) percent of the amount so due. Such sums shall be paid by Tenant as additional rent, within ten (10) days of Landlord's invoice therefor. Nothing in the foregoing shall be deemed to relieve Tenant from the obligation to transfer the accounts to its name or to prevent Landlord from terminating the utility service account in its name effective as of the Commencement Date (or as of the date that the Demised Premises becomes separately metered, if later than the Commencement Date (or as of the date that the Demised Premises becomes separately metered, if later than the Commencement Date (or as of the date that the Demised Premises becomes separately metered, if later than the Commencement Date (or as

(B) The parties hereby acknowledge and agree that the Demised Premises are not separately metered for water or for sprinkler supervisory service. Tenant shall pay to Landlord, as additional rent, within ten (10) days of Landlord's invoice therefor, Tenant's Proportionate Share of Landlord's cost for water consumed at the Building and/or Real Property, for sprinkler supervisory service and for sewer charges, if any, assessed or imposed against the Building and/or Real Property. Tenant shall not use water for other than normal lavatory purposes.

Landlord's Repairs. (A) Subject to the provisions of Article 25 of this Lease, 7. Landlord, at its expense, will make or cause its designated contractor to make all the repairs to and provide the maintenance for the Demised Premises and maintain the Demised Premises in good condition (excluding painting and decorating, which shall be the responsibility of Tenant), except such repairs and maintenance as may be necessitated by the negligence, improper care or use of such premises and facilities by Tenant, its agents, employees, licensees or invitees, which will be made by Landlord or its designated contractor at Tenant's expense. There shall be no allowance to Tenant for a diminution of rental value and no liability on the part of Landlord by reason of inconvenience, annoyance or injury to business arising from Landlord, Tenant or others making any repairs, alterations, additions or improvements in or to any portion of the Building or of Demised Premises, or in or to the fixtures, appurtenances or equipment thereof, and no liability upon Landlord for failure of Landlord or others to make any repairs, alterations, additions or improvements in or to any portion of the Building or of the Demised Premises, or in or to the fixtures, appurtenances or equipment thereof. Except for repairs and maintenance as may be necessitated by the negligence, improper care or use by Tenant, its agents, employees, licensees or invitees (which will be made by Landlord or its designated contractor at Tenant's expense), Landlord shall be fully responsible for maintenance of the Building and the common areas, including, without limitation, all exterior walls, roofs, sidewalks, landscaping and parking areas, and all systems, including, without limitation, electrical, plumbing, base building heating, ventilating and air conditioning, sprinkler and alarm systems servicing the Demised Premises.

(B) During the term of the IDA Transaction, Landlord will perform its maintenance, repair and replacement obligations set forth in this lease in a manner as will keep the Building and Real Property in good and safe operating order and condition, ordinary wear and tear excepted and, except for Tenant's obligations set forth herein, will make, all replacements and repairs thereto (whether ordinary

or extraordinary, structural or nonstructural, foreseen or unforeseen) reasonably necessary to ensure the continuity of the operations of Tenant for the purposes contemplated by the IDA Transaction. All replacements and repairs effected by Landlord shall be performed in a good and workmanlike manner and shall be made and installed in compliance with all Legal Requirements. The term "Legal Requirements", as used in this Article 7(B), shall mean the Constitutions of the United States and of the State of New York, all federal and state laws, statutes, codes, acts, ordinances, resolutions, orders, judgments, decrees, injunctions, rules, regulations and authorizations, whether foreseen or unforeseen, ordinary or extraordinary, permits, licenses, authorizations, directions and requirements (including but not limited to zoning, land use, planning, environmental protection, air, water and land pollution, toxic wastes, hazardous wastes, solid wastes, wetlands, health, safety, equal opportunity, minimum wages, and employment practices) of all governments, departments, commissions, boards, courts, authorities, agencies, officials and officers, foreseen or unforeseen, ordinary or extraordinary, that are applicable now or may be applicable at any time hereafter to Landlord, the Building and/or the Real Property any use or condition of the the Building and/or the Real Property or any part thereof. Notwithstanding anything contained to the contrary in this Article 7(B), nothing in this Article 7(B) shall be deemed to limit or relieve Tenant from any of its maintenance, repair and/or replacement obligations or from its obligations to comply with law set forth in this lease.

8. <u>Cleaning and Rubbish Removal</u>. Landlord shall, at Landlord's cost and expense, perform the cleaning services set forth on Schedule A annexed hereto.

Parking Field. The parking areas available for the use of the Tenant herein and the other 9. tenants of the Building of which the Demised Premises form a part are to be used by Tenant, its servants, employees, agents, business invitees and patrons on a first come first served basis, subject to the rules and regulations of Landlord. However, in no event shall Tenant use more than two hundred (200) parking spaces at the Building. Notwithstanding the foregoing, from time to time, for Tenant's meeting needs, Tenant shall be permitted to use on short term, transitory, overflow and temporary basis, up to fifty (50) additional parking spaces in the areas marked as "Temporary Parking Area" on the Parking Plan annexed hereto as Exhibit B (collectively "Temporary Spaces"), provided (a) the Temporary Spaces shall be used on a first come, first serve basis, (b) Tenant's use of the Temporary Spaces does not violate applicable law and does not interfere with or jeopardize the parking spaces of other tenants, (c) Tenant does not use any spaces that are designated as reserved for other tenants, and (d) Tenant does not use more than fifty (50) parking spaces in the Temporary Parking Area. Twenty (20) of Tenant's allotted number of parking spaces shall be allocated as reserved, as shown on the Parking Plan annexed hereto as Exhibit B. It is also understood and agreed that Landlord shall have the right at any time to modify or alter the parking layout and traffic pattern in the parking areas and to diminish the available parking areas without any liability to Tenant or any diminution or abatement of rent or additional rent.

10. Intentionally Omitted.

11. <u>Taxes and Other Charges</u>. (A) As used in and for the purposes of this Paragraph 49, the following definitions shall apply:

(i) "Taxes" shall be the real estate taxes, assessments, special or otherwise, sewer rents, rates and charges, and any other governmental charges, general, specific, ordinary or extraordinary, foreseen or unforeseen, levied on a calendar year or fiscal year basis against the Real Property. If at any time during the Term the method of taxation prevailing at the date hereof shall be altered so that there shall be levied, assessed or imposed in lieu of, or as in addition to, or as a substitute for, the whole or any part of the taxes, levies, impositions or charges now levied, assessed or imposed on all or any part of the Real Property (w) a tax, assessment, levy, imposition or charge based upon the rents received by Landlord, whether or not wholly or partially as a capital levy or otherwise, or (x) a tax, assessment, levy, imposition or charge measured by or based in whole or in part upon all or any part of the Real Property and imposed on Landlord, or (y) a license fee measured by the rent payable by Tenant to Landlord, or (z) any other tax, levy, imposition, charge or license fee however described or imposed; then all such taxes, levies, impositions, charges or license fees or any part thereof, so measured or based, shall be deemed to be Taxes.

Except as set forth herein, Tenant shall pay Landlord Tenant's Proportionate Share of all (B) Taxes levied against the Real Property ("Tenant's Tax Payment" or "Tax Payment"). A copy of the current tax bill for the Real Property has been annexed hereto as Exhibit 3, except that Tenant shall not be obligated to pay any Taxes due and payable with respect to the period occurring prior to December 1, 2013. Notwithstanding anything contained to the contrary in this Article 11, during all portions of the Term of this lease where the PILOT Program (hereinafter defined) remains in effect, the term "Tenant's Tax Payment" or "Tax Payment", as used in this Article 11 shall mean and refer to an amount equal to: (i) one hundred (100%) percent of all payments-in-lieu of taxes attributable to Tenant and/or the Demised Premises under the PILOT Program, and (ii) Tenant's Proportionate Share of any "Taxes" which are not covered by the PILOT Program (for example ad valorem Taxes). The term "PILOT Program" shall be deemed to mean and refer to the arrangement for payments to be made by Landlord in lieu of real estate taxes and assessments pursuant to that certain Payment in Lieu of Taxes Agreement and/or Lease Agreement entered into by and between Landlord and the Agency in connection with the IDA Transaction. Tenant shall pay such payments-in-lieu of taxes directly to the Agency as contemplated under the Lease Agreement entered into between the Agency and Tenant.

(C) Landlord shall render to Tenant a statement containing a computation of Tenant's Tax Payment ("Landlord's Statement"). Within fifteen (15) days after the rendition of the Landlord's Statement, Tenant shall pay to Landlord the amount of Tenant's Tax Payment. At Landlord's option, on the first day of each month following the rendition of each Landlord's Statement, Tenant shall pay to Landlord, on account of Tenant's next Tax Payment, a sum equal to one-twelfth (1/12th) of Tenant's last Tax Payment due hereunder, which sum shall be subject to adjustment for subsequent increases in Taxes.

(D) If during the Term, Taxes are required to be paid by Landlord as a tax escrow payment to a mortgagee, then, at Landlord's option, the installments of Tenant's Tax Payment shall be correspondingly accelerated so that Tenant's Tax Payment or any installment thereof shall be due and

payable by Tenant to Landlord at least thirty (30) days prior to the date such payment is due to such mortgagee.

(E) Tenant shall not, without Landlord's prior written consent, institute or maintain any action, proceeding or application in any court or other governmental authority for the purpose of changing the Taxes (a "Tax Contest"). If, as a result of a Tax Contest, Landlord actually receives a refund of Taxes (or credit is actually applied in lieu thereof) attributable to any tax year or tax years occurring during the Term, then, provided Tenant had made full payment of Tenant's Tax Payment for all affected tax years, Landlord shall recalculate each affected Tenant's Tax Payment based upon the finally determined Taxes for each affected tax year and deliver a revised Landlord's Statement to Tenant. In the event that the amount paid by Tenant for the original Tenant's Tax Payment exceeds the amount of the revised Tenant's Tax Payment, then Landlord, at its option, shall either refund such excess to Tenant, or credit such excess to Tenant towards a future payment of Taxes. Landlord shall have the right to include in the calculation of Taxes (for a subsequent tax year), or to deduct from any refund that may become due to Tenant as a result of the Tax Contest, the costs and expenses incurred by Landlord in instituting and prosecuting a Tax Contest hereunder.

(F) Landlord's failure to render a Landlord's Statement with respect to any Escalation Year shall not prejudice Landlord's right to render a Landlord's Statement with respect to any Escalation Year. The obligations of Tenant under the provisions of this Article with respect to any additional rent for any Escalation Year shall survive the expiration or any sooner termination of the Demised Term.

(G) Notwithstanding anything contained to the contrary in this Article 11, if any increase in Taxes shall be due to improvements made or performed by or on behalf of Tenant, such increases shall be paid in full by Tenant each year without apportionment.

Except for Landlord's obligations set forth in Article 7 hereof, 12. Tenant's Repairs. Tenant shall, at its own cost and expense, keep the Demised Premises in good condition, repair and appearance at all times throughout the term of this lease. Notwithstanding anything contained to the contrary in this lease: (a) Tenant shall be responsible for the replacement of any bulbs and ballasts in the lighting fixtures in the Demised Premises, except that if any ballasts require replacement in the first Lease Year, Landlord shall perform such replacement at Landlord's sole cost and expense, and (b) in the event that, at any time, a supplemental air conditioning unit or units service the Demised Premises, Tenant shall, at its own cost and expense, maintain, repair and replace, as necessary, such supplemental air conditioning unit or units (and all of the components thereof). Accordingly, Tenant shall at all times obtain and keep in full force and effect for the benefit of Landlord and Tenant with Landlord's Building heating, ventilating and air conditioning contractor, a service repair and maintenance contract with respect to such supplemental systems and components. A copy of such contract and each renewal thereof shall upon issuance and thereafter not later than ten (10) days prior to expiration be furnished to Landlord together with evidence of payment therefor.

13. <u>Fixtures & Installations</u>. All appurtenances, fixtures, improvements, additions and other property attached to or built into the Demised Premises, whether by Landlord or Tenant or others, and

whether at Landlord's expense, or Tenant's expense, or the joint expense of Landlord and Tenant, shall be and remain the property of Landlord (except for purposes of sales tax which shall remain Tenant's obligation). All trade fixtures, furniture, furnishings and other articles of movable personal property owned by Tenant and located within the Premises (collectively, "Tenant's Property") may be removed from the Premises by Tenant at any time during the Term. Tenant, before so removing Tenant's Property, shall establish to Landlord's satisfaction that no structural damage or change will result from such removal and that Tenant can and promptly will repair and restore any damage caused by such removal without cost or charge to Landlord. Any such repair and removal shall itself be deemed an Alteration (as defined in Article 14 below) within the purview of this lease. Notwithstanding the foregoing, Landlord may, at its option, in lieu of requiring Tenant to perform such removal and restoration, invoice Tenant for the estimated cost for performing such work and Tenant shall pay such invoice, as additional rent, within thirty (30) days of such invoice. Any Tenant's Property for which Landlord shall have granted any allowance, contribution or credit to Tenant shall, at Landlord's option, not be so removed. All the outside walls of the Demised Premises including corridor walls and the outside entrance doors to the Demised Premises, any balconies, terraces or roofs adjacent to the Demised Premises, and any space in the Demised Premises used for shafts, stacks, pipes, conduits, ducts or other building facilities, and the use thereof, as well as access thereto in and through the Demised Premises for the purpose of operation, maintenance, decoration and repair, are expressly reserved to Landlord, and Landlord does not convey any rights to Tenant therein.

14. <u>Alterations</u>. (A) Tenant shall make no alterations, decorations, installations, additions or improvements (hereinafter collectively referred to as "Alterations") in or to the Demised Premises. Tenant may make written request to Landlord that certain Alterations be made to the Demised Premises, but all such Alterations shall be performed, if at all, (i) in the sole and absolute discretion of Landlord, (ii) by Landlord or its designee and (iii) at the sole cost and expense of Tenant. Any Alteration to be performed in, on or to the Demised Premises shall be performed by Landlord (which term as used in this Article 14(A) shall be deemed to include Landlord and/or Landlord's contractor) and Tenant shall pay Landlord for all costs and charges for such Alteration (including, without limitation, the cost of any drawings, plans, layouts and/or specifications prepared by Landlord or its consultants with respect to such Alteration). Notwithstanding anything in this lease to the contrary, the following work items shall not require the consent of Landlord:

- Wiring or cabling in respect of technology including computers, telephones, audio visual and wireless devices Installation, removal and repairs of technology systems (including telephones, computers and audio visual equipment) and racks.
- Installation of pictures and other decorative items
- Installation, removal and/or relocation of work stations, cabinets, counters and desk units, conference and office furniture.
- Installation, removal or relocation of audio visual systems.
- Installation or removal of signage within the premises.
- Repairs to furniture, cabinets and equipment.

(B) In the event that Landlord, in its sole and absolute discretion, permits Tenant to perform specific Alterations in lieu of Landlord or Landlord's contractor (the "Permitted Alterations"), the following provisions shall apply:

(i) All Permitted Alterations done by Tenant shall at all times comply with (a) laws, rules, orders and regulations of governmental authorities having jurisdiction thereof, and (b) rules and regulations of the Landlord attached as Schedule B.

(ii) With respect to all Permitted Alterations, architectural and engineering plans and specifications prepared by and at the expense of Tenant shall be submitted to Landlord for its prior written approval in accordance with the following requirements:

(a) With respect to any Permitted Alterations to be performed by Tenant pursuant to this lease, Tenant shall, at its expense, furnish Landlord with complete architectural, mechanical and electrical construction documents for work to be performed by Tenant (the "Tenant's Plans"). All of the Tenant's Plans shall: (x) be compatible with the Landlord's building systems and specifications, (y) comply with all applicable laws and the rules, regulations, requirements and orders of any and all governmental agencies, departments or bureaus having jurisdiction, and (z) be fully detailed, including locations and complete dimensions;

(b) Tenant's Plans and Tenant's contractors shall be subject to approval

by Landlord;

(c) Tenant shall, at Tenant's expense, (x) cause Tenant's Plans to be filed with the governmental agencies having jurisdiction thereover, (y) obtain when necessary all governmental permits, licenses and authorizations required for the work to be done in connection therewith, and (z) obtain all necessary certificates of occupancy, both temporary and permanent. Landlord shall execute such documents as may be reasonably required in connection with the foregoing and Landlord shall otherwise cooperate with Tenant in connection with obtaining the foregoing, but without any expense to Landlord. Tenant shall make no amendments or additions to Tenant's Plans without the prior written consent of Landlord in each instance;

(d) No work shall commence in the Premises until (x) Tenant has procured all necessary permits therefor and has delivered copies of same to Landlord, (y) Tenant (i) has procured a paid builder's risk insurance policy on an "all risk" basis and on a completed value form, including a Permission to Complete and Occupy endorsement, for full replacement value covering the interest of Landlord and Tenant (and their respective contractors and subcontractors), any mortgagee and any lessor under any ground lease of which Landlord notifies Tenant from time to time, in all work incorporated in the Building and all materials and equipment in or about the Premises, such insurance policy naming Landlord and any other parties whose names have been provided by Landlord to Tenant from time to time as additional insureds and (ii) has delivered to Landlord a certificate of insurance evidencing such policy, and (z) Tenant or its contractor has procured a workmen's compensation insurance policy covering the activities of all persons working at the Premises naming Landlord as an additional insured and has delivered to Landlord a certificate of insurance evidencing such policy;

(e) Tenant may use any licensed architect or engineer to prepare its plans and to file for permits, provided, however, that such architect or engineer shall, at all times, be required to maintain professional liability insurance in an amount satisfactory to Landlord. However, all such plans and permit applications shall be subject to review, revision and approval by Landlord or its architect;

(f) Tenant, at its expense, shall perform all work in connection with all Permitted Alterations, in accordance with Tenant's Plans, and such work shall be subject to Landlord's supervisory fee charge of 10% of the cost thereof. In receiving such fee, Landlord assumes no responsibility for the quality or manner (including, without limitation, the means, methods and/or techniques) in which such work has been performed; and

(g) Tenant agrees that it will not, either directly or indirectly, use any contractors and/or labor and/or materials if the use of such contractors and/or labor and/or materials would or will create any difficulty with other contractors and/or labor engaged by Tenant or Landlord or others in the construction, maintenance or operation of the Building or any part thereof.

(iii) Tenant's Permitted Alterations shall be subject to the following additional conditions: (a) the Permitted Alterations will not result in a violation of, or require an adverse change in, any Certificate of Occupancy applicable to the Premises or the Building; (b) the outside appearance, character or use of the Building shall not be affected; (c) no part of the Building outside of the Premises shall be physically affected; (d) the proper functioning of any mechanical and electrical system of the Building shall not be affected.

(iv) Tenant shall defend, indemnify and save harmless Landlord against any and all mechanics' and other liens filed in connection with its Permitted Alterations, repairs or installations, including the liens of any conditional sales of, or chattel mortgages upon, any materials, fixtures or articles so installed in and constituting part of the Premises and against any loss, cost, liability, claim, damage and expense, including reasonable counsel fees, penalties and fines incurred in connection with any such lien, conditional sale or chattel mortgage or any action or proceeding brought thereon. As a condition precedent to Landlord's consent to the making by Tenant of Permitted Alterations, Tenant agrees to obtain and deliver to Landlord, written and unconditional waivers of mechanics' liens for all work, labor and services to be performed and materials to be furnished, signed by all contractors, subcontractors, materialmen and laborers to become involved in such work.

(v) Tenant, at its expense, shall procure the satisfaction or discharge of all such liens within ten (10) days of the filing of such lien against the Premises or the Building. If Tenant shall fail to cause such lien to be discharged within the aforesaid period, then, in addition to any other right or remedy, Landlord may, but shall not be obligated to, discharge the same either by paying the amount claimed to be due or by procuring the discharge of such lien by deposit or by bonding

proceedings, and in any such event Landlord shall be entitled, if Landlord so elects, to compel the prosecution of an action for the foreclosure of such lien by the lienor and to pay the amount of the judgment in favor of the lienor with interest, costs and allowances. Any amount so paid by Landlord, and all costs and expenses incurred by Landlord in connection therewith, together with interest thereon at the maximum rate permitted by law from the respective dates of Landlord's making of the payments or incurring of the cost and expense, shall constitute additional rent and shall be paid on demand.

