



BABYLON INDUSTRIAL DEVELOPMENT AGENCY

Thomas E. Dolan
Chief Executive Officer

FORM APPLICATION FOR FINANCIAL ASSISTANCE

DATE: May 9, 2025

APPLICATION OF: 77 Marine Street LLC, 40 Banfi LLC and With Pride Air Conditioning & Heating Inc.

Company Name of Beneficial User of Proposed Project
(Not Realty or Special Purpose Entity (SPE) created for liability)

CURRENT ADDRESS:

77 Marine Street, Farmingdale, New York 11735

**ADDRESS OF PROPERTY
TO RECEIVE BENEFITS:**

77 Marine Street, Farmingdale, New York 11735 and

40 Banfi Plaza, Farmingdale, New York 11735

Tax Map # District 0100 **Section** 095.00 **Block** 03.00 **Lot (s)** 025.000 (77 Marine)

Tax Map # District 0100 **Section** 097.00 **Block** 01.00 **Lot(s)** 004.048 (40 Banfi).

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Part I: User (Applicant) & Owner Data (if different)**1. User Data (Applicant):****A. User:** With Pride Air Conditioning & Heating Inc.**Address:** 77 Marine Street, Farmingdale, New York 11735With Pride - [REDACTED]**Federal Employer ID #:** _____ **Website:** https://withpridehvac.net/**NAICS Code:** 33341 (With Pride)

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

Name of User Officer Certifying Application: [REDACTED]**Title of Officer:** President (With Pride)**Phone Number:** [REDACTED]**E-mail:** [REDACTED]**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 _____")

Installer of HVAC equipment and systems**D. User Counsel:****Firm Name:** Forchelli Deegan Terrana LLP**Address:** 333 Earle Ovington Boulevard, Suite 1010Uniondale, New York 11530**Individual Attorney:** Daniel P. Deegan, Esq.**Phone Number:** 516.248.1700**E-mail:** DDeegan@Forchellilaw.com

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

Name	Percent Owned
Michael Dolan	100%

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

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

No.

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

Yes. See Attachment #1

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

Dolan Holdings LLC

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

Dolan Holdings LLC. Dolan Holdings LLC is a holding company for other unrelated real estate investments made by Michael Dolan.

I. List parent corporation, sister corporations and subsidiaries:

None (other than the Co-Applicants)

- 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:

No.

- K. List major bank references of the User:

TD Bank, 90 Broadhollow Road, Farmingdale, New York 11735 [REDACTED]
~~Chase Bank, 1745 Broadhollow Road, Farmingdale, New York 11735, Attention: [REDACTED]~~ Private Client Group Director

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"): 77 Marine Street LLC (with respect to 77 Marine Street) and 40 Banfi LLC (with respect to 40 Banfi Plaza)

Address: 77 Marine Street, Farmingdale, New York 11735

Federal Employer ID #: 77 Marine - [REDACTED]
40 Banfi - [REDACTED] Website: N/A

NAICS Code: 531390

Name of Owner Officer Certifying Application: [REDACTED]

Title of Officer: Member

Phone Number: [REDACTED] E-mail: [REDACTED]

- B. Business Type:

Sole Proprietorship ☐ Partnership ☐ Privately Held ☒ LLC

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 yes, the remainder of the questions in this Part I, Section 2 (with the exception of "F" below) need not be answered if answered for the Owner.

ii. If no, please complete all questions below.

E. Owner's Counsel:

Firm Name: _____

Address: _____

Individual Attorney: _____

Phone Number: _____ E-mail: _____

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

Name	Percent Owned
Michael Dolan	100%
_____	_____
_____	_____

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

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

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

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

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

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

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

- L. List major bank references of the Owner:

Part II – Operation at Current Location

1. Current Location Address: 77 Marine Street, Farmingdale, New York 11735
2. Owned or Leased: Owned by 77 Marine Street LLC
3. Describe your present location (acreage, square footage, number of buildings, number of floors, etc.):
77 Marine Street is a single story, 12,600 square foot industrial building located on .56 acres
4. Type of operation (manufacturing, wholesale, distribution, retail, etc.) and products and/or services:
distribution and storage of HVAC equipment and systems and offices ancillary thereto
5. Are other facilities or related companies of the Applicant located within the State?
 Yes ☐ No ☒
 - A. If yes, list the Address:
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:
 - B. If yes, please indicate whether the project is reasonably necessary for the Applicant to maintain its competitive position in its industry or remain in the State and explain in full:

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

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

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

A. Please explain: While Applicant may not move out of state without the requested financial assistance, it is unlikely that Applicant would proceed with the expansion of its business without the financial assistance.

9. Number of full-time employees at current location and average salary: 125 current employees

Average Salary is \$75,785.00.

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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: 77 Marine Street, Farmingdale, New York and 40 Banfi Plaza, Farmingdale, New York

B. Tax Map: District 0100 Section 095.00 Block 03.00 Lot(s) 025.000 (77 Marine)
 District 0100 Section 097.00 Block: 01.00 Lot(s) 004.048 (40 Banfi)

C. Municipal Jurisdiction:

i. Village: N/A
 ii. School District: Farmingdale Union Free School District
 iii. Library: Farmingdale Public Library

D. Acreage: .56 acres (77 Marine) and 1.4 acres (40 Banfi)**3. Project Components (check all appropriate categories):**

- A. Construction of a new building ☐ Yes ☒ No
 i. Square footage: _____
- B. Renovations of an existing building ☒ Yes ☐ No
 i. Square footage: 40 Banfi is 24,730 sq.ft and
77 Marine is 12,600 sq.ft.
- C. Demolition of an existing building ☐ Yes ☒ No
 i. Square footage: _____
- D. Land to be cleared or disturbed ☐ Yes ☒ No
 i. Square footage/acreage: _____
- E. Construction of addition to an existing building ☐ Yes ☒ No
 i. Square footage of addition: _____
 ii. Total square footage upon completion: _____
- F. Acquisition of an existing building ☒ Yes ☐ No
 i. Square footage of existing building: 24,730 sq.ft. (40 Banfi)

G. Installation of machinery and/or Equipment☒ Yes☐ Noi. List principal items or categories of equipment to be acquired: building service equipment,manufacturing equipment and office equipment**4. Current Use at Proposed Location:**A. Does the Applicant currently hold fee title to the proposed location? Yes as to 77 Marinei. If no, please list the present owner of the site: David Barry Associates L.L.C. (as to 40 Banfi)B. Present use of the proposed location: 77 Marine is used by Users for the warehousing and distribution of HVAC equipment and office ancillary theretoApproximately 30% of the rentable area of 40 Banfi is leased currently to United Manufacturers Supplies.C. Is the proposed location currently subject to an IDA transaction (whether through this Agency or another?) ☐ Yes ☒ No

i. If yes, explain: _____

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

See Attachment #2.

E. Is there an existing or proposed lease for the site? (if yes, attach): ☐ Yes ☒ No**5. Proposed Use:**A. Describe the specific operations of the Applicant or other users to be conducted at the project site: User will use the project site for the warehousing and distribution of HVAC equipment, offices and for the manufacturing of ductwork.B. Proposed product lines and market demands: commercial and residential HVAC equipment and systems

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:

Approximately 30% of the rentable area of 40 Banfi is leased currently to BJ Supply Group, Inc. d/b/a KNS Supply and Segye, Inc. d/b/a Hot-Steam. Such lease is scheduled to expire within approximately one (1) year following closing. After such expiration, User will take over the space. See lease summary attached as Attachment #3.

7. Project Completion Schedule:

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

i. Acquisition: June, 2025

ii. Construction/Renovation/Equipping: 2 months from acquisition

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: Completion will be 36 months from acquisition. This applies to both buildings.