(vi) Nothing in this lease contained shall be construed in any way as constituting the consent or request of Landlord, expressed or implied, to any contractor, subcontractor, laborer or materialman for the performance of any labor or the furnishing of any material for any improvement, alteration or repair of the Premises, nor as giving any right or authority to contract for the rendering of any services or the furnishing of any materials that would give rise to the filing of any mechanics' liens against the Premises.

(C) Tenant shall not be permitted to make, or to engage a contractor or artist to make, any Alterations, decorations, installations, additions or other improvements ("Visual Alteration") which may be considered a work of visual art of any kind, and/or which might fall within the protections of the Visual Artists Rights Act of 1990 ("VARA") unless: (i) Tenant obtains, from each artist and/or contractor who will be involved in said Visual Alteration, valid written waivers of such artist's and/or contractor's rights under VARA in form and content reasonably acceptable to Landlord; and (ii) Landlord consents to such Visual Alteration in writing. In the event that a claim is brought under VARA with respect to any Visual Alteration performed in or about the Building by or at the request of Tenant or Tenant's agents or employees, Tenant shall indemnify and hold harmless Landlord against and from any and all such claims. If any action or proceeding shall be brought against Landlord by reason of such claim under VARA, Tenant agrees that Tenant, at its expense, will resist and defend such action or proceeding and will employ counsel satisfactory to Landlord therefor. Tenant shall also pay any and all damages sustained by Landlord as a result of such claim, including, without limitation, attorney's fees and the cost to Landlord of complying with VARA protections (which shall include damages sustained as a result of Landlord's inability to remove Visual Alterations from the Premises). Failure of Tenant to strictly comply with the provisions of this Article 14(C) shall be deemed a default under this lease, and Landlord shall be entitled to pursue all appropriate remedies provided herein, as The provisions of this Article 14(C) shall survive the expiration or sooner well as at law or in equity. termination of this lease.

15. <u>Requirements of Law</u>. (A) Tenant, at Tenant's sole cost and expense, shall comply with all statutes, laws, ordinances, orders, regulations and notices of Federal, State, County and Municipal authorities, and with all directions, pursuant to law, of all public officers, which shall impose any duty upon Landlord or Tenant with respect to the Demised Premises or the use or occupation thereof, except that Tenant shall not be required to make any structural alterations in order so to comply unless such alterations shall be necessitated or occasioned, in whole or in part, by the acts, omissions, or negligence of Tenant or any person claiming through or under Tenant or any of their servants, employees, contractors, agents, visitors or licensees, or by the use or occupancy or manner of use or occupancy of the Demised Premises by Tenant, or any such person, in which case such structural alterations shall be made by Landlord at Tenant's sole cost and expense. In addition, if, as a result of Tenant's particular manner of use of the Demised Premises, an alteration is required by law to be made any other portion of the Building, Tenant shall reimburse Landlord for the reasonable cost of performing same.

(B) Landlord hereby represents to Tenant that, to Landlord's actual knowledge as of the date hereof, there are no Pre-Existing Hazardous Materials existing at or under the Real Property in violation of existing law. In the event of a breach of such representation which materially and adversely affects Tenant's use of the Demised Premises, Landlord hereby covenants to address such legal violation in the manner required by applicable law. Notwithstanding the foregoing, if the subject legal violation has been caused by the act or omission of a third party, then Landlord may seek to cause such third party to address such legal violation. Landlord shall defend, indemnify and hold harmless Tenant, its employees, agents, officers and directors from and against any claims, demands, penalties, fines, liabilities, settlements, damages, costs or expenses arising therefrom. "Hazardous Materials" shall mean any toxic or hazardous substance, material or waste, including without limitation medical waste, or any other contaminant or pollutant which is or becomes regulated by any federal, state or local law, ordinance, rule or regulation and shall include asbestos and petroleum products and the terms "Hazardous Substance" and "Hazardous Waste" as defined in the Comprehensive Environmental Response, Compensations and Liability Act, as amended, 42 U.S.C. §9601 et. seq. and the Resource Conservation and Recovery Act ("RCRA"), as amended, 42 U.S.C. § 6901 et. seq. Landlord represents and warrants that, to its actual knowledge (a) Landlord has not caused or permitted any activity to take place on, in or under the Demised Premises which has generated, manufactured, treated, stored, handled, disposed, produced or processed any Hazardous Materials except in compliance with all applicable federal, state and local laws, regulations or ordinances, and has not caused nor permitted any storage, release, discharge or disposal of any Hazardous Materials on, in or under the Premises; and (b) Landlord knows of no action brought by or threatened by any governmental agency against Landlord to enforce any law, regulation or ordinance relating to protection of health or the environment or any litigation brought or threatened, or any settlements reached by any person(s) or group(s) alleging Hazardous Materials on or arising from any activity conducted on the Premises. Landlord shall indemnify and hold Tenant harmless for any Hazardous Materials or environmental condition that exists at the Demised Premises as of the date hereof or which is caused by Landlord or its agents, contractors and/or employees.

(C) Tenant shall keep or cause the Demised Premises to be kept free of Hazardous Materials (hereinafter defined). Without limiting the foregoing, Tenant shall not cause or permit the Demised Premises to be used to generate, manufacture, refine, transport, treat, store, handle, dispose, transfer, produce or process Hazardous Materials nor shall Tenant cause or permit, as a result of any intentional or unintentional act or omission on the part of Tenant or any person or entity claiming through or under Tenant or any of their employees, contractors, agents, visitors or licensees (collectively, "Related Parties"), a release of Hazardous Materials onto the Demised Premises or onto any other property. Tenant shall comply with and ensure compliance by all Related Parties with all applicable Federal, State and Local laws, ordinances, rules and regulations, whenever and by whomever triggered (including, without limitation, any regular testing regimes required by law), and shall obtain and comply with, and ensure that all Related Parties obtain and comply with, any and all approvals,

registrations or permits required thereunder. Tenant shall (i) conduct and complete all investigations, studies, samplings, and testing, and all remedial removal and other actions necessary to clean up and remove such Hazardous Materials, on, from, or affecting the Demised Premises (a) in accordance with all applicable Federal, State and Local laws, ordinances, rules, regulations, policies, orders and directives, and (b) to the satisfaction of Landlord, and (ii) defend, indemnify, and hold harmless Landlord, its employees, agents, officers, members, partners, principals and directors, from and against any claims, demands, penalties, fines, liabilities, settlements, damages, costs, or expenses of whatever kind or nature, known or unknown, contingent or otherwise, arising out of, or in any way related to, (a) the presence, disposal, release, or threatened release of such Hazardous Materials which are on, from, or affecting the soil, water, vegetation, buildings, personal property, persons, animals, or otherwise; (b) any personal injury (including wrongful death) or property damage (real or personal) arising out of or related to such Hazardous Materials; (c) any lawsuit brought or threatened, settlement reached, or government order relating to such Hazardous Materials; and/or (d) any violation of laws, orders, regulations, requirements, or demands of government authorities, or any policies or requirements of Landlord, which are based upon or in any way related to such Hazardous Materials, including, without limitation, attorney and consultant fees, investigation and laboratory fees, court costs, and litigation expenses. In the event this lease is terminated, or Tenant is dispossessed, Tenant shall deliver the Demised Premises to Landlord free of any and all Hazardous Materials so that the conditions of the Demised Premises shall conform with all applicable Federal, State and Local laws, ordinances, rules or regulations affecting the Demised Premises. In the event that Landlord has a good faith belief that there has been a release of Hazardous Materials for which Tenant is responsible hereunder, Landlord shall have the right to engage an environmental engineering or consulting firm to conduct an inspection of the Real Property and Demised Premises at Tenant's sole cost and expense. Tenant shall reimburse Landlord for the cost of any such inspection as well as the cost of any clean-up and testing performed pursuant thereto with respect to Hazardous Materials for which Tenant is responsible hereunder. For purposes of this paragraph, Tenant shall dispose of medical waste and other bio-hazardous waste in accordance with all applicable laws. Tenant's obligations under this Article 15 shall survive the expiration or earlier termination of the term of this lease.

Upon the expiration or other termination of the Term of this lease, 16. End of Term. (A) Tenant shall, at its own expense, quit and surrender to Landlord the Demised Premises, broom clean, in good order and condition, ordinary wear, tear and damage by fire or other insured casualty excepted, and Tenant shall remove all of its property and shall pay to Landlord the cost to repair all damage to the Demised Premises or the Building occasioned by such removal. All Alterations, fixtures, and all paneling, partitions, railings, staircases and like installations, installed in the Demised Premises at any time, either by Tenant or by Landlord on Tenant's behalf, shall become the property of Landlord and shall remain upon and be surrendered with the Premises unless Landlord elects to have such installations removed at Tenant's expense, in which event, the same shall be removed and the Demised Premises returned to its original condition prior to expiration of the Term hereof, at Tenant's expense. Any property not removed from the Premises shall be deemed abandoned by Tenant and may be retained by Landlord, as its property, or disposed of in any manner deemed appropriate by the Landlord. Notwithstanding the foregoing, in the event that Tenant employs the use of an uninterrupted power supply system or any other battery-based equipment, at Landlord's election, Tenant shall remove such equipment prior to the expiration of the Term at its sole expense and in compliance with all applicable laws, rules and regulations. Any expense incurred by Landlord in removing or disposing of such property shall be reimbursed to Landlord by Tenant on demand. Tenant expressly waives, for itself and for any person claiming through or under Tenant, any rights which Tenant or any such person may have under the provisions of Section 2201 of the New York Civil Practice Law and Rules and of any successor law of like import then in force, in connection with any holdover or summary proceeding which Landlord may institute to enforce the foregoing provisions of this Article. Tenant's obligation to observe or perform this covenant shall survive the expiration or other termination of the Term of this lease. If the last day of the Term of this lease or any renewal hereof falls on Sunday or a legal holiday, this lease shall expire on the business day immediately preceding. Tenant's obligations under this Article 16 shall survive the Expiration Date or sooner termination of this lease.

(B) In the event of any holding over by Tenant after the expiration or termination of this lease without the consent of Landlord, Tenant shall:

(i) pay as holdover rental for each month of the holdover tenancy an amount equal to the greater of (a) the fair market rental value of the Premises for such month (as reasonably determined by Landlord) or (b) two hundred (200%) percent of the Rent payable by Tenant for the last full calendar month prior to the Expiration Date, and otherwise observe, fulfill and perform all of its obligations under this lease, including but not limited to, those pertaining to additional rent, in accordance with its terms;

(ii) be liable to Landlord for any payment or rent concession which Landlord may be required to make to any tenant in order to induce such tenant not to terminate an executed lease covering all or any portion of the Premises by reason of the holdover by Tenant; and

(iii) be liable to Landlord for any damages suffered by Landlord as the result of Tenant's failure to surrender the Premises.

No holding over by Tenant after the Term shall operate to extend the Term.

The holdover, with respect to all or any part of the Premises, of a person deriving an interest in the Premises from or through Tenant, including, but not limited to, an assignee or subtenant, shall be deemed a holdover by Tenant.

Notwithstanding anything in this Article contained to the contrary, the acceptance of any Rent paid by Tenant pursuant to this Article 16(B), shall not preclude Landlord from commencing and prosecuting a holdover or eviction action or proceeding or any action or proceeding in the nature thereof. The preceding sentence shall be deemed to be an "agreement expressly providing otherwise" within the meaning of Section 232-c of the Real Property Law of the State of New York and any successor law of like import.

(C) If at any time during the last month of the Term Tenant shall have removed all or substantially all of Tenant's property from the Premises, Landlord may, and Tenant hereby irrevocably grants to Landlord a license to, immediately enter and alter, renovate and redecorate the Premises, without elimination, diminution or abatement of Rent, or incurring liability to Tenant for any compensation, and such acts shall have no effect upon this lease.

17. Quiet Enjoyment. Landlord covenants and agrees with Tenant that upon Tenant paying the Rent and additional rent and observing and performing all the terms, covenants and conditions on Tenant's part to be observed and performed, Tenant may peaceably and quietly enjoy the Demised Premises during the Term of this lease without hindrance or molestation by anyone claiming by or through Landlord, subject, nevertheless, to the terms, covenants and conditions of this lease including, but not limited to, Article 22.

18. <u>Signs</u>. (A) Except as set forth in this Article 18, Tenant shall not place any signs on the Demised Premises, Building or Real Property.

(B) Tenant shall have the right to install a sign containing Tenant's name and/or logo on the exterior of the Building at the main entrance to the Demised Premises located on the North side of the Real Property (the "Entry Sign") having a size approximately the same as Landlord's standard tenant identification signage. Tenant shall be responsible for obtaining all governmental approvals in connection with such Entry Sign and the installation of the Entry Sign shall be subject to Landlord's approval (which shall not be unreasonably withheld) of the size, design, construction and manner of installation. In no event shall the Entry Sign be illuminated. Upon the expiration or sooner termination of the term of this lease, Tenant shall, at Landlord's option, remove the Entry Sign and repair any damage caused by such installation or removal.

(C) Tenant shall have the right to have the Tenant's name set on a monument sign panel, which will be installed, together with monument sign panels bearing the names of other tenants of the Building, on the monument sign existing on the Real Property. The initial listings set forth in this Article 18(C) shall be made at Landlord's expense and any changes or modifications thereto shall be made at Tenant's expense.

(D) Landlord's acceptance of any name for listing on the director or name plaque shall not be deemed, nor will it substitute for, Landlord's consent, as required by this lease, to any sublease, assignment or other occupancy of the Demised Premises.

(E) The rights granted to Tenant under this Article 10 are personal to Catholic Health System of Long Island, Inc. d/b/a Catholic Health Services of Long Island, and are non-transferable by operation of law or otherwise.

19. <u>Rules and Regulations</u>. Tenant and Tenant's agents, employees, visitors, and licensees shall faithfully observe and comply with, and shall not permit violation of, the Rules and Regulations set forth on Schedule B annexed hereto and made part hereof, and with such further reasonable Rules

and Regulations as Landlord at any time may make and communicate in writing to Tenant which, in Landlord's judgment, shall be necessary for the reputation, safety, care and appearance of the Building and the land allocated to it or the preservation of good order therein, or the operation or maintenance of the Building, and such land, its equipment, or the more useful occupancy or the comfort of the tenants or others in the Building. Landlord shall not be liable to Tenant for the violation of any of said Rules and Regulations, or the breach of any covenant or condition, in any lease by any other tenant in the Building.

20. <u>Right to Sublet or Assign</u>. (A) Tenant covenants that it shall not assign this lease nor sublet the Demised Premises or any part thereof by operation of law or otherwise, including, without limitation, an assignment or subletting as defined in (D) below, without the prior written consent of Landlord in each instance (which consent shall not be unreasonably withheld). Tenant may assign this lease or sublet all or a portion of the Demised Premises with Landlord's written consent (which consent shall not be unreasonably withheld), provided:

(i) That such assignment or sublease is for a use which is in compliance with this lease and the then existing zoning regulations and the Certificate of Occupancy;

(ii) That, at the time of such assignment or subletting, there is no default under the terms of this lease on the Tenant's part;

(iii) That, in the event of an assignment, the assignee shall assume in writing the performance of all of the terms and obligations of the within lease;

(iv) That a duplicate original of said assignment or sublease shall be delivered by certified mail to the Landlord at the address herein set forth within ten (10) days from the said assignment or sublease and within ninety (90) days of the date that Tenant first advises Landlord of the name and address of the proposed subtenant or assignee, as required pursuant to Article 20(B) hereof;
 (v) Such assignment or subletting shall not, however, release the within

Tenant or any successor tenant or any guarantor from their liability for the full and faithful performance of all of the terms and conditions of this lease;

(vi) If this lease is assigned, whether or not in violation of the provisions of this lease, Landlord may collect rent from the assignee. If the Demised Premises or any part thereof is sublet or is used or occupied by anybody other than Tenant, whether or not in violation of this lease, Landlord may, after default by Tenant, and expiration of Tenant's time to cure such default, collect rent from the subtenant or occupant. In either event, Landlord may apply the net amount collected to the rents herein reserved, but no such assignment, subletting, occupancy or collection shall be deemed a waiver of any of the provisions of this Article, or the acceptance of the assignee, subtenant or occupant as tenant, or a release of Tenant from the further performance by Tenant of Tenant's obligations under this lease. The consent by Landlord to assignment, mortgaging, subletting or use or occupancy by others shall not in any way be considered to relieve Tenant from obtaining the express written consent of Landlord to any other or further assignment, mortgaging or subletting or use or occupancy by others not

expressly permitted by this Article. References in this lease to use or occupancy by others, that is anyone other than Tenant, shall not be construed as limited to subtenants and those claiming under or through sub-tenants but as including also licensees and others claiming under or through Tenant, immediately or remotely; and

(vii) That, in the event Tenant shall request Landlord's consent to a proposed assignment of this lease or proposed sublease of all or a portion of the Demised Premises, Tenant shall pay or reimburse to Landlord the reasonable attorney fees incurred by Landlord in processing such request.

(viii) That, in the case of a proposed subletting, there would not be, including the proposed subletting, more than one (1) subtenant in the Demised Premises.

(B) Notwithstanding anything contained in this Article 20 to the contrary, no assignment or underletting shall be made by Tenant in any event until Tenant has offered to terminate this lease as of the last day of any calendar month during the Term hereof and to vacate and surrender the Demised Premises to Landlord on the date fixed in the notice served by Tenant upon Landlord (which date shall be prior to the date of such proposed assignment or the commencement date of such proposed lease). Simultaneously with said offer to terminate this lease, Tenant shall advise the Landlord, in writing, of the name and address of the proposed assignee or subtenant, a reasonably detailed statement of the proposed subtenant/assignee's business (which must be of a character and use consistent with other tenants in the Building), reasonably detailed financial references, and all the terms, covenants, and conditions of the proposed sublease or assignment.

Notwithstanding the foregoing, or anything to the contrary in this lease, Tenant is (C) permitted, without the consent of Landlord but upon written notice to Landlord, to assign or sublease its rights and obligations under the lease to an entity formed by, or affiliated with, Tenant. In addition, notwithstanding anything herein to the contrary, Tenant may assign this lease or sublet all or any part of the Demised Premises to an Affiliate (as hereinafter defined) of Tenant without the consent of Landlord but upon written notice to Landlord; provided, that (i) the assignment is for a valid business purpose and not to avoid any obligations under this Lease, (ii) the assignee assumes by written instrument reasonably satisfactory to Landlord all of Tenant's obligations under this lease, and (iii) that Tenant shall not be released or discharged from any liability under this lease by reason of such assignment. Landlord acknowledges that Tenant is leasing the Demised Premises with the possible intention of using the space for an affiliated entity, initially designated as a physician practice group. Both parties acknowledge and agree that Tenant as a Hospital must use an affiliated entity to use the space for medical offices. Both parties acknowledge and agree that the primary purpose of this lease for Tenant is to be able to use the Demised Premises as medical offices by individual physicians, practice groups, or other affiliated entities and the space is not primarily intended to be used by the Tenant, as a Hospital directly. The term "Affiliate", as used herein, means, as to any designated person or entity, any other person or entity which controls, is controlled by, or is under common control with, such designated person or entity. Affiliate of Tenant shall be deemed to include the following parties: Catholic Health Services of Long Island, CHS Services, Inc. and its corporate members, Catholic Home Care and Home Support Services, Good Shepherd Hospice, Our Lady of Consolation Geriatric Care Center, Good Samaritan Nursing Home, St. Catherine of Siena Nursing Home, and the following hospitals: Mercy Medical Center, St. Catherine of Siena Medical Center, St. Charles Hospital and Rehabilitation Center, Good Samaritan Hospital Medical Center, St. Francis Hospital and St. Joseph Hospital, or any employee or non-employee members or group of members of their respective medical staffs, and the Diocese of Rockville Centre and the Bishop of Rockville Centre.

(D) For purposes of this Article 20, (i) the transfer of a majority of the issued and outstanding capital stock of any corporate tenant, or of a corporate subtenant, or the transfer of a majority of the total equitable ownership interests in any tenant or subtenant of another business form, however accomplished, whether in a single transaction or in a series of related or unrelated transactions, shall be deemed an assignment of this lease, or of such sublease, as the case may be; (ii) any person or legal representative of Tenant, to whom Tenant's interest under this lease passes by operation of law or otherwise, shall be bound by the provisions of this Article 20; and (iii) a modification or amendment of a sublease.