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

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

<u>Description</u>	<u>Amount</u>
Land and/or building acquisition	\$ 7,419,000
Building(s) demolition/construction	\$ 20,000
Building renovation	\$ 1,400,000
Site Work	\$ 150,000
Machinery and Equipment	\$ 900,000
Legal Fees	\$ 50,000
Architectural/Engineering Fees	\$ 50,000
Financial Charges	\$ 50,000
Other (Specify)	\$ N/A
Total	\$ 10,039,000

2. Method of Financing:

	<u>Amount</u>	<u>Term</u>
A. Tax-exempt bond financing:	\$ 0	_____ years
B. Taxable bond financing:	\$ 0	_____ years
C. Conventional Mortgage:	\$ 5,193,300	5 _____ years
D. SBA (504) or other governmental financing:	\$ 0	_____ years
E. Public Sources (include sum of all State and federal grants and tax credits):	\$ 0	
F. Other loans:	\$ 0	_____ years
G. Owner/User equity contribution:	\$ 4,845,700	_____ years
Total Project Costs	\$ 10,039,000	

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

0

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

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

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

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

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

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

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

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

\$ 5,193,300

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

\$ 38,949.75

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):

\$ 1,752,000

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

\$ 153,300

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

i. Owner: \$ 0

ii. User: \$ 153,300

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: 15 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 Exhibit A hereto has been completed and executed. ****

Part VI – Employment Data

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

	<u>Present</u>	<u>First Year</u>	<u>Second Year</u>	<u>Residents of LMA</u>
Full-Time	125	130	140	70%-80%
Part-Time**	0	0	0	N/A

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

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

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

2. **Salary and Fringe Benefits:**

Category of Jobs to be Retained and Created	Number of Employees	Average Salary or Range of Salary	Average Fringe Benefits or Range of Fringe Benefits
Management	10	\$125,000-\$200,000	\$15,000
Professional	N/A	N/A	N/A
Administrative	15	\$65,000 - \$80,000	\$2,500
Production	5	\$70,000 - \$90,000	\$5,000
Supervisor	15	\$110,000	\$10,000
Laborer	95	\$60,000 - \$70,000	\$2,500
Other	n/a	n/a	n/a

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 \$ \$60,000 TO \$ \$200,000

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

	<u>First Year</u>	<u>Second Year</u>	<u>Third Year</u>
* Full-Time	<u>5-10</u>	<u>5-10</u>	<u>5-10</u>
** Part-Time	<u> </u>	<u> </u>	<u> </u>

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

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

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Part VII – Representations, Certifications and Indemnification

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

Yes ☐ No ☒

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

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

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

- b. hazardous wastes, environmental pollution,

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

- c. other operating practices

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

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

Yes ☒ No ☐

Due to the high costs of doing business on Long Island, including the high taxes, it is unlikely that Applicant would seek to expand its facility

without the requested financial assistance.

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?

Applicant would likely forego expanding its facilities and potentially look to move its production, storage and/or office facilities out of the Town.

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

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

Initial MD

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 MD

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 MD

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 MD

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 MD

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

Initial MD

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 MD

Initial after receipt and acceptance of Schedule A and Schedule B

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

Initial MD

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

Initial MD

Part IX – Certification

_____ (name of representative of company submitting application)
deposes and says that he or she is the President (title) of With Pride Air Conditioning & Heating, Inc.,
the corporation (company name) named in the attached application; that he or she has read the foregoing
application and knows the contents thereof; and that the same is true to his or her knowledge.

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

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

Representative of Applicant

Sworn to me before this 9th
Day of February, 2025
James H. King
(seal)



Part IX – Certification

Property Owner (if different from Applicant)

[REDACTED] (name of representative of owner submitting application)
deposes and says that he or she is the Sole Member (title) of 77 Marine Street LLC and 40 Banfi LLC,
the ~~corporation~~ (company name) named in the attached application; that he or she has read the foregoing
application and ~~knows~~ knows the contents thereof; and that the same is true to his or her knowledge.
limited liability companies

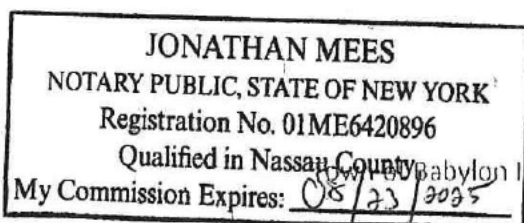
Deponent further says that s/he is duly authorized to make this certification on behalf of the ~~entity~~ ^{entities}
named in the attached Application (the "Applicant") and to bind the Applicant. The grounds of
deponent's belief relative to all matters in said Application which are not stated upon his/her 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 9th
Day of February, 2025
[Signature]
(seal)



Town of Babylon Industrial Development Agency

EXHIBIT A

Proposed PILOT Schedule

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

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 Lessee 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
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 the Lessee would pay without exemption.
Tax Year =	the Tax Year of the Town commencing each December 1 and ending the following November 30.

Tax Year

1	40.0% Normal Tax Due on X
2	44.0% Normal Tax Due on X
3	48.0% Normal Tax Due on X
4	52.0% Normal Tax Due on X
5	56.0% Normal Tax Due on X
6	60.0% Normal Tax Due on X
7	64.0% Normal Tax Due on X
8	68.0% Normal Tax Due on X
9	72.0% Normal Tax Due on X
10	76.0% Normal Tax Due on X
11	80.0% Normal Tax Due on X
12	84.0% Normal Tax Due on X
13	88.0% Normal Tax Due on X
14	92.0% Normal Tax Due on X
15	96.0% Normal Tax Due on X
16 and thereafter	100% Normal Tax Due on X

The tax benefits provided for in this subsection shall be deemed to commence on the PILOT Commencement Date. In no event shall the Lessee 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 Lessee further covenants and agrees that for any period that the Agency continues to hold title to the Facility after termination, the Lessee shall pay 100% of the Normal Tax Due on X 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.

Exhibit A Town PILOT Schedule

**With Pride Air Conditioning & Heating Inc.
77 Marine Street LLC / 40 Banfi LLC**

5/7/2025

Tax Savings for the following properties:	<u>Town Assessed Value</u>
77 Marine St, E Farmingdale 0100 095.00 03.00 025.000	8620
40 Banfi Plaza N, E Farmingdale 0100 097.00 01.00 004.048	17030

PILOT Information

Assumptions

Total Assessed Value	25650
Tax without Exemption	\$102,941
Eligible Tax Rate of	390.7722
Ineligible Taxes	\$2,707.45
Rate Increment of	2% / year
Referenced Tax Bill	2024 - 2025

PILOT Schedule

PILOT Length	15 years
Abatements start at	60%

Year #	Abatement %	PILOT %	Estimated Taxes To be Paid	Estimated Savings
1	60%	40%	\$ 43,603	\$ 61,350
2	56%	44%	\$ 48,567	\$ 58,400
3	52%	48%	\$ 53,756	\$ 55,300
4	48%	52%	\$ 59,134	\$ 52,050
5	44%	56%	\$ 64,706	\$ 48,650
6	40%	60%	\$ 70,435	\$ 45,150
7	36%	64%	\$ 76,413	\$ 41,450
8	32%	68%	\$ 82,557	\$ 37,600
9	28%	72%	\$ 88,964	\$ 33,550
10	24%	76%	\$ 95,548	\$ 29,350
11	20%	80%	\$ 102,409	\$ 24,950
12	16%	84%	\$ 109,508	\$ 20,300
13	12%	88%	\$ 116,851	\$ 15,500
14	8%	92%	\$ 124,393	\$ 10,550
15	4%	96%	\$ 132,244	\$ 5,350

Estimated Taxes to be paid: \$1,269,088
Estimated Savings: \$539,500

SCHEDULE A

Agency's Fee Schedule

Schedule A

Fee Policy

1. Application Fee:
 - a. Projects under \$10,000,000.00 - \$2,500.00
 - b. Projects \$10,000,000.00 and over - \$5,000.00
2. Straight Lease Transaction:
 - a. 1.25% of hard costs plus 1% of savings which shall include the PILOT, estimated sales and mortgage recording tax savings
 - b. Campus: All newly acquired building shall be subject to a 1.25% of acquisition fee. In addition existing buildings shall be charged .75% of fair market value as set by the Assessor for that tax year, plus 1.25% of other hard costs including equipment purchases and construction costs. Plus 1% of savings which shall include the PILOT, estimated sales and mortgage recording tax savings for the entire campus.
 - c. Leases and Renewal: 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 and shall be added to 1.25% of other hard costs including equipment purchases and construction costs and 1% of savings which shall include the PILOT, estimated sales and mortgage recording tax savings.
 - d. Equipment or Capital Investment: For projects solely involving equipment investment and availing the sales tax break, the fee will be 1% of the cost of the equipment purchase or construction costs plus 1% of savings.
 - e. Industrial Construction: IDA will collect a fee equivalent to 1.25% of acquisition and hard costs at the time of construction financing. When the tenant begins to occupy the space the tenant fee shall be 1% of savings which shall include the PILOT and estimated sales tax savings plus \$0.35 per square foot of the leasable area.
3. Bond Schedule:
 - 1% first \$10,000,000.00
 - ¾ of 1% between \$10mm-\$25mm
 - ½ of 1% between \$25mm-\$35mm
 - ¼ of 1% over \$35mm
4. Publication:
 - a. The applicant is responsible for the cost of any publication. The amount will be invoiced at the time of closing.
5. Independent Study:
 - a. The applicant is responsible for the cost of any independent third-party studies commissioned by the Agency in relation to the project. The amount will be invoiced at the time of closing.
6. Administrative:
 - a. Amendments to the lease, sales tax extensions, PILOT schedule changes - \$5,000.00
 - b. Termination of lease, mortgage modifications - \$2,500.00

7. Annual Compliance:
 - a. Projects \$10,000,000.00 and over must pay an annual compliance fee of \$1,000.00 for the duration of the PILOT
8. Legal
 - a. Applicants are responsible for all legal fees at closing, which include both local and project counsel.
9. Non-Contingency
 - a. All fees associated with this policy are not contingent upon any outcomes or external conditions.

SCHEDULE B

Agency's Recapture Policy

SCHEDULE B

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

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

(A) one hundred per cent (100%) of the Benefits (as defined below) if the Recapture Event occurs within the first five (5) years after the date hereof;

(B) eighty per cent (80%) of the Benefits if the Recapture Event occurs during the period from the sixth (6th) year through and including the eighth (8th) year after the date hereof;

(C) sixty per cent (60%) of the Benefits if the Recapture Event occurs during the ninth (9th) year after the date hereof;

(D) forty per cent (40%) of the Benefits if the Recapture Event occurs during the tenth (10th) year after the date hereof; or

(E) twenty per cent (20%) of the Benefits if the Recapture Event occurs during the eleventh (11th) year after the date hereof.

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

(1) all real estate tax benefits which have accrued to the benefit of the Lessee or the Sublessee commencing from and after the "Commencement Date", and during the period of time that the Agency is the owner of the Facility, such tax benefits to be computed by subtracting the payments in lieu of taxes paid under Section 4.3 hereof from those payments which the Lessee or the Sublessee would have been required to pay during the term of this Agreement (within the meaning of Section 3.2 hereof) had the Town determined the amount of such real estate taxes as would be due if the Lessee had been the owner of the Facility Realty during such term; and

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

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

- (1) The Lessee or the Sublessee shall have liquidated its operations and/or assets (absent a showing of extreme hardship);
- (2) The Lessee or the Sublessee shall have ceased all or substantially all of its operations at the Facility (whether by relocation to another facility or otherwise, or whether to another facility either within or outside of the Town) through no force majeure event;
- (3) The Lessee or the Sublessee shall have transferred all or substantially all of its employees within the Town to a location outside of the Town through no force majeure event;
- (4) The Lessee or the Sublessee shall have subleased all or any portion of the Facility in violation of the limitations imposed by Section 9.3 hereof, without the prior written consent of the Agency;
- (5) The Lessee or the Sublessee shall have sold, leased, transferred or otherwise disposed of all or substantially all of its interest in the Facility; or
- (6) Base Employment Reduction Percentage shall be greater than fifteen percent (15%) due to a Relocation Reduction occurring with respect to an Annual Period.

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

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

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

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

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

Attachment #1

Over twenty years ago when [REDACTED] was in his early twenties he was convicted of a felony involving drugs. He has had a clean record for over twenty years and has overcome what was a youthful indiscretion to be a respected business leader in the community and significant employer.

ATTACHMENT #2

Purchase and Sale Agreement for 40 Banfi Plaza

See Attached

PURCHASE AND SALE AGREEMENT

BY AND BETWEEN

DAVID BARRY ASSOCIATES, L.L.C.

("Seller")

and

WITH PRIDE AIR CONDITIONING & HEATING INC.

("Purchaser")

Dated: as of January 28, 2025

PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT (this “**Agreement**”) is made as of January 28, 2025 by and between DAVID BARRY ASSOCIATES, L.L.C., a New York limited liability company (“**Seller**”), having an address 19 Woodhull Road, E. Setauket, New York 11733, and WITH PRIDE AIR CONDITIONING & HEATING, INC., a New York Corporation (“**Purchaser**”), having an address 77 Marine Street, Farmingdale, New York 11735.

RECITALS

WHEREAS, Purchaser desires to purchase the Property (as hereinafter defined), and Seller desires to sell the same to Purchaser, upon and pursuant to the terms of this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound hereby, do hereby agree as follows:

SECTION 1: SUBJECT OF SALE

Section 1.01. Subject to and in accordance with the terms and conditions of this Agreement, Seller shall sell, assign, and convey to Purchaser all of Seller’s right, title and interest in, to, and under the following:

(a) (i) that certain parcel of real property situate, lying, and being in the Town of Babylon, County of Suffolk, State of New York, and located at 40 Banfi Plaza, Farmingdale, New York 11735, as more particularly described on **Schedule 1** attached hereto (the “**Land**”), and (ii) the building (“**Building**”) and all of the other improvements located on the Land (collectively, the “**Improvements**”);

(b) all rights, privileges, grants and easements appurtenant to the Land and the Improvements, including, without limitation, all of Seller’s right, title and interest in and to the Land lying in the bed of any public street, road or alley, all mineral and water rights, and all easements, licenses, covenants and rights-of-way or other appurtenances used in connection with the beneficial use and enjoyment of the Land and the Improvements (the Land and the Improvements, and all such rights, privileges, easements, grants and appurtenances are sometimes referred to herein collectively as the “**Real Property**”);

(c) the fixtures, machinery, equipment, and other items of personal property owned by Seller and located upon and used in connection with the ownership or operation of the Real Property (collectively, the “**Personal Property**”);

(d) the commercial Leases (hereinafter defined) providing for rights in or to the use of the Real Property and the Security Deposits (hereinafter defined);

(e) all governmental permits, licenses, approvals and certificates, to the extent transferable, relating to the Real Property and the Personal Property (collectively, the “**Permits**”);

and Licenses”), and all of Seller’s right, title and interest in and to those contracts set forth on **Exhibit F** with respect to the servicing, maintenance, repair, management, leasing or operation of the Real Property, to the extent same remain in effect on the Closing Date (individually, a “**Service Contract**” and, collectively, the “**Service Contracts**”) and subject to the provisions of Section 14.01 hereof, any Leasing Brokerage Agreements (hereinafter defined);

(f) all guaranties and warranties, to the extent transferable, owned by Seller and received in connection with any construction, repair or maintenance services performed with respect to the Real Property or Personal Property (collectively, the “**Warranties**”); and

(g) all other rights, privileges and appurtenances owned by Seller, if any, to the extent transferable and directly related to the ownership, use or operation of the Real Property or Personal Property, including, without limitation but subject to the terms and conditions of Section 25 of this Agreement, any real estate tax refunds relating to the Property (collectively, the “**Intangible Rights**”); provided, however, that it is hereby acknowledged by the parties that Seller shall not convey to Purchaser claims relating to any real property tax refunds or rebates for periods accruing prior to the Closing, existing insurance claims and any existing claims against previous tenants of the Real Property and/or against guarantors of any prior leases for space at the Real Property, all of which claims are hereby expressly reserved by Seller.

The Real Property and, to the extent applicable, the Personal Property, the Leases, the Security Deposits, the Permits and Licenses, the Service Contracts, the Leasing Brokerage Agreements, Warranties, the Intangible Rights and all other property interests described in this Section 1 being conveyed hereunder, are hereinafter collectively referred to as the “**Property**”.

Section 1.02. Notwithstanding anything to the contrary contained herein, it is expressly agreed by the parties hereto that any fixtures, furniture, furnishings, equipment or other personal property (including, without limitation, trade fixtures in, on, around or affixed to the Building) owned or leased by any agent, employee or contractor of Seller or any affiliate of Seller or by any Tenant or any person or entity claiming through or under any such Tenant (collectively, the “**Excluded Property**”) is not included in the Property to be sold to Purchaser hereunder.