(E) Landlord agrees that it shall not unreasonably withhold its consent to a subletting or assignment in accordance with the terms of this Article 20. In determining reasonableness, there shall be taken into account the character and reputation of the proposed subtenant or assignee, the specific nature of the proposed subtenant's or assignee's business and whether same is in keeping with other tenancies in the building; the financial standing of the proposed subtenant or assignee; and the impact of all of the foregoing upon the Building and the other tenants of Landlord therein. Landlord shall not be deemed to have unreasonably withheld its consent if it refuses to consent to a subletting or assignment to an existing tenant in any building which is owned by Landlord or its affiliate or to a proposed subtenant or assignee with whom Landlord is negotiating a lease or if at the time of Tenant's request, Tenant is in default, beyond applicable grace and notice periods provided herein for the cure thereof, of any of the terms, covenants and conditions of this lease to be performed by Tenant, or, if Landlord's lender's consent to such transaction is required and same is not granted. Whenever Tenant shall claim under this Article or any other part of this lease that Landlord has unreasonably withheld or delayed its consent to some request of Tenant, Tenant shall have no claim for damages by reason of such alleged withholding or delay, and Tenant's sole remedy thereof shall be a right to obtain specific performance or injunction but in no event with recovery of damages.

(F) Tenant shall not mortgage, pledge, hypothecate or otherwise encumber its interest under this lease without Landlord's prior written consent.

(G) Without affecting any of its other obligations under this lease, except with respect to any permitted assignment or subletting under Article 20(C) hereof, Tenant will pay Landlord as additional rent any sums or other economic consideration, which (i) are due and payable to Tenant as a result of any permitted assignment or subletting whether or not referred to as rentals under the assignment or sublease (after deducting therefrom the reasonable costs and expenses incurred by Tenant in connection with the assignment or subletting in question provided such costs were approved by Landlord when it approved the assignment or sublease); and (ii) exceed in total the sums which Tenant is obligated to pay Landlord under this lease (prorated to reflect obligations allocable to that portion of the Demised Premises subject to such assignment or sublease), it being the express intention of the parties that Tenant shall not be entitled to any profit by reason of such sublease or assignment. The failure or inability of the assignee or subtenant to pay rent pursuant to the assignment or sublease will not relieve Tenant from its obligations to Landlord under this Article 20(G). Tenant will not amend the assignment or sublease in such a way as to reduce or delay payment of amounts which are provided in the assignment or sublease approved by Landlord.

(H) At least thirty (30) days prior to any proposed subletting or assignment, Tenant shall submit to Landlord a written notice of the proposed subletting or assignment, which notice shall contain or be accompanied by the following information: (i) the name and address of the proposed subtenant or assignee; (ii) the nature and character of the business of the proposed subtenant or assignee and its proposed use of the premises to be demised; (iii) the most recent three (3) years of balance sheets and profit and loss statements of the proposed subtenant or assignee or other financial information satisfactory to Landlord; and (iv) such shall be accompanied by a copy of the proposed sublease or assignment of lease.

(I) Without limiting the right of Landlord to withhold its consent to any proposed assignment of this lease or subletting of all or any portion of the Demised Premises, Tenant specifically acknowledges and agrees that it and anyone holding through Tenant shall not sublet or assign all or any portion of the Demised Premises to any subtenant or assignee who will use the Demised Premises or a portion thereof for any of the following designated uses nor for any other use which is substantially similar to any one of the following designated uses: (i) federal, state or local governmental division, department or agency which generates heavy public traffic, including, without limitation, court, social security offices, labor department office, drug enforcement agency, motor vehicle agency, postal service, military recruitment office; (ii) union or labor organization; (iii) chemical or pharmaceutical company, provided, however, that the subletting or assignment to such a company which will use the premises only for executive, general and sales offices and waive the right to conduct any research and development shall not be prohibited; (iv) insurance claims office, including, but not limited to, unemployment insurance or worker's compensation insurance; or (v) securities brokerage firm.

(J) Notwithstanding anything in this lease to the contrary, Landlord understands and agrees that Tenant shall have the right to permit its independent contractors and the employees and independent contractors of Tenant's affiliates (each, a "<u>Permitted Occupant</u>"), to use all or any portion of the Demised Premises without separate prior written consent of the Landlord, provided, and upon the condition that: (i) such use and occupancy shall in no way increase, amend, modify or extend Landlord's obligations or liabilities under this lease in any way whatsoever, or diminish, restrict, limit, forfeit or waive any of Landlord's rights or remedies under this lease in any way whatsoever, (ii) Landlord shall not be required to deliver any notices to any Permitted Occupant, (iii) such use and occupancy shall in no way give to any Permitted Occupant any rights or remedies against Landlord, and Tenant shall indemnify and hold Landlord harmless from and against any and all, actions, proceedings, liabilities, obligations, claims, damages, deficiencies, losses, judgments, suits, expenses and costs (including, without limitation, court costs and reasonable legal fees and disbursements for which

Landlord is liable) arising under or out of or in connection with or resulting from such use and occupancy, (iv) the portion of the Demised Premises used by the Permitted Occupants shall not be separately demised from the balance of the Demised Premises and no Pemitted Occupant shall be granted any rights to signage at the Demised Premises, Building or Real Property.

21. Landlord's Access to Premises. (A) Landlord or Landlord's agents shall have the right to enter and/or pass through the Demised Premises at all reasonable times on reasonable notice, except in an emergency, to examine the same, and to show them to ground lessors, prospective purchasers or lessees or mortgagees of the Building, and to make such repairs, improvements or additions as Landlord may deem necessary or desirable, and Landlord shall be allowed to take all material into and upon and/or through said Demised Premises that may be required therefor. During the twelve (12) months prior to the expiration of the Term of this lease, or any renewal term, Landlord may exhibit the Demised Premises to prospective tenants or purchasers at all reasonable hours and without unreasonably interfering with Tenant's business. If Tenant shall not be personally present to open and permit an entry into said premises at any time, when for any reason an entry therein shall be necessary or permissible, Landlord or its agents may enter the same by a master key, or forcibly, without rendering Landlord or such agents liable therefor (if during such entry Landlord, or such agents shall accord reasonable care to Tenant's property).

(B) Landlord shall also have the right, at any time, to name the Building, including, but not limited to, the use of appropriate signs and/or lettering on any or all entrances to the Building, and to change the name, number or designation by which the Building is commonly known.

(C) Neither this lease nor any use by Tenant shall give Tenant any right or easement to the use of any door or passage or concourse connecting with any other building or to any public conveniences, and the use of such doors and passages and concourse and of such conveniences may be regulated and/or discontinued at any time and from time to time by Landlord without notice to Tenant.

(D) The exercise by Landlord or its agents of any right reserved to Landlord in this Article shall not constitute an actual or constructive eviction, in whole or in part, or entitle Tenant to any abatement or diminution of rent, or relieve Tenant from any of its obligations under this lease, or impose any liability upon Landlord, or its agents, or upon any lessor under any ground or underlying lease, by reason of inconvenience or annoyance to Tenant, or injury to or interruption of Tenant's business, or otherwise.

22. <u>Subordination</u>. (A) This lease and all rights of Tenant hereunder are, and shall be, subject and subordinate in all respects to all ground leases and/or underlying leases and to all mortgages and building loan agreements which may now or hereafter be placed on or affect such leases and/or the Real Property of which the Demised Premises form a part, or any part or parts of such Real Property, and/or Landlord's interest or estate therein, and to each advance made and/or hereafter to be made under any such mortgages, and to all renewals, modifications, consolidations, replacements and extensions thereof and all substitutions therefor. This Section A shall be self-operative and no further instrument of subordination shall be required. In confirmation of such subordination, Tenant shall execute and

deliver promptly any certificate that Landlord and/or any mortgagee and/or the lessor under any ground or underlying lease and/or their respective successors in interest may request.

(B) Without limitation of any of the provisions of this lease, in the event that any mortgagee or its assigns shall succeed to the interest of Landlord or of any successor-Landlord and/or shall have become lessee under a new ground or underlying lease, then, at the option of such mortgagee, this lease shall nevertheless continue in full force and effect and Tenant shall and does hereby agree to attorn to such mortgagee or its assigns and to recognize such mortgagee or its respective assigns as its Landlord.

Tenant shall, at any time and from time to time, within five (5) days after (C) Landlord's request therefor, execute and deliver to Landlord a statement in writing (i) certifying that this lease is unmodified and in full force and effect (or if there have been modifications, that the same is in full force and effect as modified and stating the modification); (ii) certifying the dates to which the Rent, additional rent and other charges have been paid; (iii) certifying whether any installments of Rent, additional rent or other charges under this lease have been paid more than thirty (30) days in advance; (iv) stating whether or not Landlord is in default in performance of any covenant, agreement, term, provision or condition contained in this lease, and if so, specifying each such default; (v) confirming the Commencement Date and the scheduled Expiration Date under this lease; (vi) setting forth the amount of the Security Deposit then being held by Landlord, if any; (vii) certifying the amount of the thencurrent monthly Rent payments under this lease; (viii) certifying the terms of any remaining options of Tenant under this lease, including, to the extent applicable, any renewal, expansion (which, for purposes of this clause, shall be deemed to include any right of first refusal, right of offer and similar right to lease additional space), relocation, partial surrender, cancellation, purchase and similar options, if any; (ix) certifying that this lease has not been assigned by Tenant (or if any assignment has occurred, setting forth the date and material terms of such assignment and the identity of the parties thereto); (x) certifying that Tenant then occupies the entire Demised Premises and that no portion thereof has been sublet to any person or entity (or if any subletting has occurred, setting forth the date and material terms of such sublease and the identity of the parties thereto); and (xi) containing such other information as to the status of this lease as Landlord shall reasonably request. Tenant hereby acknowledges that the statement delivered pursuant hereto may be relied upon by any prospective purchaser or lessee of the Real Property or any interest or estate therein, any mortgagee or prospective mortgagee thereof, or any prospective assignee of any mortgage thereof. If, in connection with obtaining financing for the Real Property, a banking, insurance or other recognized institutional lender shall request reasonable modifications in this lease as a condition to such financing, Tenant will not unreasonably withhold, delay or defer its consent thereof, provided that such modifications do not increase the obligations of Tenant hereunder or materially adversely affect the leasehold interest hereby created. If, in connection with such financing, such institutional lender shall require financial audited information on the Tenant, Tenant shall promptly comply with such request.

(D) The Tenant covenants and agrees that if by reason of a default under any underlying lease (including an underlying lease through which the Landlord derives its leasehold estate in the premises), such underlying lease and the leasehold estate of the Landlord in the premises demised

hereby is terminated, providing notice has been given to the Tenant and leasehold mortgagee, the Tenant will attorn to the then holder of the reversionary interest in the premises demised by this lease or to anyone who shall succeed to the interest of the Landlord or to the lessee of a new underlying lease entered into pursuant to the provisions of such underlying lease, and will recognize such holder and/or such lessee as the Tenant's landlord of this lease. The Tenant agrees to execute and deliver, at any time and from time to time, upon the request of the Landlord or of the lessor under any such underlying lease, any instrument which may be necessary or appropriate to evidence such attornment. The Tenant further waives the provision of any statute or rule of law now or hereafter in effect which may give or purport to give the Tenant any right of election to terminate this lease or to surrender possession of the premises hereby in the event any proceeding is brought by the lessor under any underlying lease to terminate the same, and agrees that unless and until any such lessor, in connection with any such proceeding, shall elect to terminate this lease and the rights of the Tenant hereunder, this lease shall not be affected in any way whatsoever by any such proceeding.

(E) Within ninety (90) days following the full execution and delivery of this lease, Landlord shall obtain a Subordination, Attornment and Non-Disturbance Agreement (an "SNDA") from Landlord current mortgagee on such mortgagee's standard form. Tenant shall be responsible for paying (or reimbursing Landlord, as additional rent) for any fees or costs imposed by mortgagee's counsel in connection with the issuance and/or negotiation of any SNDA.

23. Property Loss, Damage Reimbursement. Landlord or its agents shall not be liable for any damages to property of Tenant or of others entrusted to employees of the Building, nor for the loss of or damage to any property of Tenant by theft or otherwise. Landlord or its agents shall not be liable for any injury or damage to persons or property resulting from fire, explosion, falling plaster, steam, gas, electricity, electrical disturbance, water, rain or snow or leaks from any part of the Building or from the pipes, appliances or plumbing works or from the roof, street or subsurface or from any other place or by dampness or by any other cause of whatsoever nature, unless caused by or due to the negligence of Landlord, its agents, servants or employees; nor shall Landlord or its agents be liable for any such damage caused by other tenants or persons in the Building or caused by operations in construction of any private, public or quasi-public work; nor shall Landlord be liable for any latent defect in the Demised Premises or in the Building. If at any time any windows of the Demised Premises are temporarily closed or darkened incident to or for the purpose of repairs, replacements, maintenance and/or cleaning in, on, to or about the Building or any part or parts thereof, Landlord shall not be liable for any damage Tenant may sustain thereby and Tenant shall not be entitled to any compensation therefor nor abatement of rent nor shall the same release Tenant from its obligations hereunder nor constitute an eviction. Tenant shall reimburse and compensate Landlord as additional rent for all expenditures (including, without limitation, reasonable attorneys' fees) made by, or damages or fines sustained or incurred by, Landlord due to non-performance or non-compliance with or breach or failure to observe any term, covenant or condition of this lease upon Tenant's part to be kept, observed, performed or complied with. Tenant shall give immediate notice to Landlord in case of fire or accidents in the Demised Premises or in the Building or of defects therein or in any fixtures or equipment.

Indemnity. (A) Tenant shall indemnify and save harmless Landlord against and from 24. any and all claims by or on behalf of any person or persons, firm or firms, corporation or corporations (including Landlord) arising from the conduct or management of or from any work or other thing whatsoever done (other than by Landlord or its contractors or the agents or employees of either) in and on the Demised Premises during any period of occupancy by Tenant including, without limitation, the Term of this lease and during the period of time, if any, prior to the specified commencement date that Tenant may have been given access to the Demised Premises for the purpose of making installations, and will further indemnify and save harmless Landlord against and from any and all claims or losses arising from any condition of the Demised Premises or Tenant's occupancy thereof due to or arising from any act or omissions or negligence of Tenant or any of its agents, contractors, servants, employees, licensees or invitees and against and from all costs, expenses, and liabilities incurred in connection with any such claim or loss or action or proceeding brought thereon (including reasonable attorney fees and costs); and in case any action or proceeding be brought against Landlord by reason of any such claim or loss, Tenant, upon notice from Landlord, agrees that Tenant, at Tenant's expense, will resist or defend such action or proceeding and will employ counsel therefor reasonably satisfactory to Landlord. Tenant's obligations under this Article 24 shall survive the expiration or earlier termination of the Term of this lease.

(B) Landlord shall indemnify and save harmless Tenant against and from any and all claims by or on behalf of any person or persons, firm or firms, corporation or corporations (including Landlord) arising from the negligence or willful misconduct of Landlord, its agents, contractors, servants, employees, in and on Building and Real Property, and against and from all costs, expenses, and liabilities incurred in connection with any such claim or loss or action or proceeding brought thereon (including reasonable attorney fees and costs); and in case any action or proceeding be brought against Tenant by reason of any such claim or loss, Landlord, upon notice from Tenant, agrees that Landlord, at Landlord's expense, will resist or defend such action or proceeding and will employ counsel therefor reasonably satisfactory to Tenant. Landlord's obligations under this Article 24 shall survive the expiration or earlier termination of the Term of this lease.

25. <u>Destruction - Fire or Other Casualty</u>. (A) If the Premises or any part thereof shall be damaged by fire or other casualty and Tenant gives prompt notice thereof to Landlord, Landlord shall proceed with reasonable diligence to repair or cause to be repaired such damage. The Rent shall be abated to the extent that the Premises shall have been rendered untenantable, such abatement to be from the date of such damage or destruction to the date the Premises shall be substantially repaired or rebuilt, in proportion which the area of the part of the Premises so rendered untenantable bears to the total area of the Premises.

(B) If the Premises shall be totally damaged or rendered wholly untenantable by fire or other casualty, and Landlord has not terminated this lease pursuant to Subsection (C) and Landlord has not completed the making of the required repairs and restored and rebuilt the Premises and/or access thereto within twelve (12) months from the date of such damage or destruction, and such additional time after such date (but in no event to exceed six (6) months) as shall equal the aggregate period Landlord

may have been delayed in doing so by unavoidable delays or adjustment of insurance, Tenant may serve notice on Landlord of its intention to terminate this lease, and, if within thirty (30) days thereafter Landlord shall not have completed the making of the required repairs and restored and rebuilt the Premises, this lease shall terminate on the expiration of such thirty (30) day period as if such termination date were the Expiration Date, and the Rent and additional rent shall be apportioned as of such date and any prepaid portion of Rent and additional rent for any period after such date shall be refunded by Landlord to Tenant.

(C) If the Premises shall be totally damaged or rendered wholly untenantable by fire or other casualty or if the Building shall be so damaged by fire or other casualty that substantial alteration or reconstruction of the Building shall, in Landlord's opinion, be required (whether or not the Premises shall have been damaged by such fire or other casualty), then in any of such events Landlord may, at its option, terminate this lease and the Term and estate hereby granted, by giving Tenant thirty (30) days notice of such termination within ninety (90) days after the date of such damage. In the event that such notice of termination shall be given, this lease and the Term and estate hereby granted, shall terminate as of the date provided in such notice of termination (whether or not the Term shall have commenced) with the same effect as if that were the Expiration Date, and the Rent and additional rent shall be apportioned as of such date or sooner termination and any prepaid portion of Rent and additional rent for any period after such date shall be refunded by Landlord to Tenant.

(D) Landlord shall not be liable for any inconvenience or annoyance to Tenant or injury to the business of Tenant resulting in any way from such damage by fire or other casualty or the repair thereof. Landlord will not carry insurance of any kind on Tenant's property, and Landlord shall not be obligated to repair any damage thereto or replace the same.

(E) This lease shall be considered an express agreement governing any case of damage to or destruction of the Building or any part thereof by fire or other casualty, and Section 227 of the Real Property Law of the State of New York providing for such a contingency in the absence of such express agreement, and any other law of like import now or hereafter enacted, shall have no application in such case.

26. Insurance. (a) Tenant shall obtain and keep in full force and effect during the Term, at its own cost and expense, (i) Commercial General Liability Insurance, on an occurrence basis, such insurance to afford protection in an amount of not less than One Million (\$1,000,000) Dollars coverage for bodily injury, death and property damage arising out of any one occurrence and Two Million (\$2,000,000) Dollars in the aggregate (such limit to apply on a "per location basis"), protecting Tenant as the insured and Landlord and its construction affiliate and management company, as well as any other parties whose names have been provided by Landlord to Tenant from time to time, as additional insureds (in a blanket endorsement form satisfactory to Landlord in its reasonable discretion) against any and all claims for personal injury, death or property damage, such insurance to provide primary coverage without contribution from any other insurance carried by or for the benefit of Landlord or any other party named as an additional insured; Such insurance shall include coverage for a blanket contractual liability covering the indemnification requirements of this lease and shall also include

Products/Completed Operations (ii) "All Risk" Property Insurance on Tenant's property (including those improvements and betterments of Tenant that remain Tenant's property pursuant to the provisions of this lease), (with Business Interruption coverage, including Loss of Rents insurance for all rent and additional rent payable under this lease for a period of twelve (12) months including "Extra Expense") insuring Tenant's property for the full insurable value thereof or replacement cost value thereof, whichever is greater; (iii) Workers Compensation Coverage and Employers Liability Coverage as required by law; (iv) New York DBL Coverage, as required by law; (v) Business Automobile Coverage in an amount of not less than One Million (\$1,000,000) Dollars combined single limit per accident for bodily injury or property damage (which policy form shall include coverage for "Any Auto" which includes autos owned, hired and non-owned); (vi) Umbrella Liability Coverage with limits of liability of not less than Five Million (\$5,000,000) Dollars per occurrence and general aggregate per location; and (vii) any other insurance required by law. All deductibles shall be paid by Tenant and shall not exceed \$5,000.00. None of Tenant's insurance policies may provide for a self-insured retention. Landlord may require Tenant to increase the limits of the liability coverage described in (i) above, from time to time, to that amount of insurance which in Landlord's reasonable judgment is then being customarily required by landlords for similar space in buildings in the municipality in which the Building is located.

(b) If a steam boiler is required by Tenant, then Tenant shall reimburse Landlord for the full premium which Landlord shall pay for a policy of boiler insurance, said reimbursement to be made by Tenant as additional rent at the same time as the next monthly installment of rent shall be due from Tenant after a notice from Landlord of the amount of the premium.

All insurance required to be carried by Tenant pursuant to the terms of this lease (c) (i) shall be written in form and substance satisfactory to Landlord by a good and solvent insurance company of recognized standing, admitted to do business in the State of New York, which shall be reasonably satisfactory to Landlord and shall be rated in Best's Insurance Guide or any successor thereto as having a Best's Rating of not less than "A" and a "Financial Size Category" of not less than "X", or if such ratings are not then in effect, the generally accepted equivalent thereof or such other financial rating as Landlord may at any time consider appropriate; and (ii) shall contain a provision that no act or omission of Tenant shall affect or limit the obligations of the insurance company to pay the amount of any loss sustained. Tenant shall procure, maintain and place such insurance and pay all premiums and charges therefor and upon failure to do so Landlord or any other additional insured party referred to above may, but shall not be obligated to, procure, maintain and place such insurance or make such payments, and in such event the Tenant agrees to pay the amount thereof, plus interest at the maximum rate permitted by law, to Landlord on demand and said sum shall be in each instance collectible as additional rent on the first day of the month following the date of payment by Landlord. Tenant shall cause to be included in all such insurance policies a provision to the effect that the same will be noncancelable and that no material change in coverage shall be made thereto unless Landlord and all additional insureds referred to above shall have received at least thirty (30) days prior written notice thereof by certified mail, return receipt requested. The original insurance policies or appropriate certificates (on the form currently designated "Accord Form 27" or its equivalent) shall be deposited with Landlord on or prior to the commencement of the Term hereof. Any renewals, replacements or

endorsements thereto shall also be deposited with Landlord to the end that said insurance shall be in full force and effect during the Term.

(d) Tenant shall cause each insurance policy carried by it and insuring its fixtures and contents, or the betterments and improvements made by Tenant, against loss by fire and other hazards to be written in a manner so as to provide that the insurer waives all right of recovery by way of subrogation against Landlord in connection with any loss or damage covered by any such policy or policies. Landlord shall not be liable to the Tenant for any loss or damage caused by fire or other hazards. If Tenant cannot obtain such waiver of subrogation provision, or if same is obtainable only by the payment of an additional premium, Tenant shall notify Landlord of such fact and Landlord shall have a period of ten (10) days from the receipt of such notice to either (a) place such insurance in companies which will carry such insurance with waiver of subrogation against Landlord and which are reasonably acceptable to Tenant or (b) agree to pay such additional premium if such subrogation waiver is obtainable at an additional cost, or (c) require Tenant to name Landlord as an additional insured.

(e) Landlord will cause each insurance policy carried by Landlord and insuring the Building and Demised Premises against loss by fire and other hazards to be written in such a manner so as to provide that the insurer waives all right of recovery by way of subrogation against Tenant in connection with any loss or damage covered by such policy or policies. Tenant shall not be liable to Landlord for any loss or damage caused by fire or other hazard. If Landlord cannot obtain such waiver of subrogation provision or if same is obtainable only by payment of an additional premium, Landlord shall notify Tenant of such fact and Tenant shall have a period of ten (10) days from the receipt of such notice to either (a) place such insurance in companies which will carry such insurance with waiver of such subrogation against Tenant and which are reasonably acceptable to Landlord, or (b) agree to pay such additional premium if such subrogation waiver is obtainable at additional cost, or (c) require Landlord to name Tenant as an additional insured.

(f) If Tenant shall at any time fail to maintain insurance as, and to the extent, required hereunder, Tenant hereby releases Landlord from all loss or damage which could have been covered by such insurance if Tenant had maintained such insurance, including the deductible and/or uninsured portion thereof. In no event, however, shall the foregoing clause increase the liability Landlord may otherwise have under this lease for such loss or damage.

(g) All insurance coverage shall be provided in compliance with the requirements herein and shall contain no non-standard, special, and/or unusual exclusions or restrictive endorsements without the prior written consent of Landlord.

27. <u>Eminent Domain</u>. (A) In the event that the whole of the Demised Premises shall be lawfully condemned or taken in any manner for any public or quasi-public use, this lease and the Term and estate hereby granted shall forthwith cease and terminate as of the date of vesting of title. In the event that only a part of the Demised Premises shall be so condemned or taken, then effective as of the date of vesting of title, the Rent hereunder shall be abated in an amount thereof apportioned according to the area of the Demised Premises so condemned or taken. In the event that only a part of

the Building shall be so condemned or taken, then (i) Landlord (whether or not the Demised Premises be affected) may, at its option, terminate this lease and the Term and estate hereby granted as of the date of such vesting of title by notifying Tenant in writing of such termination within sixty (60) days following the date on which Landlord shall have received notice of vesting of title, and (ii) if such condemnation or taking shall be of a substantial part of the Demised Premises or a substantial part of the means of access thereto, Tenant shall have the right, by delivery of notice in writing to Landlord within sixty (60) days following the date on which Tenant shall have received notice of vesting of title, or (iii) if neither Landlord nor Tenant elects to terminate this lease, as aforesaid, this lease shall be and remain unaffected by such condemnation or taking, except that the Rent shall be abated to the extent, if any, hereinabove provided in this Article 27. In the event that only a part of the Demised Premises shall be so condemned or taken and this lease and the Term and estate hereby granted are not terminated as hereinbefore provided, Landlord will, at its expense, restore the remaining portion of the Demised Premised as hereinbefore provided to the same condition as it was in prior to such condemnation or taking.

(B) In the event of a termination in any of the cases hereinabove provided, this lease and the Term and estate granted shall expire as of the date of such termination with the same effect as if that were the date hereinbefore set for the expiration of the Term of this lease, and the Rent hereunder shall be apportioned as of such date.

(C) In the event of any condemnation or taking hereinabove mentioned of all or part of the Building, Landlord shall be entitled to receive the entire award in the condemnation proceeding, including any award made for the value of the estate vested by this lease in Tenant, and Tenant hereby expressly assigns to Landlord any and all right, title and interest of Tenant now or hereafter arising in or to any such award or any part thereof, and Tenant shall be entitled to receive no part of such award, except that the Tenant may file a claim for any taking of nonmovable fixtures owned by Tenant and for moving expenses incurred by Tenant. It is expressly understood and agreed that the provisions of this Article 27 shall not be applicable to any condemnation or taking for governmental occupancy for a limited period.

28. <u>Nonliability of Landlord</u>. (A) If Landlord or a successor in interest is an individual (which term as used herein includes aggregates of individuals, such as joint ventures, general or limited partnerships or associations), such individual shall be under no personal liability with respect to any of the provisions of this lease. In no event shall Tenant attempt to secure any personal judgment against any such individual or any partner, employee or agent of Landlord by reason of such default by Landlord.

(B) If Landlord is in breach or default with respect to its obligations under this lease, Tenant shall look solely to the equity of such individual in the land and Building of which the Demised Premises form a part for the satisfaction of Tenant's remedies. The word "Landlord" as used herein means only the owner of the landlord's interest for the time being in the land and Building (or the owners of a lease of the Building or of the land and Building) of which the Premises form a part, and in the event of any sale of the Building and land of which the Demised Premises form a part, Landlord shall be and hereby is entirely freed and relieved of all covenants and obligations of Landlord hereunder and, it shall be deemed and construed without further agreement between the parties or between the parties and the purchaser of the Premises, that such purchaser has assumed and agreed to carry out any and all covenants and obligations of Landlord hereunder.

29. <u>Default</u>. (A) Upon the occurrence, at any time prior to or during the Demised Term, of any one or more of the following events (referred to as "Events of Default"):

(i) If Tenant shall default in the payment when due of any installment of Rent or in the payment when due of any regularly occurring additional rent, and such default shall continue for a period of ten (10) days after notice by Landlord to Tenant of such default; or

(ii) If Tenant shall default in the payment when due of any installment of additional rent (other than regularly occurring obligations), and such payment shall not have been made on or before the later to occur of: (a) ten (10) days after notice by Landlord to Tenant of such default, and (b) thirty (30) days after the date Landlord originally invoiced, billed or demanded such additional rent obligation; or

(iii) If Tenant has not, within three (3) days of notice from Landlord, commenced and diligently prosecuted the cure of a default, the continuation of which, is a threat to the safety or welfare of the building occupants or public;

(iv) If Tenant shall default in the observance or performance of any term, covenant or condition of this lease on Tenant's part to be observed or performed (other than the covenants for the payment of Rent and additional rent) and Tenant shall fail to remedy such default within ten (10) days after notice by Landlord to Tenant of such default, or if such default is of such a nature that it cannot be completely remedied within said period of ten (10) days and Tenant shall not commence within said period of ten (10) days, or shall not thereafter diligently prosecute to completion, all steps necessary to remedy such default; or

(v) If Tenant shall file a voluntary petition in bankruptcy or insolvency, or shall be adjudicated a bankrupt or become insolvent, or shall file any petition or answer seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under the present or any future federal bankruptcy code or any other present or future applicable federal, state or other statute or law, or shall make an assignment for the benefit of creditors or shall seek or consent to or acquiesce in the appointment of any trustee, receiver or liquidator of Tenant or of all or any part of Tenant's property; or

(vi) If, within sixty (60) days after the commencement of any proceeding against Tenant, whether by the filing of a petition or otherwise, seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under the present or any future federal bankruptcy code or any other present or future applicable federal, state or other statute

or law, such proceedings shall not have been dismissed, or if, within sixty (60) days after the appointment or any trustee, receiver or liquidator of Tenant, or of all or any part of Tenant's property, such appointment shall not have been vacated or otherwise discharged, or if any execution or attachment shall be issued against Tenant or any of Tenant's property pursuant to which the Demised Premises shall be taken or occupied or attempted to be taken or occupied; or

(vii) If Tenant shall default in the observance or performance of any term, covenant or condition on Tenant's part to be observed or performed under any other lease with Landlord of space in the Building and such default shall continue beyond any grace period set forth in such other lease for the remedying of such default; or

(viii) If the Demised Premises shall become vacant, deserted or abandoned for a period of ten (10) consecutive days; or

(ix) If Tenant's interest in this lease shall devolve upon or pass to any person, whether by operation of law or otherwise, except as expressly permitted under Article 20;

then, upon the occurrence, at anytime prior to or during the Demised Term, of any one or more of such Events of Default, Landlord, at any time thereafter, at Landlord's option, may give to Tenant a three (3) days' notice of termination of this lease and, in the event such notice is given, this lease and the Term shall come to an end and expire (whether or not said term shall have commenced) upon the expiration of said three (3) days with the same effect as if the date of expiration of said three (3) days were the Expiration Date, but Tenant shall remain liable for damages as provided in Article 31.

(B) If, at any time (i) Tenant shall be comprised of two (2) or more persons, or (ii) Tenant's obligations under this lease shall have been guaranteed by any person other than Tenant, or (iii) Tenant's interest in this lease shall have been assigned, the word "Tenant", as used in subsection (iii) and (iv) of Article 29(A), shall be deemed to mean any one or more of the persons primarily or secondarily liable for Tenant's obligations under this lease. Any monies received by Landlord from or on behalf of Tenant during the pendency of any proceeding of the types referred to in said subsections (iii) and (iv) shall be deemed paid as compensation for the use and occupation of the Demised Premises and the acceptance of such compensation by Landlord shall not be deemed an acceptance of Rent or a waiver on the part of Landlord of any rights under Section 29(A).

30. <u>Termination on Default</u>. (A) If an Event of Default shall occur and this lease and the Demised Term shall expire and come to an end as provided in Article 29:

(i) Landlord and its agents and servants may immediately, or at any time after such default or after the date upon which this lease and the Demised Term shall expire and come to an end, re-enter the Demised Premises or any part thereof, without notice, either by summary proceedings or by any other applicable action or proceeding, or by force or other means provided such force or other means are lawful (without being liable to indictment, prosecution or damages therefor), and may repossess the Demised Premises and dispossess Tenant and any other persons from the Demised Premises and remove any and all of their property and effects from the Demised Premises; and

(ii) Landlord, at Landlord's option, may relet the whole or any part or parts of the Demised Premises from time to time, either in the name of Landlord or otherwise, to such tenant or tenants, for such term or terms ending before, on or after the Expiration Date, at such rental or rentals and upon such other conditions, which may include concessions and free rent periods, as Landlord, in its sole discretion, may determine. Landlord shall have no obligation to relet the Demised Premises or any part thereof and shall in no event be liable for refusal or failure to relet the Demised Premises or any part thereof, or, in the event of any such reletting, for refusal or failure to collect any rent due upon any such reletting, and no such refusal or failure shall operate to relieve Tenant of any liability under this lease or otherwise to affect any such liability; Landlord, at Landlord's option, may make such repairs, replacements, alterations, additions, improvements, decorations and other physical changes in and to the Demised Premises as Landlord, in its sole discretion, considers advisable or necessary in connection with any such reletting or proposed reletting, without relieving Tenant of any liability under this lease or otherwise affecting any such liability. Notwithstanding the foregoing, Landlord shall use commercially reasonable efforts to re-let the Demised Premises following a termination by Landlord under this Article. In undertaking such efforts, Landlord shall be only obligated to list and show the Demised Premises together with its other vacancies and shall not be obligated to give the Demised Premises any preference over leasing any other vacant space.

(B) Tenant, on its own behalf and on behalf of all persons claiming through or under Tenant, including all creditors, does hereby waive any and all rights which Tenant and all such persons might otherwise have under any present or future law to redeem the Demised Premises, or to re-enter or repossess the Demised Premises, or to restore the operation of this lease, after (i) Tenant shall have been dispossessed by a judgment or by warrant of any court or judge, or (ii) any re-entry by Landlord, or (iii) any expiration or termination of this lease and the Demised Term, whether such dispossess, re-entry, expiration or termination shall be by operation of law or pursuant to the provisions of this lease. In the event of a breach or threatened breach by Tenant or any persons claiming through or under Tenant, of any term, covenant or condition of this lease on Tenant's part to be observed or performed, Landlord shall have the right to enjoin such breach and the right to invoke any other remedy allowed by law or in equity as if re-entry, summary proceeding and other special remedies were not provided in this lease for such breach. The rights to invoke the remedies hereinbefore set forth are cumulative and shall not preclude Landlord from invoking any other remedy allowed at law or in equity.

31. <u>Damages</u>. (A) If this lease and the Demised Term shall expire and come to an end as provided in Article 29 or by or under any summary proceeding or any other action or proceeding, or if Landlord shall re-enter the Demised Premises as provided in Article 30 or by or under any summary proceedings or any other action or proceeding, then, in any of said events:

(i) Tenant shall pay to Landlord all Rent, additional rent and other charges payable under this lease by Tenant to Landlord to the date upon which this lease and the Demised Term

shall have expired and come to an end or to the date of re-entry upon the Demised Premises by Landlord, as the case may be; and

(ii) Tenant shall also be liable for and shall pay to Landlord, as damages, any deficiency (referred to as "Deficiency") between the Rent and additional rent reserved in this lease for the period which otherwise would have constituted the unexpired portion of the Demised Term and the net amount, if any, of rents collected under any reletting effected pursuant to the provisions of Section 30(A) for any part of such period (first deducting from the rents collected under any such reletting all of Landlord's expenses in connection with the termination of this lease or Landlord's re-entry upon the Demised Premises and with such reletting including, but not limited to, all repossession costs, brokerage commissions, legal expenses, attorneys' fees, alteration costs and other expenses of preparing the Demised Premises for such reletting). Any such Deficiency shall be paid in monthly installments by Tenant on the days specified in this lease for payment of installments of Rent. Landlord shall be entitled to recover from Tenant each monthly Deficiency as the same shall arise, and no suit to collect the amount of the Deficiency for any month shall prejudice Landlord's rights to collect the Deficiency for any subsequent month by a similar proceeding; and

(iii) At any time after the Demised Term shall have expired and come to an end or Landlord shall have re-entered upon the Demised Premises, as the case may be, whether or not Landlord shall have collected any monthly Deficiencies as aforesaid, Landlord shall be entitled to recover from Tenant, and Tenant shall pay to Landlord, on demand, as and for liquidated and agreed final damages, a sum equal to the amount by which the Rent and additional rent reserved in this lease for the period which otherwise would have constituted the unexpired portion of the Demised Term exceeds the then fair and reasonable rental value of the Demised Premises for the same period, both discounted to present worth at the rate of four (4%) per cent per annum. If, before presentation of proof of such liquidated damages to any court, commission, or tribunal, the Demised Premises, or any part thereof, shall have been relet by Landlord for the period which otherwise would have constituted the unexpired portion of the Demised Term, or any part thereof, the amount of Rent reserved upon such reletting shall be deemed, prima facie, to be the fair and reasonable rental value for the part or the whole of the Demised Premises so relet during the term of the reletting.

(B) If the Demised Premises, or any part thereof, shall be relet together with other space in the Building, the rents collected or reserved under any such reletting and the expenses of any such reletting shall be equitably apportioned for the purposes of this Article 31. Tenant shall in no event be entitled to any rents collected or payable under any reletting, whether or not such rents shall exceed the rent reserved in this lease. Solely for the purposes of this Article, the term "Rent" as used in Section 31(A) shall mean the rent in effect immediately prior to the date upon which this lease and the Demised Term shall have expired and come to an end, or the date of re-entry upon the Demised Premises by Landlord, as the case may be, plus any additional rent payable pursuant to the provisions of Article 11 for the Escalation Year (as defined in Article 11) immediately preceding such event. Nothing contained in Articles 29 and 30 of this lease shall be deemed to limit or preclude the recovery by Landlord from Tenant of the maximum amount allowed to be obtained as damages by any statute or rule of law, or of

any sums or damages to which Landlord may be entitled in addition to the damages set forth in Section 31(A).

32. Sums Due Landlord. If Tenant shall default in the performance of any covenants on Tenant's part to be performed under this lease, Landlord may immediately, or at anytime thereafter, without notice, and without thereby waiving such default, perform the same for the account of Tenant and at the expense of Tenant. If Landlord at any time is compelled to pay or elects to pay any sum of money, or do any act which will require the payment of any sum of money by reason of the failure of Tenant to comply with any provision hereof, or, if Landlord is compelled to or elects to incur any expense, including reasonable attorneys' fees, instituting, prosecuting and/or defending any action or proceeding instituted by reason of any default of Tenant hereunder, the sum or sums so paid by Landlord, with all interest, costs and damages, shall be deemed to be additional rent hereunder and shall be due from Tenant to Landlord on the first day of the month following the incurring of such respective expenses or, at Landlord's option, on the first day of any subsequent month. Any sum of money (other than rent) accruing from Tenant to Landlord pursuant to any provisions of this lease, including, but not limited to, extra work orders requested by Tenant, whether prior to or after the Commencement Date, may, at Landlord's option, be deemed additional rent, and Landlord shall have the same remedies for Tenant's failure to pay any item of additional rent when due as for Tenant's failure to pay any installment of Rent when due. Tenant's obligations under this Article shall survive the expiration or sooner termination of the Demised Term. In any case in which the Rent or additional rent is not paid within five (5) days of the day when same is due, Tenant shall pay a late charge equal to 8-1/2 cents for each dollar so due, and in addition thereto, the sum of \$100.00 for the purpose of defraying expenses incident to the handling of such delinquent account. This late payment charge is intended to compensate Landlord for its additional administrative costs resulting from Tenant's failure to pay in a timely manner and has been agreed upon by Landlord and Tenant as a reasonable estimate of the additional administrative costs that will be incurred by Landlord as a result of Tenant's failure as the actual cost in each instance is extremely difficult, if not impossible, to determine. This late payment charge will constitute liquidated damages and will be paid to Landlord together with such unpaid amounts. The payment of this late payment charge will not constitute a waiver by Landlord of any default by Tenant under this lease. In addition, Tenant shall reimburse Landlord for any and all reasonable attorney fees incurred by Landlord in connection with the preparation, review, negotiation and/or consummation of any amendment, modification, agreement or other understanding made at the request of, or as an accommodation to, Tenant with respect to this lease.