Section 1.03. The parties hereto acknowledge and agree that the value of the Personal Property is de minimis and no part of the Purchase Price is allocable thereto. Although it is not anticipated that any sales tax shall be due and payable, Purchaser agrees that Purchaser shall pay any and all sales and/or compensating use taxes imposed upon by or due to the state or town in which the Property is located in connection with the transactions contemplated hereunder. Purchaser shall file all necessary tax returns with respect to all such taxes and, to the extent required by applicable law, Seller will join in the execution of any such tax returns.

SECTION 2: DEFINITIONS

Section 2.01. For all purposes of this Agreement, except as otherwise expressly provided or unless the context clearly indicates a contrary intent:

(i) the capitalized terms defined in this Section have the meanings assigned to them in this Section, and include the plural as well as the singular; and

(ii) the words “herein”, “hereof”, and “hereunder” and other words of similar import refer to this Agreement as a whole and not to any particular Section or other subdivision.

“**Additional Rents**” shall mean all percentage rent, escalation charges for real estate taxes, operating expenses or cost-of-living adjustments, charges for electricity, steam, water, cleaning, overtime services, sundry charges or other charges of a similar nature payable by any Tenants pursuant to the Leases.

“**Assignment Agreement**” shall mean the Assignment Agreement in the form of **Exhibit C** attached hereto and made a part hereof.

“**Basket Amount**” shall have the meaning set forth in Section 15 hereof.

“**Building**” shall have the meaning set forth in Section 1.01(a)(ii) hereof.

“**Business Day**” shall mean any day other than (i) a Saturday or Sunday, (ii) all days observed by the federal or State of New York government as legal holidays, and (iii) all days on which commercial banks in the State of New York are required by law to be closed.

“**Closing**” shall mean the closing of the transactions contemplated by this Agreement.

“**Closing Date**” shall mean the actual date on which the Closing occurs.

“**Closing Date Representations**” shall mean all of the representations and warranties set forth in Sections 10.01(a), (b), (c), (d), (j), (l), (o) and (p).

“**Code**” shall have the meaning set forth in Section 10.01(d) hereof.

“**Confidential Information**” shall have the meaning set forth in Section 24.01.

“**Contract Period**” shall mean the period commencing on the Effective Date of this Agreement and ending on the Closing Date.

“**Downpayment**” shall mean the downpayment set forth in Section 3.01(a).

“**Effective Date of this Agreement**” shall mean the date on which Seller (or its counsel) delivers to Purchaser (or its counsel) a fully-executed counterpart of this Agreement, which date shall be inserted by hand on behalf of Seller in the introductory paragraph on Page 1 of this Agreement.

“**Escrow Agent**” shall mean Weinberg, Gross & Pergament LLP

“**Excluded Property**” shall have the meaning set forth in Section 1.02 hereof.

“Fixed Rents” shall mean all base or fixed rents or base or fixed license fees, as applicable, payable by any Tenants pursuant to the Leases.

“Improvements” shall have the meaning set forth in Section 1.01(a)(ii) hereof.

“Intangible Rights” shall have the meaning set forth in Section 1.01(g) hereof.

“Land” shall have the meaning set forth in Section 1.01(a)(i) hereof.

“Leases” shall mean the leases, all amendments thereto, guaranties, agreements related thereto, consents to subleases and any other documents related thereto described in the List of Leases annexed hereto as **Exhibit A**. Each of the Leases may be referred to herein as a Lease.

“Loss” or **“Losses”** shall mean the actual damage, loss, cost or expense (including reasonable costs of investigation and reasonable attorneys’ fees incurred in defending against and/or settling such damage, loss, cost or expense or claim therefor and any amounts paid in settlement thereof), if any, imposed on, or incurred by, Purchaser because a representation made by Seller in Section 10.01 of this Agreement is untrue or incorrect. In no event shall any **“Loss”** or **“Losses”** include any indirect, consequential or punitive damages.

“Maximum Credit Amount” shall have the meaning set forth in Section 15 hereof.

“New Amendment to an Existing Lease” shall mean a duly executed and delivered written amendment to any Lease listed on **Exhibit A** to this Agreement entered into by Seller during the Contract Period, with the prior written consent of Purchaser if required under Section 14 of this Agreement.

“New Leases” shall mean any and all new leases, licenses or other agreements for use and enjoyment of any portion of the Improvements by any Tenant other than those Tenants listed on **Exhibit A** to this Agreement, and all guaranties, agreements and other documents related to any such new lease, license or other agreement, in any case entered into by Seller during the Contract Period, with the prior written consent of Purchaser if required under Section 14 of this Agreement.

“Permits and Licenses” shall have the meaning set forth in Section 1.01(e) hereof.

“Permitted Encumbrances” shall have the meaning set forth in Section 5.01 hereof.

“Person” shall mean any individual, estate, partnership, limited liability company, corporation, trust, governmental entity or any other legal entity and any unincorporated association.

“Personal Property” shall have the meaning set forth in Section 1.01(c) hereof.

“Property” shall have the meaning set forth in Section 1.01 hereof.

“Purchase Price” shall have the meaning set forth in Section 3.01 hereof.

“Purchaser’s Loss Notice” shall have the meaning set forth in Section 10.03 hereof.

“Qualified Intermediary” shall have the meaning set forth in Section 19.02 hereof.

“Real Estate Taxes” shall mean real estate taxes and any general or special assessments imposed upon the Real Property, including but not limited to any general or special assessments of any governmental or municipal authority or tax district, including, without limitation, any assessments levied for public benefits to the Real Property.

“Real Property” shall have the meaning set forth in Section 1.01(b) hereof.

“Rents” shall mean all Fixed Rents, Additional Rents, and license fees.

“Representatives” shall have the meaning set forth in Section 24.01 hereof.

“Scheduled Closing Date” shall have the meaning set forth in Section 3.02 hereof.

“Security Deposit” shall mean the amounts deposited under the Leases in the nature of security for the performance of any Tenant’s (as hereinafter defined) obligations thereunder.

“Service Contracts” shall have the meaning set forth in Section 1.01(e) hereof.

“Survival Period” shall mean the period of time commencing on the Closing Date and terminating three (3) months subsequent to the Closing Date.

“Tenants” shall mean all of the tenants, licensees and other occupants under or pursuant to the Leases.

“Title Insurer” shall mean any reputable title company licensed to do business in the State of New York selected by Purchaser (subject to the provisions of Section 5.02 of this Agreement).

“Warranties” shall have the meaning set forth in Section 1.01(f) hereof.

SECTION 3: TRANSFER OF PROPERTY; CLOSING

Section 3.01. Seller agrees to sell to Purchaser, and Purchaser agrees to purchase from Seller, subject to and in accordance with the terms, provisions, covenants and conditions set forth in this Agreement, all of Seller’s right, title and interest in and to the Property for a purchase price of SEVEN MILLION FOUR HUNDRED NINETEEN THOUSAND AND 00/100 DOLLARS (\$7,419,000.00) (the **“Purchase Price”**), subject to adjustments to be made pursuant to the terms of this Agreement, including, without limitation, as provided in Section 7 hereof. The Purchase Price to be paid by Purchaser shall be paid as follows:

(a) THREE HUNDRED SEVENTY THOUSAND NINE HUNDRED FIFTY AND 00/100 DOLLARS (\$370,950.00) to the Escrow Agent on the signing of this Agreement as the Downpayment, by wire transfer in accordance with the wire instructions set forth on **Schedule 2** attached hereto. Subject to the provisions of Section 4.01, the Downpayment shall be held by the Escrow Agent in accordance with Section 23 hereof.

(b) Subject to the adjustments to be made pursuant to this Agreement, the balance of the Purchase Price shall be paid to Seller (or its designees) at Closing. All monies payable under this Agreement on the Closing Date shall be delivered to Seller or its designees by unendorsed bank cashier's checks drawn on a bank that is a member of the New York Clearing House Association and payable to the order of Seller or such persons as may be designated by Seller or wire transfer in accordance with the wire instructions to be designated by Seller.