33. <u>No Waiver</u>. No act or thing done by Landlord or Landlord's agents during the term hereby demised shall be deemed an acceptance of a surrender of said Demised Premises, and no agreement to accept such surrender shall be valid unless in writing signed by Landlord. No employee of Landlord or of Landlord's agents shall have any power to accept the keys of the Demised Premises prior to the termination of this lease. The delivery of keys to any employee of Landlord or of Landlord's agents shall not operate as a termination of this lease or a surrender of the Demised Premises. In the event Tenant shall at any time desire to have Landlord underlet the Demised Premises for Tenant's account, Landlord or Landlord's agents are authorized to receive said keys for such purposes without releasing Tenant from any of the obligations under this lease, and Tenant hereby relieves Landlord of

any liability for loss of or damage to any of Tenant's effects in connection with such underletting. Notwithstanding anything contained to the contrary in this lease, except for Tenant's liability pursuant to Article 16(B) hereof, each party hereby waives any right to recover against the other party any indirect, consequential, special, punitive or incidental damages against the other party in any cause of action, proceeding or claim arising out of, or in connection with, this lease. The failure of Landlord to seek redress for violation of, or to insist upon the strict performance of, any covenants or conditions of this lease, or any of the Rules and Regulations annexed hereto and made a part hereof or hereafter adopted by Landlord, shall not prevent a subsequent act, which would have originally constituted a violation, from having all the force and effect of an original violation. The receipt by Landlord of rent with knowledge of the breach of any covenant of this lease shall not be deemed a wavier of such breach. The failure of Landlord to enforce any of the Rules and Regulations annexed hereto and made a part hereof, or hereafter adopted, against Tenant and/or any other tenant in the Building shall not be deemed a waiver of any such Rules and Regulations. No provision of this lease shall be deemed to have been waived by Landlord, unless such waiver be in writing signed by waiving party. No payment by Tenant or receipt by Landlord of a lesser amount then the monthly Rent herein stipulated shall be deemed to be other than on account of the earliest stipulated Rent nor shall any endorsement or statement on any check or any letter accompanying any check or payment of Rent be deemed an accord and satisfaction, and Landlord may accept such check or payment without prejudice to Landlord's right to recover the balance of such Rent or pursue any other remedy in this lease provided.

34. <u>Waiver of Trial by Jury</u>. To the extent such waiver is permitted by law, Landlord and Tenant hereby waive trial by jury in any action, proceeding or counterclaim brought by Landlord or Tenant against the other on any matter whatsoever arising out of or in any way connected with this lease, the relationship of landlord and tenant, the use or occupancy of the Demised Premises by Tenant or any person claiming through or under Tenant, any claim of injury or damage, and any emergency or other statutory remedy. The provisions of the foregoing sentence shall survive the expiration or any sooner termination of the Demised Term. If Landlord commences any summary proceeding for nonpayment, Tenant agrees not to interpose any counterclaim of whatever nature or description in any such proceeding or to consolidate such proceeding with any other proceeding.

Tenant hereby expressly waives any and all rights of redemption granted by or under any present or future laws in the event of Tenant being evicted or dispossessed for any cause, or in the event of Landlord's obtaining possession of the Demised Premises, by reason of the violation by Tenant of any of the covenants and conditions of this lease or otherwise.

35. Notices. Except as otherwise expressly provided in this lease, any bills, statements, notices, demands, requests or other communications (other than bills, statements or notices given in the regular course of business) given or required to be given under this lease shall be effective only if rendered or given in writing, sent by registered or certified mail (return receipt requested) or by nationally recognized courier, addressed (A) to Tenant (i) at Tenant's address set forth in this lease if mailed prior to Tenant's taking possession of the Demised Premises, or (ii) at the Building if mailed subsequent to Tenant's taking possession of the Demised Premises, or (iii) at any place where Tenant or any agent or employee of Tenant may be found if mailed subsequent to Tenant's vacating, deserting,

abandoning or surrendering the Demised Premises, or (B) to Landlord, at Landlord's address set forth in this lease, or (C) addressed to such other address as either Landlord or Tenant may designate as its new address for such purpose by notice given to the other in accordance with the provisions of this Article. A copy of all notices sent to Tenant shall be sent to Catholic Health Services of Long Island, Attention: Executive Vice President and General Counsel, 992 North Village Avenue, Rockville Centre, New York 11570. Any such bills, statements, notices, demands, requests or other communications shall be deemed to have been rendered or given on the date when it shall have been delivered or rejected.

36. <u>Inability to Perform</u>. If, by reason of strikes or other labor disputes, fire or other casualty (or reasonable delays in adjustment of insurance), accidents, orders or regulations of any Federal, State, County or Municipal authority, or any other cause beyond Landlord's reasonable control, whether or not such other cause shall be similar in nature to those hereinbefore enumerated, Landlord is unable to furnish or is delayed in furnishing any utility or service required to be furnished by Landlord under the provisions of this lease or any collateral instrument or is unable to perform or make or is delayed in performing or making any installations, decorations, repairs, alterations, additions or improvements, whether or not required to be performed or made under this lease, or under any collateral instrument, or is unable to fulfill or is delayed in fulfilling any of Landlord's other obligations under this lease, or any collateral instrument or diminution of rent, or relieve Tenant from any of its obligations under this lease, or impose any liability upon Landlord or its agents, by reason of inconvenience or annoyance to Tenant, or injury to or interruption of Tenant's business, or otherwise.

37. Interruption of Service. Landlord reserves the right to stop the services of the air conditioning, plumbing, electrical or other mechanical systems or facilities in the Building when necessary by reason of accident or emergency, or for repairs, testing, alterations or replacements, which, in the judgment of Landlord are desirable or necessary, until such repairs, alterations or replacements shall have been completed. If the Tenant is in default in the payment of the rent or additional rent, or in the performance of any other provisions of this lease, and such default continues for ten (10) days after notice by Landlord to Tenant, then Landlord reserves the right to discontinue any or all of the services to the Demised Premises during the continuance of such default. The exercise of such rights by Landlord shall not constitute an actual or constructive eviction, in whole or in part, or entitle Tenant to any abatement or diminution of rent, or relieve Tenant from any of its obligations under this lease, or impose any liability upon Landlord or its agents by reason of inconvenience or annoyance to Tenant, or injury to or interruption of Tenant's business or otherwise.

38. <u>Conditions of Landlord's Liability</u>. In addition to the requirements for constructive eviction imposed by law, Tenant shall not be entitled to claim a constructive eviction from the Demised Premises unless Tenant shall have first notified Landlord of the condition or conditions giving rise thereto, and if the complaints be justified, unless Landlord shall have failed to remedy such conditions within a reasonable time after receipt of such notice.

39. <u>Tenant's Taking Possession</u>. Tenant, by entering into occupancy of the Premises, shall be conclusively deemed to have agreed that Landlord, up to the time of such occupancy has performed all of its obligations hereunder and that the Premises were in satisfactory condition as of the date of such occupancy, unless within ten (10) days after the such date Tenant shall have given written notice to Landlord specifying the respects in which the same were not in such condition.

40. Intentionally Omitted.

Entire Agreement. This lease (including the Schedules and Exhibits annexed hereto) 41. contains the entire agreement between the parties and all prior negotiations and agreements are merged herein. Tenant hereby acknowledges that neither Landlord nor Landlord's agent or representative has made any representations or statements, or promises, upon which Tenant has relied, regarding any matter or thing relating to the Building, the land allocated to it (including the parking area) or the Demised Premises, or any other matter whatsoever, except as is expressly set forth in this lease, including, but without limiting the generality of the foregoing, any statement, representation or promise as to the fitness of the Demised Premises for any particular use, the services to be rendered to the Demised Premises, or the prospective amount of any item of additional rent. No oral or written statement, representation or promise whatsoever with respect to the foregoing or any other matter made by Landlord, its agents or any broker, whether contained in an affidavit, information circular, or otherwise, shall be binding upon the Landlord unless expressly set forth in this lease. No rights, easements or licenses are or shall be acquired by Tenant by implication or otherwise unless expressly set forth in this lease. This lease may not be changed, modified or discharged, in whole or in part, orally, and no executory agreement shall be effective to change, modify or discharge, in whole or in part, this lease or any obligations under this lease, unless such agreement is set forth in a written instrument executed by the party against whom enforcement of the change, modification or discharge is sought. All references in this lease to the consent or approval of Landlord shall be deemed to mean the written consent of Landlord, or the written approval of Landlord, as the case may be, and no consent or approval of Landlord shall be effective for any purpose unless such consent or approval is set forth in a written instrument executed by Landlord. Landlord and Tenant understand, agree and acknowledge that this lease has been freely negotiated by both parties and that, in the event of any controversy, dispute, or contest over the meaning, interpretation, validity, or enforceability of this lease or any of its terms and conditions, there shall be no inference, presumption or conclusion drawn whatsoever against either party by virtue of that party having drafted this lease or any portion hereof.

Tenant shall not record this lease (nor a memorandum thereof). In the event that Tenant violates this prohibition against recording, Landlord, at its option, may terminate this lease or may declare Tenant in default under this lease and pursue any or all of Landlord's remedies provided in this lease

42. <u>Definitions</u>. The words "re-enter", "re-entry", and "re-entered" as used in this lease are not restricted to their technical legal meanings. The term "business days" as used in this lease shall exclude Saturdays (except such portion thereof as is covered by specific hours in Article 6 hereof), Sundays and all days observed by the State or Federal Government as legal holidays. The terms "person" and "persons" as used in this lease shall be deemed to include natural persons, firms, corporations, partnerships, associations and any other private or public entities, whether any of the foregoing are acting on their behalf or in a representative capacity. The various terms which are defined in other Articles of this lease or are defined in Schedules or Exhibits annexed hereto, shall have the meanings specified in such other Articles, Exhibits and Schedules for all purposes of this lease and all agreements supplemental thereto, unless the context clearly indicates the contrary.

Partnership Tenant. If Tenant is a partnership (or is comprised of two (2)or more 43. persons, individually or as co-partners of a partnership) or if Tenant's interest in this lease shall be assigned to a partnership (or to two (2) or more persons, individually or as co-partners of a partnership) pursuant to Article 20 (any such partnership and such persons are referred to in this Section as "Partnership Tenant"), the following provisions of this Section shall apply to such Partnership Tenant: (a) the liability of each of the parties comprising Partnership Tenant shall be joint and several, and (b) each of the parties comprising Partnership Tenant hereby consents in advance to, and agrees to be bound by, any modifications of this lease which may hereafter be made, and by any notices, demands, requests or other communications which may hereafter be given, by Partnership Tenant or by any of the parties comprising Partnership Tenant, and (c) any bills, statements, notices, demands, requests and other communications given or rendered to Partnership Tenant or to any of the parties comprising Partnership Tenant shall be deemed given or rendered to Partnership Tenant and to all such parties and shall be binding upon Partnership Tenant and all such parties, and (d) if Partnership Tenant shall admit new partners, all of such new partners shall, by their admission to Partnership Tenant, be deemed to have assumed performance of all of the terms, covenants and conditions of this lease on Tenant's part to be observed and performed, and (e) Partnership Tenant shall give prompt notice to Landlord of the admission of any such new partners, and upon demand of Landlord, shall cause each such new partner to execute and deliver to Landlord an agreement in form satisfactory to Landlord, wherein each such new partner shall assume performance of all of the terms, covenants and conditions of this lease on Tenant's part to be observed and performed (but neither Landlord's failure to request any such agreement nor the failure of any such new partner to execute or deliver any such agreement to Landlord shall vitiate the provisions of subdivision (d) of this Section).

44. <u>Successors, Assigns, Etc.</u>. The terms, covenants, conditions and agreements contained in this lease shall bind and inure to the benefit of Landlord and Tenant and their respective heirs, distributees, executors, administrators, successors, and, except as otherwise provided in this lease, their respective assigns.

45. <u>Broker</u>. Tenant represents that this lease was brought about by Colliers International LI, Inc. as broker (the "Broker") and all negotiations with respect to this lease were conducted exclusively with the Broker. Tenant agrees that if any claim is made for commissions by any other broker through or on account of any acts of Tenant, Tenant will indemnify, defend and hold Landlord free and harmless from any and all liabilities and expenses in connection therewith, including Landlord's reasonable attorney's fees. With respect to the foregoing, in the event Tenant elects to use any broker (the "New Broker") other than or together with the Broker in connection with the extension of this lease (whether by way of a renewal option or a separate extension agreement), Tenant shall be responsible for (and indemnify Landlord against) the commission claimed by the New Broker and any liabilities and expenses, including reasonable attorney fees, incurred by Landlord with respect thereto.

46. <u>Captions</u>. The captions in this lease are included only as a matter of convenience and for reference, and in no way define, limit or describe the scope of this lease nor the intent of any provisions thereof.

47. <u>Notice of Accidents</u>. Tenant shall give notice to Landlord, promptly after Tenant learns thereof, of (i) any accident in or about the Premises, (ii) all fires and other casualties within the Premises, (iii) all damages to or defects in the Premises, including the fixtures, equipment and appurtenances thereof for the repair of which Landlord might be responsible, and (iv) all damage to or defects in any parts or appurtenances of the Building's sanitary, electrical, heating, ventilating, air-conditioning, elevator and other systems located in or passing through the Premises or any part thereof.

48. <u>Tenant's Authority to Enter Lease</u>. In the event that the Tenant hereunder is a corporation, Tenant represents that the officer or officers executing this lease have the requisite authority to do so. Tenant agrees to give Landlord written notice of any proposed change in the ownership of the majority of the outstanding capital stock of Tenant or any change in the ownership of the majority of the assets of Tenant. Failure of Tenant to give the notice provided for in the preceding sentence shall be deemed a non-curable default by Tenant pursuant to this lease (that is, a default which has already extended beyond the applicable grace period, if any, following notice from Landlord), giving Landlord the right, at its option, to cancel and terminate this lease or to exercise any and all other remedies available to Landlord hereunder or as shall exist at law or in equity.

49. <u>Intentionally Omitted.</u>

50. <u>Governing Law.</u> This lease shall be construed in accordance with and governed by the internal laws (without reference to choice or conflict of laws) of the State of New York. In respect of any dispute between the parties regarding the subject matter hereof, the parties hereby irrevocably consent and submit to <u>in personam</u> jurisdiction in the courts of New York, located in the county in which the Building is located, including the United States courts located in said county, and to all proceedings in such courts. The parties hereby agree that such courts shall be the venue and exclusive and proper forum in which to adjudicate any case or controversy arising either, directly or indirectly, under or in connection with this lease and that they will not contest or challenge the jurisdiction or venue of these courts.

51. <u>Renewal Option.</u> (a) Tenant shall have the right, to be exercised as hereinafter provided, to extend the term of this lease for one period of five (5) years (the "Renewal Term") upon the following terms and conditions: (i) that at the time of the exercise of such right and at the commencement of the Renewal Term, Tenant shall not be in default (beyond applicable notice and cure periods provided in this lease for the cure thereof) under this lease; (ii) that Tenant shall notify Landlord in writing that Tenant intends to exercise this option no earlier than the date that is eighteen (18) months prior to the Expiration Date and no later than the date that is twelve (12) months prior to the Expiration

Date; (iii) that at the time of the exercise of such right and at the commencement of the Renewal Term, Tenant shall not have assigned this lease or sublet any portion of the Demised Premises; and (iv) that the Renewal Term shall be upon the same terms, covenants and conditions as in this lease provided, except that: (A) there shall be no further option to extend this lease beyond the one (1) Renewal Term referred to above; (B) the Demised Premises shall be delivered in its then "as is" condition; and (C) the Rent to be paid by Tenant during the Renewal Term shall be as follows:

During the Renewal Term, the Rent shall equal the Fair Market Annual Minimum Rent (as hereinafter defined). Said Rent shall be payable in equal monthly installments.

(b) "Fair Market Annual Minimum Rent" shall mean the rate and annual escalations Landlord generally receives for new leases for comparable space in the Building as of the date which is six (6) months prior the Expiration Date. Fair Market Annual Minimum Rent shall not mean "net effective rent to Landlord". In determining fair market annual minimum rent, no adjustment shall be made in consideration of and Tenant shall not be entitled to a credit for Tenant improvements, brokerage commissions, rent concessions and other concessions which Landlord may typically offer to other tenants.

In the event Tenant disputes Landlord's determination of Fair Market Annual Minimum (c) Rent, Tenant, by written demand served upon Landlord within five (5) days after Landlord notifies Tenant of Landlord's determination of Fair Market Annual Minimum Rent, may commence arbitration strictly in accordance with the terms and conditions of this Subparagraph. If Tenant shall fail to demand arbitration as set forth above within said five (5) day period, Tenant shall be deemed to have accepted Landlord's determination of Fair Market Annual Minimum Rent. The sole issue to be determined by such arbitration shall be the Fair Market Annual Minimum Rent in accordance with this Subparagraph. The arbitration shall be conducted as follows: Within thirty (30) days after such written demand, each party will obtain and deliver to the other, an appraisal (each, an "Appraisal") a licensed appraiser with at least ten (10) years experience in the Nassau/Suffolk real estate market who is not an active real estate broker or salesperson. If the parties cannot agree upon the Fair Market Annual Minimum Rent within thirty (30) days of the delivery of the Appraisals, the two (2) Appraisers will select a third licensed appraiser meeting the same qualifications and the third appraiser shall select the determination contained in one of the two Appraisals. The appraisers will not have the power to add to, modify, detract from or alter in any way the provisions of this lease or any amendments or supplements to this lease. No appraiser is authorized to make an award for damages of any kind including, without limitation, an award for punitive, exemplary, consequential or incidental damages. Landlord and Tenant will pay for the services of its own appraiser and shall share the cost of the third appraiser, if applicable.

The decision of the third appraiser will be final and non-appealable and may be enforced according to the laws of the State of New York. Notwithstanding anything to the contrary contained herein, in the event Tenant disputes Landlord's determination of the Fair Market Annual Minimum Rent, Tenant shall nevertheless continue to pay rent at 1.03 times the Rent applicable with respect to the third month prior to the Expiration Date. In the event the rent as determined hereunder is at variance with the rent being paid by Tenant, Tenant shall either pay the difference in a lump sum or receive a credit as the case may be.

(d) Time shall be of the essence with respect to all of Tenant's obligations under this Article 51. This Renewal Option is personal to Catholic Health System of Long Island, Inc. d/b/a Catholic Health Services of Long Island and is non-transferable by operation of law or otherwise.

52. <u>Right of Offer.</u> (A) If: (i) any space in the Building having a floor area exceeding 5,000 square feet (the "Offer Space"), becomes vacant and available for lease during the Term of this lease, and (ii) Landlord has made a written counteroffer to a third party for the lease of the subject Offer Space (the "Counteroffer"), then before entering into a lease with such third party, Landlord shall, provided Tenant is not then in default under this lease, deliver to Tenant a notice ("Landlord's Offer Notice") notifying Tenant of the availability of the Offer Space with a copy of the Counteroffer (redacted to eliminate the name of the third party and other non-economic terms); provided, however, that Landlord shall not be liable to Tenant for any costs, expenses, damages or liabilities that are or may be incurred by Tenant by reason of Landlord's unintentional failure to so notify Tenant. The obligations of Landlord and rights and entitlements of Tenant under this Article shall not apply during the last five (5) years of the initial Term of this Lease or during the Renewal Term.

(B) If Tenant desires to lease the Offer Space, then Tenant must deliver to Landlord, within seven (7) business days following the giving of the Landlord's Offer Notice, a written notice ("Tenant's Acceptance Notice"), pursuant to which Tenant unequivocally and unconditionally accepts the subject offer and agrees to lease the entire Offer Space pursuant to the Offer Terms (as hereinafter defined). Any written communication from Tenant that purports to serve as Tenant's Acceptance Notice, but which contains language of equivocation or condition, shall be deemed to constitute a rejection by Tenant of the subject offer. If Tenant does not give such Tenant's Acceptance Notice within such seven (7) business day period, then the subject offer and the obligations of Landlord to Tenant with respect to the subject Offer Space (in whole or in separate portions) to a third party (or parties) on the same or any other terms and conditions, whether or not such terms and conditions are more or less favorable than those offered to Tenant, and Landlord shall not be required to re-offer such space (or any portion thereof) to Tenant, even in the event that Landlord divides the Offer Space and leases each portion separately.

(C) The term "Offer Terms" shall mean the then current terms, covenants and conditions in this lease contained with respect to the original Demised Premises, except that (i) the definition of the terms "Demised Premises" and "Premises" shall be expanded to include the subject Offer Space; (ii) the Term of this lease, as it relates to the subject Offer Space, shall commence upon Landlord tendering to Tenant vacant possession of the subject Offer Space and shall expire on the Expiration Date (unless sooner terminated or unless extended pursuant to a valid renewal option); (iii) the Rent for the Offer Space shall be the rental, rental increases and rental concessions, if any, set by Landlord in the Counteroffer; (iv) the "Tenant's Proportionate Share" under this lease shall be appropriately increased so as to account for the additional rentable square footage attributable to the subject Offer Space; (v) unless otherwise stated in the Counteroffer, the Offer Space shall be delivered

in its then "as is" condition and Landlord shall not be required to perform any work, make any installations, incur any expense (whether by way of tenant improvement allowance, rent concession or otherwise) in or with respect to the Offer Space in order to prepare same for occupancy by Tenant; and (vi) such other terms as may be set forth in the Counteroffer.

(D) Tenant's leasing of the subject Offer Space through timely and proper delivery of Tenant's Acceptance Notice shall be self-operative and no additional document of confirmation of such leasing shall be necessary; provided, however, that if requested by Landlord, then Landlord and Tenant shall enter into a formal amendment to this lease in order to confirm the modifications effected by Tenant's acceptance of the offer made in Landlord's Offer Notice (the "Offer Amendment"). Failure by Tenant to execute and deliver the Offer Amendment within thirty (30) days of presentment thereof by or on behalf of Landlord shall empower (but not obligate) Landlord to nullify Tenant's delivery of Tenant's Acceptance Notice (and the leasing of the Offer Space by Tenant) upon ten (10) days prior written notice to Tenant.

(E) Time shall be of the essence with respect to all dates and time periods set forth in this Article.

(F) The rights and entitlements established for Tenant under this Article are personal to Catholic Health System of Long Island, Inc. d/b/a Catholic Health Services of Long Island, are non-transferable by operation of law or otherwise, and are subject to currently existing rights, if any, granted to other tenants at the Building.

Subject to the requirements and conditions of this Paragraph, Tenant shall 53. Generator. have the exclusive right to use that certain Catepiller-Olympian D125P1 (Serial No. #OLY00000CNTA01065), 125 kw (3 phase/ 600 Gallon tank) generator (the "Generator") originally installed by BBB. Landlord shall deliver the Generator in good working order. Tenant shall, at its own cost and expense, maintain, test and repair the Generator and keep same in good condition throughout the term of this lease. However, testing of the Generator may only be performed at the times and in the manner designated by Landlord (which times are likely to be outside of customary working hours). Tenant hereby acknowledges and agrees that the indemnification obligations of Tenant under this lease shall specifically extend to any and all claims, causes of action, damages, liabilities, losses, costs and expenses (including reasonable attorney fees and disbursements) relating to the Generator and/or arising out of or in connection with the operation, repair, maintenance or testing of the Generator. Tenant shall not be entitled to any abatement or reduction in the rental required under this lease if for any reason Tenant is unable to use the Generator. At the expiration or sooner termination of this lease, Tenant shall leave the Generator in place and cause same to be in good working order, subject to reasonable wear and tear. Tenant hereby acknowledges and agrees that Landlord makes no warranty, express or implied, regarding the condition, sufficiency, capacity or fitness for a particular purpose of the Generator.

54. <u>Initial Exterior Maintenance</u>. Landlord shall perform the following, at Landlord's cost and expense: (a) the resealing and the restriping of the parking lot, excluding the courtyard and the

south parking lot, (b) the power washing of the exterior of the Building, and (c) the trimming of the trees and shrubs, as needed, on the Real Property. Landlord shall complete the foregoing prior to the Commencement Date.

Upon request by Tenant in accordance herewith during the term of 55. Satellite Dish. this lease, Tenant may (subject to the terms hereof), at its own cost and expense, install, operate, and maintain a satellite dish (hereinafter the "Satellite Dish") on the roof of the Building in a location to be designated by Landlord. The installation of the Satellite Dish shall be deemed an alteration under Article 14 and shall be performed in strict accordance with same. Tenant's right to install and operate the Satellite Dish as set forth above shall be subject to the prior written approval of Landlord. Tenant shall submit to Landlord, along with its request to install the Satellite Dish, (i) plans and specifications for the installation of the Satellite Dish, (ii) copies of all necessary governmental and quasigovernmental permits, licenses and authorizations for the installation of such Satellite Dish, which the Tenant shall obtain at its own expense; and (iii) a certificate of insurance evidencing insurance coverage as required by this lease and any other insurance reasonably required by the Landlord for the installation and operation of the Satellite Dish. The Landlord may withhold its approval to the installation and operation of the Satellite Dish if such installation and/or operation of the Satellite Dish may damage the structural integrity of the Building, interfere with any service provided by the Landlord or any tenant, interfere with any other tenant's business or reduce the amount of leasable space in the Building, if such installation, and/or operation shall be in violation of any of the terms hereof. The installation and size of such Satellite Dish shall meet the specifications of Landlord and the Federal Communications Commission and shall comply with all other governmental requirements (local, state and federal) and all reasonable requirements of Landlord. In no event shall the Satellite Dish be more than eighteen (18") inches in diameter. Tenant shall, at its own cost and expense, maintain and repair the Satellite Dish and keep same in good condition for as long as same is installed and remains. Tenant covenants and agrees that neither the Tenant nor its Agents will cause any damage to the roof during the installation and operation of the Satellite Dish. If Landlord's insurance premium or Taxes for the Building are increased as a result of the Satellite Dish, Tenant shall pay such increase each year, as additional rent, upon receipt of a bill from the Landlord. Tenant shall have no right to an abatement or reduction in the amount of rent set forth in the Lease if for any reason the Tenant is unable to use the Satellite Dish. Tenant covenants and agrees that the installation, operation and removal of the Satellite Dish will be at its sole risk. The Tenant agrees to indemnify and defend the Landlord against all claims, actions, damages, liability and expenses (including reasonable attorneys' fees) in connection with the loss of life, personal injury, damage to property or business or any other loss or injury arising out of the installation, operation or removal of the Satellite Dish. The Tenant agrees to indemnify the Landlord for all costs and expenses (including reasonable attorneys' fees) incurred as a result of any litigation concerning the Satellite Dish. Landlord, at its sole option, may require the Tenant, at any time prior to the expiration of this lease, to terminate the operation of the Satellite Dish and to remove the Satellite Dish at Tenant's sole expense if it is causing physical damage to the structural integrity of the Building, interfering with any other service provided by the Building, or interfering with any other tenant's business. At the expiration or sooner termination of this lease or upon termination of the operation of the Satellite Dish by Landlord, Tenant or otherwise, Tenant shall be required to remove the Satellite Dish from the Building, at its own cost, on or prior to such date. The Tenant shall repair all damage attributable to the installation or removal of such Satellite Dish and shall leave the portion of the Building where the Satellite Dish was located in good order and repair, reasonable wear and tear excepted. If the Tenant does not promptly remove the Satellite Dish when so required, the Tenant hereby authorizes the Landlord to remove and dispose of the Satellite Dish and charge the Tenant for all costs and expenses incurred thereby. The Tenant agrees that the Landlord shall not be liable for any property (including the Satellite Dish) disposed of or removed by the Landlord in accordance herewith.

IN WITNESS WHEREOF, Landlord and Tenant have respectively signed and sealed this lease as of the day and year first above written.

| Landlord: | 110 BI-COUNTY BOULEVARD, LLC By: Rechler Equity I LLC, its managing member By: Rechler Equity MM I LLC, its managing member By: Rechler Equity LLC its managing member By: Mame: Network Recher Title: March Recher |
|-----------|--|
| Tenant: | CATHOLIC HEALTH SYSTEM OF LONG ISLAND, INC. d/b/a Catholic Health Services of Long Island By: Name: JOSEPH J TOMAINO Title: EXECUTIVE VICE PRESIDENT |

SCHEDULE A

LANDLORD'S CLEANING SERVICES

(to be performed on all business days except holidays)

A. Floors of the Demised Premises will be swept and spot cleaned night. Carpets in the Demised Premises will be swept daily with carpet sweeper and vacuumed weekly.

B. Office equipment, telephones, etc. will be dusted nightly.

C. Normal office waste in receptacles in the Demised Premises will be emptied nightly.

D. Interior surface of windows and sills in the Demised Premises will be washed and blinds dusted quarterly.

E. There shall be regularly scheduled visits by a qualified exterminator.

Tenant shall pay to Landlord, on demand, Landlord's reasonable charges for (a) extra cleaning work in the Demised Premises required because of (i) misuse or neglect on the part of Tenant or its employees or visitors, (ii) use of portions of the Demised Premises for preparation, serving or consumption of food or beverages, or other special purposes requiring greater or more difficult cleaning work than office areas; (iii) unusual quantity of interior glass surfaces; (iv) non-building standard materials or finishes installed by Tenant or at its request; (v) increases in frequency or scope in any item set forth in this Schedule as shall have been requested by Tenant; (vi) use of the Demised Premises for any special purpose requiring extra cleaning services; and (b) removal from the Demised Premises or Building of (i) so much of any refuse and rubbish of Tenant as shall exceed that normally accumulated in the routine of ordinary business office activity and (ii) all of the refuse and rubbish of any eating facility requiring special handling (wet garbage). Notwithstanding anything to the contrary set forth in this Lease, at Landlord's request, Tenant shall pay directly to the Landlord's cleaning contractor all monies owed in connection with the aforesaid extra cleaning services or refuse removal.

SCHEDULE B

1. The sidewalks, entrances, driveways, passages, courts, elevators, vestibules, stairways, corridors or halls shall not be obstructed or encumbered by any Tenant or used for any purpose other than for ingress to and egress from the Demised Premises and for delivery of merchandise and equipment in a prompt and efficient manner using elevators and passageways designated for such delivery by Landlord. There shall not be used in any space, or in the public hall of the building, either by any Tenant or by jobbers or others in the delivery or receipt of merchandise, any hand trucks, except those equipped with rubber tires and sideguards.

2. The water and wash closets and plumbing fixtures shall not be used for any purposes other than those for which they were designed or constructed and no sweepings, rubbish, rags, acids or other substances shall be deposited therein, and the expense of any breakage, stoppage, or damage resulting from the violation of this rule shall be borne by the Tenant who, or whose clerks, agents, employees or visitors, shall have caused it.

3. No Tenant shall sweep or throw or permit to be swept or thrown from the Premises any dirt or other substances into any of the corridors or halls, elevators, or out of the doors or windows or stairways of the building, and the Tenant shall not use, keep or permit to be used or kept any coffee machine, vending machine, burner, microwave oven, refrigerator or oven, food or noxious gas or substance in the Demised Premises, or permit or suffer the Demised Premises to be occupied or used in a manner offensive or objectionable to Landlord or other occupants of the Building by reason of noise, odors and/or vibrations, or interfere in any way with other tenants or those having business therein, nor shall any animals or birds be kept in or about the Building. Tenant shall provide and maintain, at its expense, the hand-held fire extinguishers that are required to be maintained in Premises by the governmental agency having jurisdiction over this matter. Smoking in the Demised Premises and/or Building is prohibited.

4. No awnings or other projections shall be attached to the outside walls of the Building without the prior written consent of the Landlord.

5. No sign, advertisement, notice or other lettering and/or window treatment shall be exhibited, inscribed, painted or affixed by any Tenant on any part of the outside of the Demised Premises or the Building or on the inside of the Demised Premises if the same is visible from the outside of the Demised Premises without the prior written consent of the Landlord. In the event of the violation of the foregoing by any Tenant, Landlord may remove same without any liability, and may charge the expense incurred by such removal to Tenant or Tenants violating this rule. Interior signs on doors and directory tables shall be inscribed, painted or affixed for each Tenant by Landlord at the expense of such Tenant, and shall be of a size, color and style acceptable to Landlord.

6. No Tenant shall mark, paint, drill into, or in any way deface any part of the Demised Premises or the Building of which they form a part. No boring, cutting or stringing of wires shall be permitted, except with the prior written consent of Landlord, and as Landlord may direct. No tenant shall lay linoleum or other similar floor covering so that the same shall come in direct contact with the floor of the Demised Premises and, if linoleum or other similar floor covering is desired to be used, an interlining of builder's deadening felt shall be first affixed to the floor, by a paste or other water soluble material, the use of cement or other similar adhesive material being expressly prohibited.

7. No additional locks or bolts of any kind shall be placed upon any of the doors or windows by any Tenant, nor shall any changes be made in existing locks or in the mechanisms thereof. Each Tenant must, upon the termination of his tenancy, restore to Landlord all keys of stores, offices and toilet rooms, either furnished to, or otherwise procured by, such Tenant, and in the event of the loss of any keys, so furnished, such Tenant shall pay to Landlord the cost thereof.

8. Freight, furniture, business equipment, merchandise and bulky matter of any description shall be delivered to and removed from the Premises only through the service entrances and corridors, and only during hours and in a manner approved by Landlord. Landlord reserves the right to inspect all freight to be brought into the Building and to exclude from the Building all freight which violates any of these Rules and Regulations or the lease of which these Rules and Regulations are a part.

9. Canvassing, soliciting and peddling in the building is prohibited and each Tenant shall cooperate to prevent the same.

10. Landlord reserves the right to exclude from the building between the hours of 6:00 P.M. and 8:00 A.M. and at all hours on Sundays and legal holidays, all persons who do not present a pass to the building signed by Landlord. Landlord will furnish passes to persons for whom any Tenant requires same in writing. Each Tenant shall be responsible for all persons for whom he requires such a pass and shall be liable to Landlord for all acts of such persons.

11. Landlord shall have the right to prohibit any advertising by any Tenant which, in Landlord's opinion, tends to impair the reputation of the Building or its desirability as an office building, and upon written notice from Landlord, Tenant shall refrain from or discontinue such advertising.

12. Tenant shall not bring or permit to be brought or kept in or on the Premises, any inflammable, combustible, hazardous or explosive fluid, material, chemical or substance, or cause or permit any odors of cooking or other processes, or any unusual or other objectionable odors, to permeate in or emanate from the Premises.

13. Tenant agrees to use the entry doors to its premises only for ingress and egress purposes and to keep such doors closed at all other times.

EXHIBIT 1

FLOOR PLAN

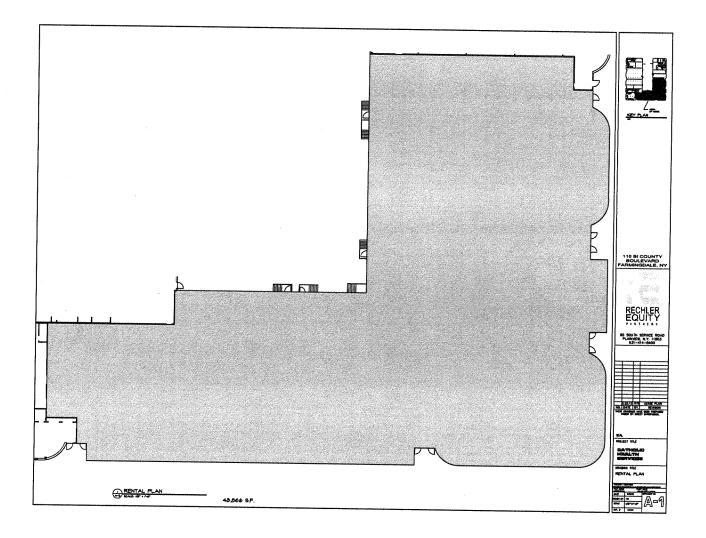


EXHIBIT 2

PARKING PLAN

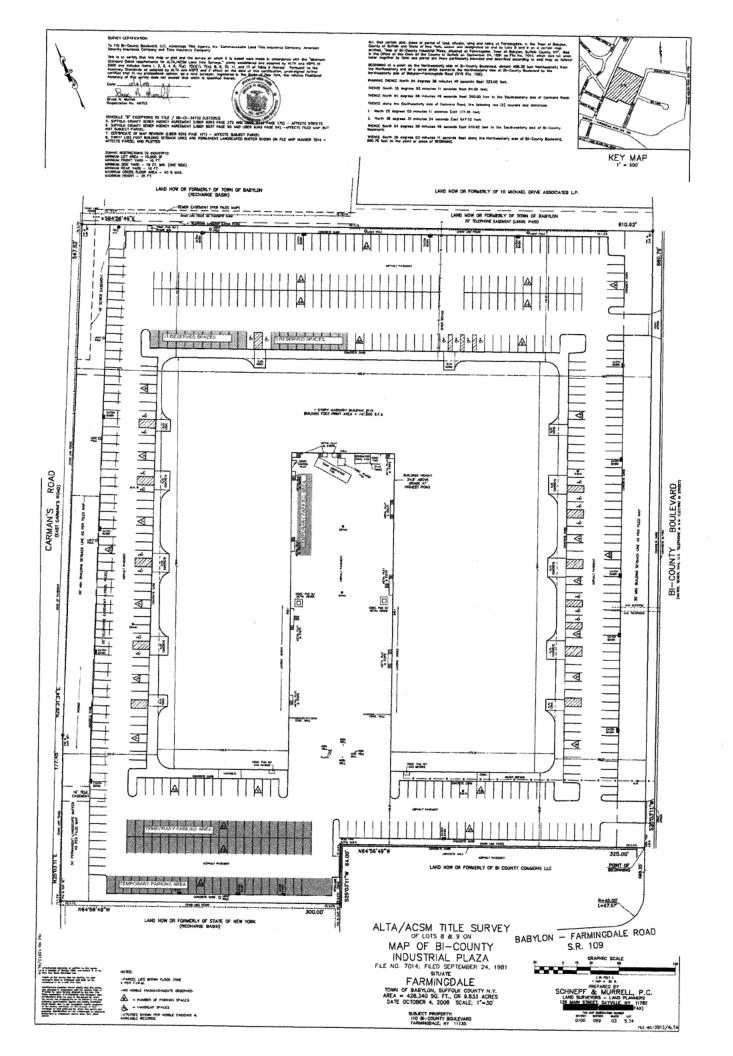


EXHIBIT 3

CURRENT TAX BILL

\\prolaw\prolaw\documents\Rechler Equity Partner\5215.0891\LHF\451778.doc

IF THE WORD "ARREARS" IS PRINTED BELOW, SEE THE COUNTY TREASURER'S NOTICE ON THE REVERSE SIDE.

BANK AND MORTGAGE NUMBER

009904-

MAKE FUNDS PAYABLE TO:

CORINNE DISOMMA RECEIVER OF TAXES

200 EAST SUNRISE HIGHWAY LINDENHURST, NEW YORK 11757-2597

OWNER AS OF TAXABLE STATUS DATE MARCH 1, 2012

110 BI-COUNTY BOULEVARD LLC 85 S SERVICE RD PLAINVIEW NY 11803

STATEMENT OF TAXES

DECEMBER 1, 2012 thru NOVEMBER 30, 2013 TAX LEVY TOWN OF BABYLON, SUFFOLK COUNTY, NEW YORK TAXES BECOME A LIEN DECEMBER 1, 2012 OFFICE PAYMENT HOURS MON. TO FRI. 9 A.M. TO 4 P.M.

PHONE 631-957-7400

FOR SCHOOL INQUIRIES CALL

(516) 752-6506

MARCH 1, 2012, PLEASE FORWARD THIS STATEMENT TO THE NEW OWNER OR RETURN TO THIS OFFICE.