Section 3.02. The Closing shall occur on or about the day that is forty-five (45) days after the end of the Inspection Period (defined below) (or if such day does not fall on a Business Day, the first Business Day after such date) (the "**Scheduled Closing Date**") at the offices of Seller's attorney (subject to the last sentence of this Section 3.02). Seller shall be entitled to one or more adjournments of the Scheduled Closing Date, not exceeding thirty (30) days in the aggregate, upon notice to Purchaser's attorney. Seller and Purchaser agree to cooperate with one another to effect an escrow closing with the documents to be executed by each party to be delivered to the Title Insurer or to another mutually acceptable escrow agent so as to obviate the need for the representatives of the Sellers and Purchaser to attend the Closing.

SECTION 4: ENVIRONMENTAL & BUILDING VIOLATIONS INSPECTION PERIOD; ACCESS

Section 4.01. Purchaser shall have from the Effective Date of this Agreement until 5:00 P.M. (EST) on the forty-fifth (45th) day after the Effective Date (the "**Inspection Period**") the right but not the obligation to perform, at its sole cost and expense, title examination and a Phase I environmental inspection (the "**Phase I**") of the Property from a reputable environmental testing company licensed in the State of New York and shall deliver a copy of such Phase I to Seller upon Purchaser's receipt thereof. In the event that the results of a Phase I completed by Purchaser suggest that a Phase II environmental inspection (the "**Phase II**") is necessary, Purchaser may perform the Phase II, at its sole cost and expense, subject to the terms hereof including, without limitation, Section 4.02 below, and Purchaser shall deliver a copy of such Phase II to Seller upon Purchaser's receipt thereof. In the event that (i) Purchaser's Phase II reveals that the Property is in violation of any applicable environmental laws ("**Environmental Violations**") or Purchaser's title examination reveals any notes or notices of violations of law or governmental ordinances, orders or requirements which were noted or issued prior to the Effective Date by any governmental department, agency or bureau having jurisdiction as to conditions affecting the Property other than a violation related to Exception 6 or 7 described on Schedule 4 attached hereto ("**Building Violations**"), and (ii) prior to the expiration of the Inspection Period, Purchaser gives notice to Seller that Purchaser has elected to terminate this Agreement due to such Environmental Violations or Building Violations, Seller, at Seller's sole option, shall have the right, (A) in the instance of an Environmental Violation, to hire a reputable environmental consultant licensed in the State of New York to review the Environmental Violations and prepare an estimate of the costs to cure same, and (B) in the instance of Building Violations, to hire a reputable engineer, architect or expediter licensed in the State of New York to review the Building Violations and prepare an estimate of the costs to cure same. In either event, upon receipt of such estimate, Seller, in Seller's sole discretion may (x) consent to Purchaser's termination of this Agreement, (y) offer to, subject to Purchaser's acceptance, nullify Purchaser's termination of this Agreement and give Purchaser a credit at

closing in the amount set forth on the consultant's report, or (z) offer to, subject to Purchaser's acceptance, nullify Purchaser's termination of this Agreement by agreeing in writing to undertake the remediation of the Environmental Violations or Building Violations, as the case may be. By way of clarification, and not limitation, Purchaser shall not have the right to terminate this Agreement in any of the following events: (A) Purchaser does not timely perform a Phase I or obtain a Building Violation search; (B) any such Phase I does not suggest that a Phase II should be performed; (C) no Environmental Violations are revealed by a Phase I or, if applicable, a Phase II; (D) no Building Violations are revealed by a title examination, (E) a violation related to Exception 6 or 7 described on Schedule 4 attached hereto is revealed; and (F) Seller and Purchaser agree to nullify a Purchaser termination in accordance with the terms hereof. Any termination by Purchaser hereunder must occur prior to the expiration of the Inspection Period. In the event the Purchaser properly cancels this Agreement pursuant to this Section 4 and Seller does not negate such termination as provided herein, the Downpayment shall be promptly returned to Purchaser and neither party shall have any further liability to the other.

Section 4.02. Notwithstanding the foregoing, Purchaser must obtain Seller's prior written approval of the scope and method of the Phase II, prior to Purchaser's commencement of the Phase II. If Seller, in its sole and absolute discretion, does not approve the scope and method of the Phase II, then Purchaser, as its sole and exclusive remedy, may terminate this Agreement by notice to Seller given within five (5) business days after Seller gives notice of such disapproval of the Phase II to Purchaser, but in any event, prior to the end of the Inspection Period. If Seller approves such Phase II, Seller and its representatives, agents, and/or contractors shall have the right to be present during any such testing, investigation, or inspection.

Section 4.03. Purchaser shall (i) conduct all tests and inspections in a good and workmanlike manner, and in compliance with all applicable laws, ordinances, rules and regulations of any governmental authority; (ii) not make any alterations to the Property whatsoever, (iii) repair any damage to the Property resulting from such tests and inspections, at Purchaser's sole cost and expense, (iv) cause all debris resulting from its activities to be removed, (v) exercise its rights hereunder so as to minimize interference with the normal operation of the Property, and (vi) pay all sums due to the environmental testing companies engaged by Purchaser.

Section 4.04. Prior to Purchaser, or its employees and agents, entering onto the Property, Purchaser shall deliver to Seller property damage and commercial general liability insurance, in form and amounts reasonably acceptable to Seller and naming Seller as additional insured, and furnishing to Seller policies or a certificate or certificates of insurance evidencing such coverage, prior thereto.

Section 4.05. Purchaser shall restore the Property to its condition existing immediately prior to Purchaser's inspection thereof, and Purchaser shall indemnify, defend and hold harmless Seller and its direct and indirect shareholders, officers, directors, partners, principals, members, employees, agents and contractors, and any successors or assigns of the foregoing, from and against any and all losses, costs, liabilities, damages and expenses, including, but not limited to, penalties, fines, court costs, disbursements and reasonable attorney's fees incurred in connection with or arising from injuries to persons or damage to property caused by Purchaser's and/or its Representatives' access to, or inspection of the Property, or any tests, inspections or other due diligence conducted by or on behalf of Purchaser. The indemnity provisions of this Section 4.05

shall be binding upon Purchaser regardless of whether or not the transactions contemplated hereby are consummated and shall survive the termination of this Agreement or the Closing, as applicable.

SECTION 5: TITLE; MATTERS TO WHICH THE SALE IS SUBJECT

Section 5.01. Seller shall assign and convey or cause to be assigned and conveyed to Purchaser good and valid, marketable and insurable fee title to the Property free and clear of any and all mortgages, liens, leases, encumbrances and easements, except the following (collectively, the “**Permitted Encumbrances**”):

(a) Subject to the provisions of Section 7, all Real Estate Taxes, water meter and water charges and sewer rents, accrued or unaccrued, fixed or not fixed, becoming due and payable after the Closing Date;

(b) All zoning laws and building ordinances, resolutions, regulations and orders of all boards, bureaus, commissions and bodies of any municipal, county, state or federal government, other than notices of violations thereof formally noted or issued by the applicable governmental authority with respect to the Property during the Contract Period;

(c) All covenants, restrictions and rights and all easements and agreements for the erection and/or maintenance of water, gas, steam, electric, telephone, sewer or other utility pipelines, poles, wires, conduits or other like facilities, and appurtenances thereto, over, across and under the Property;

(d) The standard Exclusions from Coverage under a 2006 ALTA owner's policy of title insurance;

(e) Any state of facts shown on the survey made by Frank J. Ward, dated February 3, 1984 redated December 19, 1986, and any additional facts such survey brought down to date would show provided such additional facts shown on the survey brought down to date do not render title unmarketable (subject, however, to the provisions of Section 5.01(j), below);

(f) Variations between tax lot lines and lines of record title;

(g) All violations of building, fire, sanitary, environmental, housing and similar laws and regulations, other than those violations thereof formally noted or issued by the applicable governmental authority with respect to the Property during the Contract Period;

(h) The Leases;

(i) Covenants, restrictions, reservations and easements of record as of the date hereof; and

(j) All of the restrictions, encumbrances, covenants, agreements, easements and other matters affecting title to the Property (other than any mortgage placed on the Property by Seller) set forth **Schedule 4** attached hereto.

Notwithstanding that the deed for the Property does not so state, the Property shall be deemed conveyed to Purchaser subject to the exceptions set forth in items (a) through (j). This provision shall survive the Closing.

Section 5.02. Upon execution of this Agreement, Purchaser shall order a survey ("**Survey**") and title commitment ("**Title Commitment**") with respect to the purchase of the Property from the Title Insurer, to be delivered simultaneously to Purchaser's and Seller's attorneys. During the Inspection Period, Purchaser shall notify Seller's attorney in writing (the "**Title Objection Notice**") of any defects in or exceptions to title to the Property (other than Permitted Encumbrances) revealed by the Title Commitment or the Survey to which Purchaser desires to object (collectively, the "**Title Objections**"). Receipt of the Title Commitment by seller's attorney shall constitute due notice hereunder. Any matter of title to the Property not included in a timely-delivered Title Objection Notice shall be deemed a Permitted Encumbrance, except for defects in or exceptions to title only first revealed to Purchaser in an update to the Title Commitment or the Survey performed prior to the Scheduled Closing Date (as same may have been extended as permitted under this Agreement) but after the date of delivery of the initial Title Objection Notice (which previously-undiscovered defects and exceptions will be treated as Title Objections if Purchaser notifies Seller of Purchaser's objection thereto in a supplemental Title Objection Notice delivered at least one day prior to the Scheduled Closing Date). If there are Title Objections by Purchaser, Seller shall have the option, at its sole discretion, to satisfy them prior to the Scheduled Closing Date. Within ten (10) days after receipt of the Title Objection Notice, Seller shall notify Purchaser whether and to the extent it agrees to cure or attempt to cure the Title Objections raised therein (it being acknowledged and agreed that if Seller fails to so timely notify Purchaser, then Seller shall be deemed to have elected to attempt to cure the Title Objections). If and to the extent Seller elects or is deemed to have elected to attempt to satisfy the Title Objections, Seller shall use commercially reasonable efforts to attempt to cure such Title Objections prior to Closing, and the Scheduled Closing Date may be extended, at Seller's option, but not beyond thirty (30) days, in order to attempt to cure such Title Objections. If Seller shall notify Purchaser that it declines to cure any such timely-raised Title Objections, or if Seller elects or is deemed to have elected to attempt to cure such timely-raised Title Objections, but then fails or is unable to complete such cure within the time allowed, or if during such time period Seller delivers a written notice to Purchaser that such objections are not curable, then, in any such event, Purchaser may, by written notice to Seller delivered within three (3) business days after the expiration of such time or the delivery of such written notice (but in no event later than the Closing Date), either (i) waive the Title Objections and accept such title as Seller is able to convey, without abatement or reduction of the Purchase Price or any credit or allowance on account thereof (except as may otherwise be expressly set forth herein), and by such waiver of the Title Objections, Purchaser shall be deemed to have waived any and all claims and/or causes of action against Seller for damages or any other remedies on account of the Title Objections, or (ii) terminate this Agreement by giving notice to Seller, in which event the Downpayment shall be returned to Purchaser together with the cost of the Title Commitment not to exceed \$500 and Survey not to exceed \$1,500 and the parties hereto shall thereafter be released from further liability hereunder except as expressly otherwise provided herein. Purchaser's failure to exercise the right to terminate under clause (ii) of the preceding sentence within the time period provided in the preceding sentence shall constitute an election of the option set forth in clause (i) of the preceding sentence. Notwithstanding anything contained herein to the contrary, in the event that the Title Insurer selected by Purchaser cannot

insure good and valid fee title to the Property in accordance with an ALTA form of Owner's policy at standard premiums, Seller shall have the option, but not the obligation, upon notice to Purchaser, to select either Abstracts, Incorporated or Advantage Title, each as agent for Chicago Title Insurance Company, Commonwealth Land Title Insurance Company, Fidelity National Title Insurance Company, First American Title Insurance Company or Stewart Title Insurance Company, that will insure fee title to the Property at standard premiums in accordance with an ALTA form of Owner's policy, subject to the Permitted Encumbrances. Also notwithstanding anything to the contrary contained herein, Seller shall (a) procure a release of the Property from the lien of any mortgage or other encumbrance evidencing (or securing) outstanding indebtedness (e.g., assignment of leases and rents; UCC financing statements) voluntarily incurred by Seller, (b) procure a release of the Property from any other lien or encumbrance placed (or suffered or incurred) upon the Property on or subsequent to the Effective Date with Seller's consent or as a direct result of Seller's actions or omissions, if such release can be effected simply through the payment of a liquidated sum, and (c) procure a release of the Property from any mechanic's, materialman's or supplier's liens relating to work performed at the Property (the foregoing (a) – (c) are referred to as "Mandatory Cure Items"). Purchaser is not required to object to any Mandatory Cure Items, and, irrespective of whether Purchaser objects to any Mandatory Cure Items, Seller is required to satisfy all of the Mandatory Cure Items at or prior to Closing; provided, however, that in no event shall Seller be obligated to expend more than the Purchase Price to satisfy the Mandatory Cure Item set forth in clause (a) and in no event shall Seller be obligated to expend more than \$148,380.00, in the aggregate, to satisfy the other Mandatory Cure Items. In no event shall Seller have any obligation to commence litigation to cure or remove any Mandatory Cure Items or any other Title Objections.

Section 5.03. Purchaser, if request is made not less than two (2) Business Days prior to the Closing, agrees to provide at the Closing separate wire transfers or certified or cashier's checks as requested, aggregating not more than the balance (as adjusted, pursuant to the provisions of Section 3 hereof) of the Purchase Price, to facilitate the satisfaction of any such mortgages, liens and encumbrances. If after delivery of the Title Commitment to Seller, but prior to the Scheduled Closing Date, a new Title Objection is disclosed by an updated endorsement to the Title Commitment, the same rights and obligations of both parties as set forth above shall be applicable.

SECTION 6: "AS IS SALE"

Section 6.01. PURCHASER ACKNOWLEDGES AND AGREES THAT, EXCEPT AS OTHERWISE EXPRESSLY PROVIDED HEREIN, IT IS PURCHASING THE PROPERTY "AS IS, WHERE IS, WITH ALL FAULTS" AND SUBJECT TO ALL DEFECTS (PATENT AND LATENT), BASED UPON THE CONDITION (PHYSICAL OR OTHERWISE) OF THE PROPERTY AS OF THE EFFECTIVE DATE OF THIS AGREEMENT, REASONABLE WEAR AND TEAR AND, SUBJECT TO THE PROVISIONS OF SECTIONS 8 AND 9 OF THIS AGREEMENT, LOSS BY CONDEMNATION OR FIRE OR OTHER CASUALTY EXCEPTED, AND THAT NEITHER SELLER, NOR ANY PERSON ACTING ON BEHALF OF SELLER, NOR ANY PERSON WHICH PREPARED OR PROVIDED ANY OF THE MATERIALS REVIEWED BY PURCHASER IN CONDUCTING ITS DUE DILIGENCE, NOR ANY DIRECT OR INDIRECT OFFICER, DIRECTOR, PARTNER, MEMBER, SHAREHOLDER, EMPLOYEE, AGENT, REPRESENTATIVE, ACCOUNTANT, ADVISOR,