141982998 ESTIMATED STATE-AID COUNTY 278,733,607 1,186,926 5,656,441 TOWN SCHOOL NYS School Code Bill Number

282422

ITEM NUMBER

29553

IF PROPERTY HAS BEEN SOLD OR TRANSFERRED AFTER

TAX BILLING ADDRESS 110 BI-COUNTY BOULEVARD LLC

85 S SERVICE RD PLAINVIEW NY 11803

| SUFFOLK COUNTY TAX MAP NUMBER DIST. SECT. BLOCK LOT | LAND ASSESSMENT | TOTAL ASSESSA | IENT DESC | CODE 1 | EXEN | IPTION FULL VAL | UE SAVINGS | | |
|--|-----------------------|---|---|--|--|---|--|--|--|
| 0100 069.00 03.00 005.024 | 43,230 | 177,810 | | | | | SAVINGS | | |
| ACREAGE/DIMENSION TAX ROLL CODE SECTION TYPE | UNIFORM % OF VALUE | FULL VALUE | | | | | | | |
| 9.500 159 1 719 | 1.21 | 14,695,041 | | | | | | | |
| PHYSICAL ADDRESS | TAX WITHO | UT EXEMPTION | | | | | | | |
| 110 BI-COUNTY BL E FARMINGDALE 11735 | 5 | 503,790.26 | alinda si darap ing manangkan kanangkan sa ka | | | | | | |
| LEVY DESCRIPTION | % OF CHANGE | EXEMPT CODE | TAXABLE VAL ADJUSTED B EXEMPTION | | TAX RATE PER \$100 | TAX AMOUNT | | | |
| SC022 SCHOOL DIST E.FARMINGDA LD022 LIBRARY TAX - E.FARMINGDA D001 COUNTY GENERAL FUND D003 COUNTY POLICE D004 HIGHWAY TAX NO.1 D005 TOWN TAX D006 TOWN OUTSIDE VILLAGES D017 FPD - E.FARMINGDALE NO.12 D017S FD - FIREMENS SERVICE AWA D055 LIGHTING DIST BABYLON D007 NY STATE REAL PROP TAX LA D002 OUT OF COUNTY TUITION SW001 SEWER DIST COUNTY SEWER SW002 SEWER DIST PER PARCEL C CR000 COMMERCIAL REFUSE DISTRIC AB000 WASTE MANAGEMENT FEE NY STATE MTA TAX | LE RD IOWN | -0.5293097 -12.6097 -12.6097 -12.6097 -12.6097 -12.6097 -12.6097 -293.6097 -295 -295 -295 -295 -295 -295 -295 -295 | | 177, 177, 177, 177, 177, 177, 177, 177, | B10 B10 B10 B10 B10 B10 B10 B10 B10 B10 | 180.0403 6.5445 2.0717 26.7144 8.5740 1.5214 12.9126 .4660 1.2143 15.2196 6.2207 .1210 | 320,129.66 11,636.78 3,663.69 47,500.87 15,245.43 20,821.55 2,705.20 22,959.89 2,280.77 14,065.84 2,159.15 27,061.97 1,400.00 11,061.03 215.15 | | |
| Your tax savings this year resulting from the New York State School Tax Relief (STAR) Program is: Note: This year's STAR tax savings generally may not exceed last year's by more than 2%. | | | | | | | | | |
| FIRST HALF TAX 251,895.1 | | | 251 | ,895.13 | TOT | AL TAX | E02 700 2C | | |
| Due December 1, 2012 - Payable without penalty to January 10, 2013. Due December 1 | | 2012 - Payable without penalty to May 31, 2013. for penalty schedule and County Treasurer's notice. | | | TIOTAL TAX 503, 790.26 This total tax may be paid in one or two installments. | | | | |
| PYMT 1 12/27/12 251895.13 TOTAL PAID 3100307 BATCH 00126 CN 0240 | | | | | | | | | |

THIS IS YOUR REQUESTED RECEIPT

FIRST AMENDMENT TO LEASE

This **FIRST AMENDMENT TO LEASE** (this "<u>Agreement</u>"), made as of <u>July 16</u> ______, 2024 (the "<u>Effective Date</u>"), by and between **110 BI-COUNTY BOULEVARD**, LLC, a Delaware limited liability company ("<u>Landlord</u>"), having an office at c/o Rechler Equity Partners, 85 South Service Road, Plainview, New York 11803, and **CATHOLIC HEALTH SYSTEM OF LONG ISLAND**, **INC. d/b/a Catholic Health**, a New York not-for-profit corporation ("<u>Tenant</u>"), having an office at 992 North Village Avenue, Rockville Centre, New York 11570.

RECITALS

WHEREAS, Landlord, as landlord, and Tenant, as tenant, entered into an Agreement of Lease, made as of February 27, 2013 (the "<u>Original Lease</u>"), for the lease of a certain 48,866 rentable square feet of space (the "<u>Demised Premises</u>") in the building located at 110 Bi-County Boulevard, Farmingdale, New York (the "<u>Building</u>");

WHEREAS, Landlord and Tenant desire to amend the Original Lease so as to, among other things, extend the Term thereof to and including January 31, 2036; subject to and then accordance with the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the mutual promises contained herein and for other good and valuable consideration, the receipt and sufficiency of which being hereby acknowledged, the parties agree as follows:

ARTICLE I Definitions

1.1 The recitals are specifically incorporated into the body of this Agreement and shall be binding upon the parties hereto.

1.2 Unless expressly set forth to the contrary and except as modified by this Agreement, all capitalized or defined terms shall have the meanings ascribed to them in the Original Lease.

1.3 As used herein, the term "<u>Lease</u>" shall mean the Original Lease, as modified and amended by this Agreement.

ARTICLE II Lease Modifications

The Original Lease is and shall be modified and amended as follows:

2.1 <u>Acknowledgments</u>.

(A) The parties acknowledge and agree that each of Landlord and Tenant heretofore satisfied all of its respective obligations under Article 1(B) of the Original Lease and that the terms of Article 1(B) of the Original Lease shall have no bearing on this Agreement.

(B) The parties further acknowledge and agree that the contingency set forth in Article 1(C) of the Original Lease has been heretofore satisfied.

2.2 <u>Term</u>. Effective as of the Effective Date of this Agreement, Article 2(A) of the Original Lease is hereby modified and amended to provide that the Term of the Lease is extended to and including January 31, 2036, unless sooner terminated pursuant to any of the provisions of the Lease. All references in the Original Lease or this Agreement to the term "*Expiration Date*," or otherwise to the scheduled date for expiration of the Term of the Lease shall hereafter mean and refer to January 31, 2036.

2.3 <u>Rent</u>. Effective as of the Effective Date of this Agreement, Article 3(A) of the Original Lease is hereby modified and amended to as follows:

(A) From the date hereof through and including January 31, 2026, the annual minimum rent (the "<u>Rent</u>") shall continue to be payable in accordance with the provisions of the Original Lease.

(B) Commencing on February 1, 2026, and continuing through and including January 31, 2036, the Rent shall be payable in accordance with the following schedule:

During the period from February 1, 2026 to and including January 31, 2027, the Rent shall be \$1,075,052.04, payable in equal and consecutive monthly installments of \$89,587.67.

During the period from February 1, 2027 to and including January 31, 2028, the Rent shall be \$1,107,303.60, payable in equal and consecutive monthly installments of \$92,275.30.

During the period from February 1, 2028 to and including January 31, 2029, the Rent shall be \$1,140,522.72, payable in equal and consecutive monthly installments of \$95,043.56.

During the period from February 1, 2029 to and including January 31, 2030, the Rent shall be \$1,174,738.32, payable in equal and consecutive monthly installments of \$97,894.86.

During the period from February 1, 2030 to and including January 31, 2031, the Rent shall be \$1,209,980.52, payable in equal and consecutive monthly installments of \$100,831.71.

During the period from February 1, 2031 to and including January 31, 2032, the Rent shall be \$1,246,279.92, payable in equal and consecutive monthly installments of \$103,856.66.

During the period from February 1, 2032 to and including January 31, 2033, the Rent shall be \$1,283,668.32, payable in equal and consecutive monthly installments of \$106,972.36.

During the period from February 1, 2033 to and including January 31, 2034, the Rent shall be \$1,322,178.36, payable in equal and consecutive monthly installments of \$110,181.53.

During the period from February 1, 2034 to and including January 31, 2035, the Rent shall be \$1,361,843.76, payable in equal and consecutive monthly installments of \$113,486.98.

During the period from February 1, 2035 to and including January 31, 2036, the Rent shall be \$1,402,699.08, payable in equal and consecutive monthly installments of \$116,891.59.

2.4 <u>Taxes</u>. Effective as of the Effective Date of this Agreement, Article 11 of the Original Lease is hereby modified and clarified as follows:

(A) From and after the date of closing (if any) of the CHS 110 BCB IDA Transaction (as such term is defined and addressed in Article III of this Agreement), each reference in Article 11 of the Original Lease to the term *"IDA Transaction"* shall be deemed to mean and refer to the CHS 110 BCB IDA Transaction.

(B) The last sentence of Article 11(B) of the Original Lease is hereby deleted in its entirety.

(C) Article 11(C) of the Original Lease is hereby deleted in its entirety and replaced with the following:

"(C) Landlord shall render to Tenant a statement containing a computation of Tenant's Tax Payment ("Landlord's Statement"). Within fifteen (15) days after the rendition of the Landlord's Statement, Tenant shall pay to Landlord the amount of Tenant's Tax Payment. At Landlord's option, on the first day of each month following the rendition of each Landlord's Statement, Tenant shall pay to Landlord, on account of Tenant's next Tax Payment, a sum equal to one-twelfth (1/12th) of Tenant's last Tax Payment due hereunder, which sum shall be subject to adjustment for subsequent increases in Taxes. Without regard to which party has the obligation to make payments under the PILOT Program, Landlord shall have the right and option to make those payments directly to the applicable taxing authority and to have Tenant reimburse Landlord, as additional rent under this lease, by way of Tenant's Tax Payments hereunder. However, in the event that Landlord shall acquiesce to Tenant making the Tenant's Tax Payments directly to the applicable taxing authority (rather than paying such amounts to Landlord), then Tenant shall provide Landlord with written evidence of payment of Tenant's the Tax Payment bv electronic mail to (or such other address as Landlord may designate) at least thirty (30) days prior to the date when due and upon receipt by Landlord of written evidence of such payment, Tenant shall have satisfied its obligations for the payment of any such amounts so paid. In the event that Tenant fails to make any such payments when due, Tenant shall be responsible for all interest, penalties, late fees and other charges due to the late payment."

2.5 <u>Assignment & Subletting</u>. Effective as of the Effective Date of this Agreement, the first three (3) lines of text of Article 20(C) of the Original Lease (i.e., beginning with the words, *"Notwithstanding the foregoing …"* and continuing through and including the words, *"… In addition,"*) are hereby deleted in their entirety.

2.6 <u>Indemnity</u>. Effective as of the Effective Date of this Agreement, Article 24(A) of the Original Lease is hereby deleted in its entirety and replaced with the following:

"(A) To the fullest extent permitted by law, Tenant shall, and shall require its contractors and subcontractors to, indemnify, hold harmless and defend Landlord, its affiliates (including, without limitation, Rechler Equity Management LLC, Rechler Equity Development LLC and Rechler Equity Construction LLC), partners, members, lenders, managing agents, construction company, subsidiaries, directors, officers, contractors, employees, agents and any ground lessor (collectively, the "Indemnified Parties") from and against any and all liabilities, claims, demands, damages, costs, expenses (including reasonable attorney fees and costs) suits, judgments whether actual or alleged, including such for bodily injury or wrongful death to any person (including, without limitation, employees and invitees of Tenant or any of its Related Parties) and property damage to any property, arising out of or in connection with the operations or business of Tenant or any of its Related Parties at the Demised Premises or the Real Property; the acts or omissions of Tenant or any of its Related Parties; or any breach of this lease or improper conduct. Upon notification by Landlord of an indemnifiable event, Tenant, at its own expense, shall arrange for Landlord's defense (at Landlord's option) and confirm indemnification. Tenant will still be responsible to fulfill its obligations under this Article in the event Tenant or Tenant's insurance company does not accept a tender of claim by Landlord. These indemnification provisions are to continue after lease expiration or earlier termination of this lease and are not limited by the amount of available insurance in place."

2.7 <u>Insurance</u>.

(A) Effective as of the Effective Date of this Agreement, the last sentence of Article 26(d) of the Original Lease is hereby deleted in its entirety.

(B) Effective as of the Effective Date of this Agreement, the last sentence of Article 26(e) of the Original Lease is hereby deleted in its entirety.

2.8 <u>Condition of the Demised Premises; Landlord's Extension Work</u>.

(A) Tenant hereby acknowledges and agrees that all work, contributions and allowances that were required to be performed, made, applied or paid by Landlord under the Original Lease were heretofore fully performed, made, applied or paid (as applicable). Tenant hereby further acknowledges and agrees that (i) Tenant has inspected the Demised Premises and is accepting same in its current "as is" condition, (ii) except as otherwise set forth in Section 2.8(B) of this Agreement and, if and as applicable, the New Office Construction Work (as hereinafter defined), Landlord shall not be obligated to perform any work or make any installations in order to prepare the Demised Premises for Tenant's continued occupancy, and (iii) except for the Office Allowance and the Decorative Allowance (as such terms are defined and addressed below in this Agreement), if and as applicable, Landlord shall not be obligated to incur any expense in order to prepare the Demised Premises for Tenant's continued occupancy. Nothing contained in this Agreement shall be construed as to relieve or release Landlord of or from any of its on-going maintenance, repair, replacement or compliance obligations under the Lease, including, without limitation, all such obligations that relate to the roof of the Building.

(B) Notwithstanding anything to the contrary contained in Section 2.8(A) of this Agreement, Landlord, at its expense (except as pursuant to any extra work orders or change orders authorized by Tenant and except as may be otherwise noted on the LEW CDs (as hereinafter defined)), shall cause its designated contractor to perform and make certain work and certain installations in and to the Demised Premises in order to prepare same for continued occupancy by

Tenant; such work and installations to be performed in accordance with the LEW CDs, as supplemented by finish selections to be promptly hereafter made by Tenant from Landlord's Building-standard menu(s) of finishes, and in accordance with all applicable Legal Requirements (such work and installations sometimes herein referred to as the "Landlord's Extension Work"). As used herein, the term "LEW CDs" shall collectively mean and refer to that certain set of formal construction drawings heretofore prepared by Landlord's designated contractor under project name, "Catholic Health - Tenant Alteration Phase I and Phase II", being comprised of drawing sheets T-1, A-1, A-2, and A-3 and attached hereto as Exhibit B, each signed as approved by Tenant. As used herein, the term "Legal Requirements" shall mean all present and future laws, ordinances, requirements, orders, directives, rules and regulations of federal, state, county and city governments and of all other governmental authorities having or claiming jurisdiction over the Building. In the event that there is a conflict or inconsistency between the provisions of this Agreement and the work set forth on the final LEW CDs, such final LEW CDs shall be controlling. Tenant shall be responsible for moving and relocating Tenant's personnel and Tenant's furniture, equipment, trade fixtures and other items of personal property in and about the Demised Premises in order to accommodate Landlord's designated contractor's performance of the Landlord's Extension Work, including, where and to the extent necessary for such accommodation, the disconnection, moving and re-connection of computer, data and telecommunications wiring and equipment. Tenant acknowledges and agrees that the Landlord's Extension Work may be performed during a period while Tenant remains in use and occupancy of the Demised Premises, during ordinary working hours, and that Landlord shall not be liable for any inconvenience to Tenant or for interference with Tenant's business or use of the Demised Premises or any portion thereof during the performance of the Landlord's Extension Work. It is the intention of the parties that (i) if not already made prior to the Effective Date of this Agreement, Landlord will make application for a building permit for the Landlord's Extension Work promptly following the Effective Date of this Agreement, and (ii) Landlord will cause its designated contractor to commence performance of the Landlord's Extension Work promptly following the issuance of a building permit for the Landlord's Extension Work. Subject to delays attributable to Tenant and other forces beyond the reasonable control of Landlord, Landlord shall use commercially reasonable efforts to substantially complete the Landlord's Extension Work by the date that is ninety (90) days following the later of: (a) the date of issuance of a building permit for the Landlord's Extension Work; or (b) as applicable, either the date of issuance of the Inducement Resolution or the date on which Tenant is be deemed to have waived the right to terminate this Agreement in connection with the CHS 110 BCB IDA Transaction (as all such terms are defined and addressed in Section 3.1 of this Agreement).

2.9 <u>New Office Construction Work; Office Allowance</u>.

(A) Tenant has advised Landlord that it is contemplating the engagement of Landlord's designated contractor to construct a set of new offices within the Demised Premises and/or perform certain expansion or other modification work in or to existing offices and ancillary facilities of the Demised Premises such as, but not limited to, any breakroom, office pantry, IT room, conference room and mail/copy room (collectively and as applicable, the "<u>New Office</u>

Construction Work"). Tenant has no obligation to proceed with the New Office Construction Work. However, if Tenant does elect to proceed with the New Office Construction Work, then the design, permitting and performance of the New Office Construction Work would be performed by Landlord's designated contractor at Tenant's sole cost and expense (subject to the terms of Section 2.9(B), below). The parties agree that, in such event: (i) Tenant would have reasonable input with respect to the design of, and rights of review and approval of the plans for, the New Office Construction Work; (ii) Tenant would be responsible for moving and relocating Tenant's personnel and Tenant's furniture, equipment, trade fixtures and other items of personal property in and about the Demised Premises in order to accommodate Landlord's designated contractor's performance of the Office Construction Work, including, where and to the extent necessary for such accommodation, the disconnection, moving and re-connection of computer, data and telecommunications wiring and equipment; and (iii) Tenant acknowledges and agrees that the Office Construction Work would be performed during a period while Tenant remains in use and occupancy of the Demised Premises, during ordinary working hours, and that Landlord would not be liable for any inconvenience to Tenant or for interference with Tenant's business or use of the Demised Premises or any portion thereof during the performance of the Office Construction Work.

Subject to the provisions of Section 2.9(C), below, and provided the Lease **(B)** then remains in full force and effect without any then-outstanding uncured default on the part of Tenant thereunder (following notice and the expiration of any appliable cure period), Landlord shall contribute up to \$100,000.00 (the "Office Allowance") toward the total of all charges imposed by Landlord's designated contractor for the design, permitting and performance of the New Office Construction Work (the "Total NOCW Charge"). If the Total NOCW Charge, as estimated by Landlord's designated contractor (subject to reconciliation, as addressed below), is greater than \$100,000.00 (such difference being herein referred to the "NOCW Overage" and the amount of such difference being herein referred to as the "NOCW Overage Amount"), then the full NOCW Overage Amount shall be payable by Tenant, as additional rent under the Lease, to Landlord or Landlord's designated contractor (as designee of Landlord) as follows: Prior to commencement of the New Office Construction Work, and again when Landlord deems that the New Office Construction Work project has been progressed halfway toward completion, Tenant shall pay to Landlord or Landlord's designated contractor (as designated by Landlord), within thirty (30) days following written demand therefor, with detailed invoice, an amount equal to onethird (33.33%) of the anticipated NOCW Overage Amount, as determined by Landlord's designated contractor (each, a "Partial NOCW Overage Prepayment"); such Partial NOCW Overage Prepayments to be applied in partial payment of the NOCW Overage Amount, as finally determined. Following substantial completion of the New Office Construction Work, Tenant shall pay to Landlord or Landlord's designated contractor (as designated by Landlord), within thirty (30) days following written demand therefor, with detailed invoice (such written demand to include final reconciliation of the Total NOCW Charge), the entire amount by which the actual NOCW Overage (including, without limitation, any amounts outstanding on any Tenantauthorized change order/extra work order, if any) exceeds the aggregate amount of the Partial NOCW Overage Prepayments previously made by Tenant. If, however, the Total NOCW Charge is less than \$100,000.00, then Landlord shall bear the entire Total NOCW Charge and there will

be no NOCW Overage payable by Tenant, but Tenant shall not be entitled to the payment or credit of all or any portion of the difference between the two said amounts.

(C) It is the intention of the parties that the Office Allowance remain a potential obligation of Landlord, and potential benefit of Tenant, only for a limited period. As such, Landlord and Tenant acknowledge and agree that if Tenant has not engaged Landlord's designated contractor for, and authorized Landlord's designated contractor to commence, performance of the Office Construction Work by the NOCW Authorization Deadline (as hereinafter defined), then Landlord shall be relieved of any and all obligation with respect to the Office Allowance and the benefits of the Office Allowance shall be deemed to have been forfeited by Tenant. As used herein, the term "<u>NOCW Authorization Deadline</u>" shall mean the earlier of (i) January 31, 2029, or (ii) the effective date of termination of the Lease.