ATTORNEY, PRINCIPAL, AFFILIATE, CONSULTANT, CONTRACTOR, SUCCESSOR OR ASSIGN OF ANY OF THE FOREGOING PARTIES HAS MADE OR SHALL BE DEEMED TO HAVE MADE ANY ORAL OR WRITTEN REPRESENTATIONS OR WARRANTIES, WHETHER EXPRESSED OR IMPLIED, BY OPERATION OF LAW OR OTHERWISE, AS TO THE PRESENT, PAST OR FUTURE PHYSICAL CONDITION, ENVIRONMENTAL CONDITION, INCOME, EXPENSES, OPERATIONS, QUALITY OF CONSTRUCTION, THE PERMITTED USE OF THE PROPERTY OR THE ZONING AND OTHER LAWS, REGULATIONS AND RULES APPLICABLE THERETO OR THE COMPLIANCE BY THE PROPERTY THEREWITH, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR ANY OTHER MATTER AFFECTING OR RELATED TO THE PROPERTY OR THE TRANSACTIONS CONTEMPLATED HEREIN, EXCEPT FOR THE SELLER'S REPRESENTATIONS SPECIFICALLY SET FORTH IN THIS AGREEMENT. No representation, warranty or covenant made by Seller in this Agreement or any document delivered pursuant hereto shall survive the Closing, except as otherwise expressly provided in this Agreement. Purchaser has not relied upon, and Seller is not liable or bound in any manner by, any verbal or written statements, representations, real estate brokers' "set-ups" or information pertaining to the Property furnished by any real estate broker, agent, employee, servant to other persons unless the same are expressly set forth in this Agreement. The delivery of the deed by Seller, and the acceptance of the deed by Purchaser, shall be deemed to be the full performance and discharge of every obligation of Seller to be performed pursuant to this Agreement on or prior to the Closing Date and the truth of every representation or warranty made by Seller in this Agreement or in any Exhibit attached hereto or in any document, certificate, affidavit or other instrument delivered by Seller or its agents at or in connection with the Closing, except for those warranties, representations and obligations of Seller which this Agreement expressly provides are to survive the Closing. Except as otherwise expressly provided herein, Purchaser acknowledges it is acquiring the Property and is relying solely upon its own knowledge of the Property based on its investigation of the Property and its own inspection of the Property. Without limitation, Purchaser releases Seller from and against any and all claims, losses, costs, liabilities, damages and expenses, including, but not limited to, penalties, fines, court costs, disbursements and reasonable attorney's fees arising from or related to any physical or environmental conditions at or in respect to the Property. The provisions of this Section 6, including, without limitation, such release and indemnity, shall survive the termination of this Agreement or the Closing, as applicable.

SECTION 7: ADJUSTMENTS

Section 7.01. The following items shall be apportioned between the parties on and as of the Closing Date, based upon the respective party's period of ownership of the Property:

(a) subject to the provisions of Section 7.02, prepaid Rents and all Fixed Rents and Additional Rents payable pursuant to the Leases, if any;

(b) Real Estate Taxes, water charges, and sewer rents, vault charges, if any, business improvement district taxes and assessments and any other governmental taxes, charges or assessments levied or assessed against the Property, on the basis of the respective periods for which each is assessed or imposed, except that if there is a water meter at the Property, apportionment at the Closing shall be based on the last available reading, subject to

adjustment after the Closing when the next reading is available. If the Closing shall occur before a new tax rate is fixed, the apportionment of taxes at the Closing shall be made upon the basis of the old tax rate for the preceding period applied to the latest assessed valuation of the Property;

(c) value of fuel stored on the Property, if any, at the price then charged by Seller's supplier, including any taxes (if requested by Purchaser, post-Closing, Seller shall deliver a statement from Seller's supplier as to such value);

(d) charges paid or payable under Service Contracts on the basis of the period covered by such payments;

(e) administrative charges, if any, permitted under the Leases or applicable law, on Security Deposits held pursuant to the Leases, if any;

(f) prepaid fees for licenses and other permits assigned to Purchaser at the Closing; and

(g) any other item which is customarily apportioned in accordance with real estate closings of commercial properties in the municipality in which the Property is located;

Section 7.02. All Rents, if any, shall be adjusted and prorated on an if, as and when collected basis. If any Tenant is in arrears in the payment of Rents on the Closing Date, any Rents received from such Tenant after the Closing Date shall be applied in the following order of priority: (a) first, in payment of Rents for the month in which the Closing occurred; (b) second, in payment of Rents for the one month period immediately preceding the month in which the Closing occurred; (c) third, in payment of Rents for any month or months following the month in which the Closing occurred; and, (d) after all Rents for all periods after the Closing Date have been paid in full, in payment of Rents for any periods prior to the Closing Date and not paid pursuant to subsections (a) and (b) above. All Rents received by Seller or Purchaser after the Closing Date, less reasonable collection costs, shall be adjusted and prorated as provided above, and the party receiving such Rents shall, within five (5) Business Days, pay to the other party the portion thereof that such other party is entitled to receive. Purchaser shall bill Tenants who owe Rents for periods prior to the Closing on a monthly basis following the Closing Date for a period of one year and shall use commercially reasonable efforts to collect such past due Rents during such one year period. Notwithstanding the foregoing, if Purchaser shall be unable to collect such past due Rents, Seller shall have the right to pursue Tenants to collect such delinquencies (including, without limitation, the prosecution of one or more lawsuits), but Seller shall not be entitled to evict (by summary proceedings or otherwise) any such Tenants. No prorations shall be made at the Closing in respect of any unpaid Rents.

Section 7.03. Without limiting the provisions of Section 7.02 hereof, to the extent any portion of the Additional Rents, if any, is required to be paid monthly by Tenants on account of estimated amounts for the current period and, at the end of each calendar year (or, if applicable, at the end of each lease year or tax year or any other applicable accounting period), such estimated amounts are to be recalculated based upon the actual expenses, taxes and other relevant factors for that calendar, lease or tax year, with the appropriate adjustments being made with such Tenants,

then such portion of the Additional Rents shall be prorated between Seller and Purchaser on the Closing Date based on such estimated payments (i.e., with (i) Seller entitled to retain all monthly installments of such amounts with respect to periods prior to the calendar month in which the Closing Date occurs, to the extent such amounts are as of the Closing Date estimated to equal the amounts ultimately due to Seller for such periods, (ii) Purchaser entitled to receive all monthly installments of such amounts with respect to periods following the calendar month in which the Closing Date occurs only to the extent actually received, and (iii) Seller and Purchaser apportioning all monthly installments of such amounts with respect to the calendar month in which the Closing Date occurs). At the time(s) of final calculation and collection from (or refund to) Tenants of the amounts in reconciliation of actual Additional Rents for a period for which estimated amounts have been prorated, there shall be a re-proration between Seller and Purchaser, with the net credit resulting from such re-proration, after accounting for amounts required to be refunded to Tenants, being payable to the appropriate party (i.e., to Seller if the recalculated amounts exceed the estimated amounts and to Purchaser if the recalculated amounts are less than the estimated amounts).

Section 7.04. Charges for all electricity, steam, gas and other utility services (collectively, “**Utilities**”) shall be billed to Seller’s account up to the Closing Date and, from and after the Closing Date, all Utilities shall be billed to Purchaser’s account. If for any reason such changeover in billing is not practicable as of the Closing Date, as to any Utility, such Utility shall be apportioned on the basis of actual current readings or, if such readings have not been made, on the basis of the most recent bills that are available. If any apportionment is not based on an actual current reading, then upon the taking of a subsequent actual reading, the parties shall, within ten (10) days following notice of the determination of such actual reading, readjust such apportionment and Seller shall promptly deliver to Purchaser, or Purchaser shall promptly deliver to Seller, as the case may be, the amount determined to be due upon such adjustment.

Section 7.05. Purchaser shall have no right to receive any rental insurance proceeds which relate to the period prior to the Closing Date and, if any such proceeds are delivered to Purchaser, Purchaser shall, within five (5) Business Days following receipt thereof, pay the same to Seller.

Section 7.06. If, after the Closing, an error or omission in the calculation of the apportionments set forth above is found by one of the parties, such error or omission shall be promptly corrected and the party receiving the over-payment shall pay the amount of the over-payment to the party entitled thereto. Notwithstanding the provisions of Section 7.07, the foregoing obligation to correct apportionments shall survive the Closing and continue for a period of (a) twelve (12) months after the Closing Date, with respect to any correction in the apportionment of expenses, taxes or any other Additional Rents that are apportioned at the Closing based on estimated amounts and thereafter recalculated as provided in Section 7.03 above, and (b) twelve (12) months after the Closing Date, with respect to all other items apportioned pursuant to this Section 7.

Section 7.07. The provisions of this Section 7 shall survive the Closing.

SECTION 8: CASUALTY

Section 8.01. If, on or prior to the date of the Closing, all or a **“material part”** (as defined below) of the Improvements shall be damaged or destroyed by fire or other casualty, then, in any such event, Purchaser may, at its option, either (i) terminate this Agreement, whereupon, in accordance with Section 23, the Downpayment shall be returned to Purchaser and the parties hereto shall be released of all obligations and liabilities of whatsoever nature in connection with this Agreement except those that expressly survive termination of this Agreement, or (ii) proceed to close the transactions contemplated by this Agreement, in which event all of the provisions of subsection 8.01(a)(i) and subsection 8.01(a)(ii) below shall apply.