(D) Tenant acknowledges and agrees that the benefits and entitlements of and to the Office Allowance are intended to be personal to Catholic Health System of Long Island, Inc. d/b/a Catholic Health (and to any Affiliate of Catholic Health System of Long Island, Inc. d/b/a Catholic Health to which the leasehold interest of *"Tenant"* under the Lease is hereafter assigned, if any), and shall be otherwise non-transferable by operation of law or otherwise.

2.10 <u>Decorative Allowance</u>.

(A) Provided there is not then outstanding any uncured default on the part of Tenant under the Lease (following notice and the expiration of any appliable cure period), and further provided that the Lease then remains in full force and effect, Landlord shall make available to Tenant a construction allowance in an amount not to exceed \$200,000.00 (the "Decorative Allowance"), which Tenant can use at any time during the Term of the Lease (subject to the provisions of Section 2.10(B), below) for Eligible Decorative Alterations (as hereinafter defined). As used herein, the term "Eligible Decorative Alterations" shall mean Alterations made by or on behalf of Tenant following the date of this Agreement, which involve the preparation, installation, furniture relocation and re-installation, and ancillary work associated with (1) carpeting work anywhere within the Demised Premises and/or (2) painting work anywhere within the Demised Premises. Tenant acknowledges and agrees that: (i) any and all Eligible Decorative Alterations must be performed subject to and in accordance with the provisions of the Lease that govern the performance of Alterations by or on behalf of Tenant and in compliance with Landlord's construction-related rules, regulations and requirements (except that the provisions of Article 14(B)(ii)(f) of the Original Lease shall not apply to the Eligible Decorative Alterations); (ii) the Decorative Allowance shall be paid by Landlord to Tenant, if at all, only by way of reimbursement to Tenant for material and labor costs reasonably and actually incurred by Tenant directly in connection with the performance of Eligible Decorative Alterations (each such payment, a "Landlord Decorative Allowance Payment"); (iii) a Landlord Decorative Allowance Payment shall only become due and payable by Landlord following receipt by Landlord of written demand therefor by Tenant, accompanied by (x) paid receipts for the subject Eligible Decorative Alteration, evidencing the actual payment by Tenant of the amount demanded, (y) final lien waivers from all

contractors involved in the subject Eligible Decorative Alteration, and (z) only if same would be required under applicable law in connection with the Eligible Decorative Alteration, a certificate of occupancy or certificate of completion (or its equivalent), as applicable, from the applicable municipal authority with respect to the subject Eligible Decorative Alterations (such a written demand, when accompanied by all such supporting documentation, being hereinafter collectively referred to as a "Decorative Allowance Demand"); (iv) the aggregate amount demanded by way of all Decorative Allowance Demands, and the aggregate amount required to be paid by way of all Landlord Decorative Allowance Payments, shall in no event exceed \$200,000.00; and (v) no Decorative Allowance Demand may be submitted after the Decorative Allowance Sunset Date (as hereinafter defined), time being of the essence.

(B) It is the intention of the parties that the Decorative Allowance remain a potential obligation of Landlord, and potential benefit of Tenant, only for a limited period. As such, Landlord and Tenant acknowledge and agree that if any portion of the Decorative Allowance has not been demanded by means of the delivery by Tenant to Landlord of a valid Decorative Allowance Demand by the earlier of (i) January 31, 2029, or (ii) the effective date of termination of the Lease (such earlier date being herein referred to as the "Decorative Allowance Sunset Date"), time being of the essence, then Landlord shall be relieved of any and all obligation with respect to such portion of the Decorative Allowance and the benefits of such portion of the Decorative Allowance and the portion of the Decorative Allowance and the benefits

(C) Tenant acknowledges and agrees that the benefits and entitlements of and to the Decorative Allowance are intended to be personal to Catholic Health System of Long Island, Inc. d/b/a Catholic Health (and to any Affiliate of Catholic Health System of Long Island, Inc. d/b/a Catholic Health to which the leasehold interest of *"Tenant"* under the Lease is hereafter assigned, if any), and shall be otherwise non-transferable by operation of law or otherwise.

2.11 <u>Renewal Option</u>. Effective as of the Effective Date of this Agreement, the Renewal Option set forth Article 51 of the Original Lease is hereby ratified and affirmed, but modified and clarified as follows:

(A) The Renewal Term would be the five (5) year period commencing on February 1, 2036 and ending on January 31, 2041;

(B) As used in Article 51(a)(ii) of the Original Lease, each reference to the *"Expiration Date"* shall be deemed to mean January 31, 2036; and

(C) The first sentence of Article 51(b) of the Original Lease is hereby deleted in its entirety and replaced with the following:

"Fair Market Annual Minimum Rent" shall mean the rate and annual escalations Landlord generally receives under leases for comparable office space in the Building and in other buildings then owned or operated by Landlord or any affiliate of Landlord in the Farmingdale/Melville (New York) area as of the date that is twelve (12) months prior to the first day of the Renewal Term."

2.12 <u>Right of Offer</u>. Effective as of the Effective Date of this Agreement, the Right of Offer set forth Article 52 of the Original Lease is hereby ratified and affirmed, but modified and clarified as follows:

(A) There are two potential Offer Spaces in the Building: one being the 6,070 rentable square foot space shown on the first page of <u>Exhibit "A"</u> to this Agreement; and the other being the 15,502 rentable square foot space shown on the second page of <u>Exhibit "A"</u> to this Agreement. For avoidance of doubt, the parties acknowledge and agree that both such potential Offer Spaces are currently leased and occupied by third-party tenants and, as such, the respective obligations and entitlements of Landlord and Tenant under Article 52 of the Lease with respect to a subject potential Offer Space will not mature unless and until both (i) that subject potential Offer Space becomes vacant and available for lease, and (ii) Landlord makes a Counteroffer with respect to that subject potential Offer Space;

(B) The last sentence of Article 52(A) of the Original Lease is hereby modified and amended to delete therefrom the phrase "*during the last five (5) years of the initial Term of this Lease or during the Renewal Term*" and replace same with the phrase "*after January 31, 2031*"; and

(C) Supplementing the provisions of Article 52(C) of the Original Lease, the parties acknowledge and agree that if subject Offer Space Term (as hereinafter defined) is shorter than the term of the lease that was proposed in the subject Counteroffer, then, for purposes of incorporation into the Offer Terms, any rent concessions, tenant improvement allowances and other landlord concessions and tenant inducements that were included in the subject Counteroffer shall be appropriately prorated based on the shorter term. As used herein, the term "Offer Space Term" shall mean the period commencing on the date of commencement of the Term of the Lease (as it relates to the subject Offer Space) and continuing through and including the then-current Expiration Date under the Lease.

(D) Landlord and Tenant acknowledge and agree that nothing contained in the Lease shall be construed as to prohibit or restrict Landlord from extending the term, or otherwise modifying the terms and conditions of, the agreement of lease for any potential Offer Space that is currently in place between Landlord and the current occupant of that potential Offer Space.

2.13 <u>Name of Tenant</u>. By mutual mistake, Tenant was erroneously identified in certain portions of the Original Lease by the name "Catholic Health Systems of Long Island, Inc. d/b/a Catholic Health Services of Long Island". Retroactively effective as of the date of the Original Lease, each such erroneous name reference shall be deemed to have been hereby deleted and replaced with a corresponding reference to the name "Catholic Health System of Long Island, Inc. d/b/a Catholic Health" (it being agreed by the parties that, separate and apart from the above-

referenced scrivener's error, the assumed name (i.e. D/B/A) of Tenant was modified as indicated on February 19, 2021).

ARTICLE III IDA Inducement Contingency

Landlord hereby acknowledges and agrees that Tenant has advised Landlord that 3.1 Tenant intends to prepare and pursue an application (the "IDA Application") with, and thereafter diligently pursue from, the Town of Babylon Industrial Development Agency (the "Agency") for a straight lease transaction providing Tenant with a partial abatement of Taxes, as they to the Demised Premises, in connection with Tenant's continued leasing of the Demised Premises (the "CHS 110 BCB IDA Transaction"). Tenant hereby covenants and agrees to submit a completed IDA Application to the Agency by the IDA Application Deadline (as hereinafter defined), and to thereafter diligently pursue the Inducement Resolution (as hereinafter defined). As used herein, the term "IDA Application Deadline" shall mean the date that is thirty (30) days following the Effective Date of this Agreement; provided, however, that so long as Tenant has been working, and is then continuing to work, diligently with Greenberg Traurig, LLP to complete the IDA Application, Landlord will permit a two-week extension of the IDA Application Deadline upon request therefor by Tenant. Landlord hereby further acknowledges and agrees that Tenant has advised Landlord that Tenant would not have entered into this Agreement without the No Inducement Termination Option described herein. Accordingly, if the Agency has not issued a preliminary inducement resolution for the prospective consummation of the CHS 110 BCB IDA Transaction (an "Inducement Resolution") by the date that is forty-five (45) days following the date of submission of the IDA Application (the "Inducement Deadline"), despite Tenant having made timely and proper submission of the IDA Application therefor and thereafter having diligently pursued such issuance, then Tenant shall have the right and option (the "No Inducement Termination Option") to terminate this Agreement by written notice (the "No Inducement Termination Notice") given to Landlord by the date this is seven (7) business days following the Inducement Deadline (the "No Inducement Termination Exercise Deadline"), TIME BEING OF THE ESSENCE. In the event Tenant timely and promptly exercises the No Inducement Termination Option, then this Agreement shall be deemed to have been terminated *ab initio*, and the Original Lease shall remain in full force and effect pursuant to its terms, without modification by this Agreement. If Tenant fails to deliver the No Inducement Termination Notice by the No Inducement Termination Exercise Deadline or fails to submit the IDA Application by the IDA Application Deadline, the Tenant shall be deemed to have waived the right to terminate this Agreement in connection with the CHS 110 BCB IDA Transaction. In connection with the CHS 110 BCB IDA Transaction, Landlord shall reasonably cooperate with Tenant and execute documents reasonably acceptable to Landlord necessary in order for the CHS 110 BCB IDA Transaction to become effective, including, without limitation, a PILOT Agreement, a lease agreement and/or a consent to sublease to the Agency and from the Agency to Tenant and/or its affiliates (or, if applicable, modifications to the agreements executed in connection with the "IDA Transaction" under the Original Lease); provided, however that Landlord shall not execute any recapture agreement or any other document which imposes liability or damages upon Landlord for or in connection with the CHS 110 BCB IDA Transaction. For avoidance of doubt, Tenant acknowledges and agrees that TIME IS OF THE ESSENCE with respect to all dates and time periods set forth in this Section 3.1.

Tenant agrees that it has engaged, and will continue to use, Greenberg Traurig, LLP 3.2 for the provision of legal services on Tenant's behalf in its application for, and pursuit of, the Inducement Resolution. It is the intention of the parties that Landlord and Tenant shall each be responsible for one-half (50%) of the following fees and charges (collectively, the "Total Shared Charge") (a) the total legal fee imposed by Greenberg Traurig, LLP for the provision of legal services in its application for, and pursuit of, the Inducement Resolution and for the closing (if any) of the CHS 110 BCB IDA Transaction ("Legal Services Fee"), and (b) all fees and charges imposed by the Agency or its counsel directly in connection with the CHS 110 BCB IDA Transaction through the date of closing (if any) of the CHS 110 BCB IDA Transaction ("Agency Fees"). Tenant shall pay its 50% share of such Legal Services Fee and Agency Fees by reimbursement to Landlord, as Additional Rent, within thirty (30) days following written demand therefor by Landlord, accompanied by the supporting invoices for each of the Legal Services Fee and Agency Fees. Accordingly, if either Landlord or Tenant ultimately makes payment of more than fifty percent (50%) of the Total Shared Charge, then the other party shall promptly reimburse the overpaying party the amount necessary to ensure that each of Landlord and Tenant has borne exactly fifty percent (50%) of the Total Shared Charge.

ARTICLE IV Broker

4.1 Each of Landlord and Tenant represents to the other that this Agreement was brought about by Colliers International L.I., Inc. (the "<u>Broker</u>"), as broker, and that all negotiations with respect to this Agreement were conducted exclusively with the Broker. Landlord shall pay the appropriate commission due the Broker in connection with this Agreement; such commission to be calculated and paid subject to and in accordance with the terms and conditions of a separate agreement between Landlord and the Broker (issued by Landlord). Landlord agrees that if any claim is made for commissions by any other broker through or on account of any acts of Landlord, Landlord will indemnify, defend and hold Tenant free and harmless from any and all liabilities and expenses in connection therewith, including Tenant's reasonable attorney's fees. Tenant agrees that if any claim is made for commissions by any other broker through or on account of any acts of Tenant, Tenant will indemnify, defend and hold Landlord free and harmless from any and all liabilities and expenses in connection therewith, including Landlord's reasonable attorney's fees.

ARTICLE V Ratification

5.1 Each of Landlord and Tenant represents and warrants to the other that the Original Lease is presently in full force and effect.

5.2 The parties hereby ratify and confirm all of the terms, covenants and conditions of the Original Lease, except to the extent that those terms, covenants and conditions are amended, modified or varied by this Agreement. If there is a conflict between the provisions of the Original Lease and the provisions of this Agreement, the provisions of this Agreement shall control. No oral or written statement, representation or promise whatsoever with respect to the foregoing or any other matter made by Landlord, its agents or any broker, whether contained in an affidavit, information circular, or otherwise, shall be binding upon the Landlord unless expressly set forth in this Agreement.

5.3 This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and/or assigns.

5.4 This Agreement may be executed in one or more counterparts. The parties agree that copies of the signature pages of this Agreement transmitted by email of a .pdf, .tiff, JPEG or similar file or otherwise electronically transmitted, whether sent to the other party or to such other party's counsel, shall be deemed to have been definitively executed and delivered, and with the same force and effect as if manually signed and delivered, and for all purposes whatsoever.

5.5 Tenant acknowledges and agrees that, if required of Landlord, the effectiveness of this Agreement shall be expressly contingent upon the issuance by Landlord's mortgagee of its approval of the transaction contemplated by this Agreement. Should such mortgagee approval be both required of Landlord and ultimately denied by Landlord's mortgagee, Landlord may terminate this Agreement *ab initio*, upon written notice to Tenant.

[Signatures on Following Page]

IN WITNESS WHEREOF, the parties have executed this First Amendment to Lease as of the day and year first above written.

Landlord:

110 BI-COUNTY BOULEVARD, LLC Name:

Title: Mitchell Rechler Authorized Signatory

Tenant:

CATHOLIC HEALTH SYSTEM OF LONG ISLAND, INC. d/b/a Catholic Health

By Name: Christine Flaherty

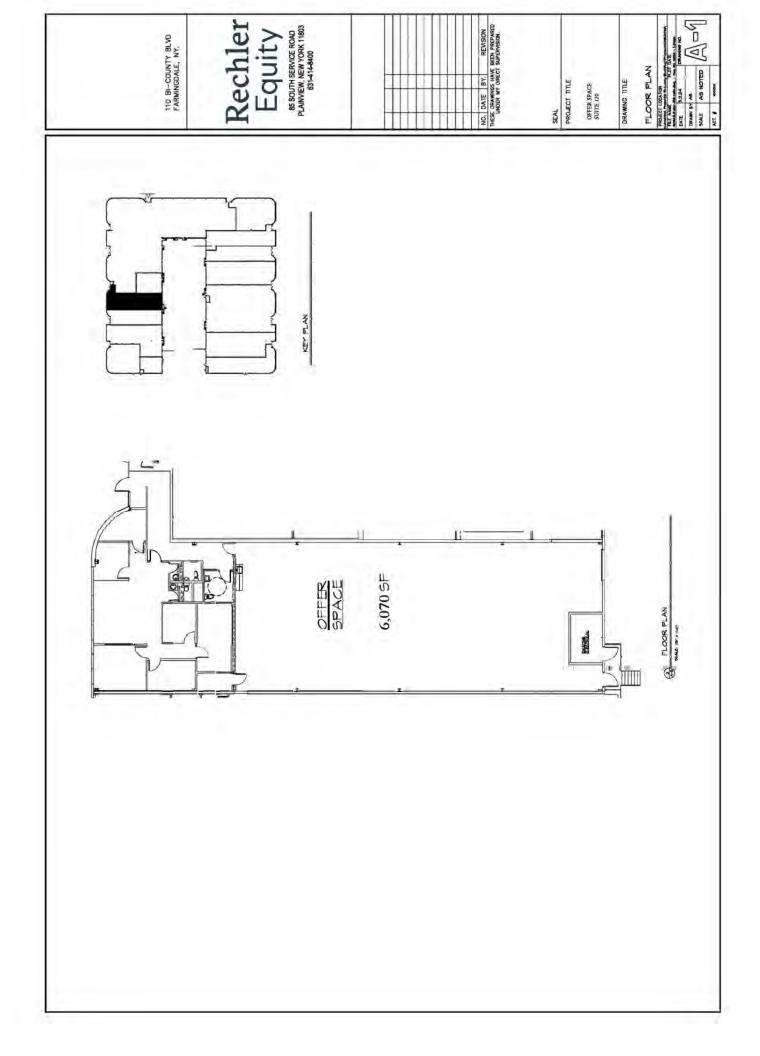
Title: Senior Vice President, Real Estate Development & Facilities

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EXHIBIT "A"

Offer Space Plan

(see attached)



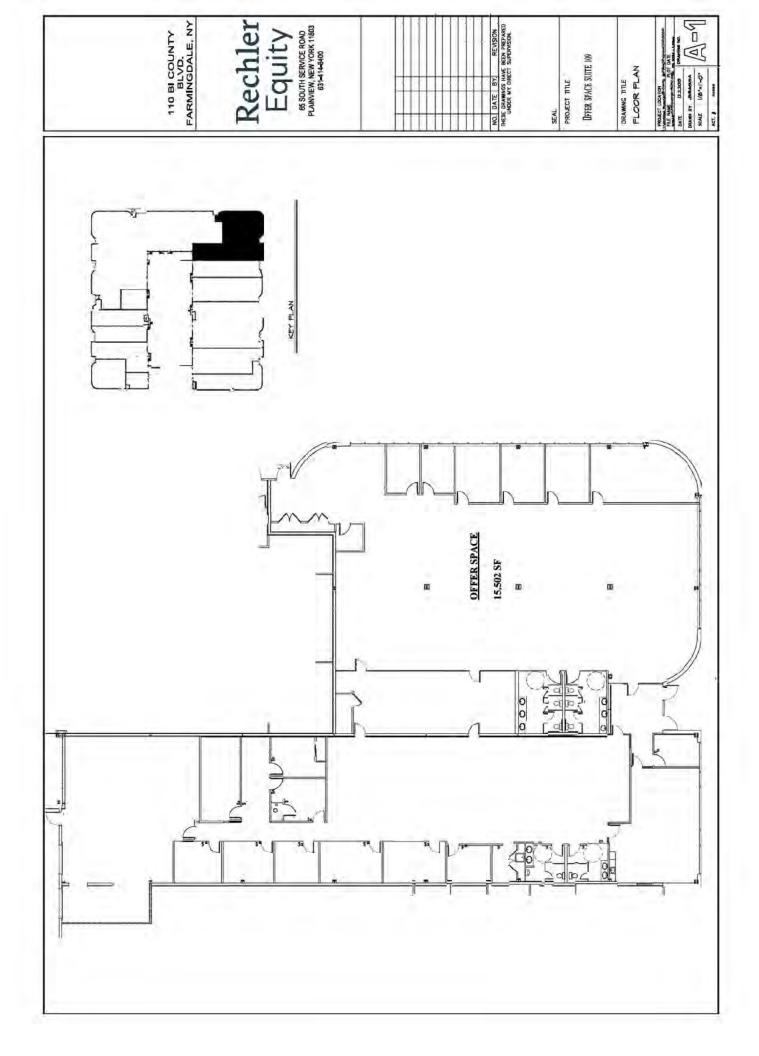


EXHIBIT "B"

The LEW CDs

(see attached)