(a) If, on or prior to the date of the Closing, less than a **“material part”** of the Improvements shall be destroyed or damaged by fire or other casualty, then Purchaser shall nevertheless close title to the Property pursuant to all the terms and conditions of this Agreement (without any adjustment to the Purchase Price except as otherwise set forth herein), subject to the following: (i) Seller shall not (x) adjust and settle any insurance claims, or (y) enter into any construction or other contract for the repair or restoration of the Improvements, without Purchaser’s prior written consent (except no such consent shall be necessary in the event of an emergency or hazardous condition at the Property), which consent shall not be unreasonably withheld, conditioned or delayed, and (ii) at the Closing, Seller shall (1) pay over to Purchaser the amount of any insurance proceeds, to the extent collected by Seller in connection with such casualty, less the amount of the actual and reasonable unreimbursed expenses incurred by Seller to third parties in connection with collecting such proceeds and making any repairs to the Improvements occasioned by such casualty pursuant to any contract (provided that such contract was reasonably approved by Purchaser as required by this Section), and (2) assign to Purchaser in form reasonably satisfactory to Purchaser all of Seller’s right, title and interest in and to any insurance proceeds that are uncollected at the time of the Closing and that may be paid in respect of such casualty. Seller shall reasonably cooperate with Purchaser in the collection of such proceeds, which obligation shall survive the Closing.

(b) For the purpose of this Section, the phrase a **“material part”** of an Improvement shall mean a portion of an Improvement such that the cost of repair or restoration thereof is estimated by a reputable contractor selected by Seller and reasonably satisfactory to Purchaser, to be in excess of Three Hundred Seventy Thousand and 00/00 Dollars (\$370,000.00).

Section 8.02. The provisions of this Section 8 supersede any law applicable to the Property governing the effect of fire or other casualty in contracts for real property.

SECTION 9: CONDEMNATION PENDING CLOSING

Section 9.01. If, prior to the Closing Date, condemnation or eminent domain proceedings shall be commenced by any public authority against the Real Property or any part thereof, Seller shall promptly give Purchaser written notice thereof. After notice of the commencement of any such proceedings (from Seller or otherwise) and in the event that the taking of such property is a material taking (as hereinafter defined), Purchaser shall have the right (i) to accept title to the Property subject to the proceedings, whereupon any award payable to Seller shall be paid to Purchaser and Seller shall deliver to Purchaser at the Closing all assignments and other documents reasonably requested by Purchaser to vest such award in Purchaser, or (ii) to terminate this

Agreement and upon the return of the Downpayment, this Agreement shall be null and void and neither party will have any further obligations hereunder except those that expressly survive termination of this Agreement. A taking shall be deemed to be a “**material taking**” if the claim for a condemnation award for such taking is estimated by an independent appraiser selected by Seller and reasonably satisfactory to Purchaser to be equal to or in excess of Three Hundred Seventy Thousand and 00/00 Dollars (\$370,000.00)

Section 9.02. In the event of a non-material taking of any part of the Real Property, Purchaser shall accept the Property subject to the proceedings and pay to Seller the full Purchase Price, whereupon any award payable to Seller shall be paid to Purchaser and Seller shall deliver to Purchaser at the Closing all assignments and other documents reasonably requested by Purchaser to vest such award in Purchaser.

Section 9.03. The provisions of this Section 9 supersede any law applicable to the Property governing the effect of condemnation in contracts for real property.

SECTION 10: SELLER’S WARRANTIES AND REPRESENTATIONS

Section 10.01. To induce Purchaser to enter into this Agreement and to accept the Property from Seller, Seller makes the following representations and warranties, all of which Seller represents are true in all material respects as of the Effective Date of this Agreement and, with respect to the Closing Date Representations only, as of the Closing Date as well:

(a) The execution, delivery and performance of this Agreement and consummation of the transaction hereby contemplated in accordance with the terms of this Agreement will not violate any material contract, agreement, commitment, order, judgment or decree to which Seller is a party or by which Seller or the Property is bound and Seller has, or upon the Closing Date shall have, obtained all consents necessary (whether from a governmental authority or other third party), in order for it to consummate the transactions contemplated hereby.

(b) Seller has the full right, power and authority to bind Seller to this Agreement and to carry out Seller’s obligations hereunder and Seller shall have the full right, power and authority to sell and convey the Property to Purchaser as provided herein and to take all actions required by this Agreement.

(c) Upon the full execution and delivery of this Agreement by Seller to Purchaser, this Agreement shall be the valid and binding obligation on Seller, enforceable against Seller in accordance with the terms hereof.

(d) Seller is not a “foreign person” as defined in Section 1445 of the Internal Revenue Code of 1986, as amended (the “**Code**”), and the income tax regulations thereunder.

(e) Attached hereto as **Exhibit A** is a true and complete list of the Leases entered into by Seller, or of which Seller is otherwise aware, in effect as of the Effective Date of this Agreement. To Seller’s knowledge, there are no valid and subsisting leases, tenancies or other possessory interests of any space at the Real Property other than the Lease and any

subleases and subtenancies. Except as otherwise set forth in this Agreement (including the Exhibits hereto) and except as otherwise set forth in the copies of the Leases provided by Seller (or its representatives) to Purchaser (or its representatives) prior to the Effective Date of this Agreement:

(i) all of the Leases are in full force and effect and, to Seller's knowledge, the Leases have not been otherwise modified, amended or extended;

(ii) Seller has not received from any Tenant any written notice of default on the part of "Landlord" under any Lease where such default remains uncured;

(iii) no Tenant has asserted against Seller or, to Seller's knowledge, any predecessor landlord any right of offset against the rent reserved under any Lease, where such offset right remains unsatisfied;

(iv) no renewal or extension options have been granted by Seller or, to Seller's knowledge, any predecessor landlord to Tenants with respect to any of the Leases;

(v) neither Seller nor, to Seller's knowledge, any predecessor landlord has granted to Tenant an option to purchase the Property;

(vi) the rents set forth are being collected on a current basis and there are no arrearages in excess of one month;

(vii) neither Seller nor, to Seller's knowledge, any predecessor landlord has granted to any Tenant any rental concessions or abatements under the Leases for any period subsequent to the scheduled date of closing;

(viii) Seller has not sent written notice to any Tenant claiming that such Tenant is in default, which default remains uncured;

(ix) no action or proceeding instituted against Seller by any Tenant is presently pending in any court, except with respect to claims involving personal injury or property damage which are covered by insurance; and

(x) Seller is not in possession of and, to Seller's knowledge, there are no security deposits other than those set forth in **Exhibit K**.

Notwithstanding the foregoing, Seller does not warrant that any particular Lease will be in force at the Closing or that the Tenants will have performed their obligations thereunder.

(f) Attached hereto as **Exhibit F** is a true and complete list of the Service Contracts to which Seller is a party as of the Effective Date of this Agreement which are not terminable at will or on thirty (30) days' notice or less.

(g) Attached hereto as **Exhibit K** is a list of the Security Deposits currently held by Seller under the Leases in effect as of the date hereof, if any. Notwithstanding the foregoing, Seller does not warrant that any Security Deposit will not be applied, in whole or in part, by

Seller prior to the Closing in accordance with Section 14.05. Seller is not in possession of and, to Seller's knowledge, there are no security deposits other than those set forth in **Exhibit K**

(h) Attached hereto as **Exhibit H** is a list of all written Leasing Brokerage Agreements entered into or assumed by Seller in effect as of the Effective Date of this Agreement. Except as set forth on **Exhibit H**, there are no brokerage or leasing commissions or finders' fees that have heretofore accrued, but remain due and payable, with respect to any of the Leases (it being acknowledged and agreed that the foregoing representation shall not be construed as to extend to brokerage or leasing commissions or finders' fees that may hereafter accrue on account of any future extension of the current term of any Lease or any future expansion of the premises currently demised pursuant to any Lease).

(i) Attached hereto as **Exhibit L** is a list of (A) all Rent that, to Seller's knowledge, is due and payable by any Tenant ("**Rent Arrearages**") as of the Effective Date of this Agreement, if any, and (B) all unpaid Tenant Inducement Costs (as hereinafter defined) whether due and payable now or for which Seller is currently obligated to incur in the future, if any.

(j) Seller is a limited liability company, duly organized, validly existing and in good standing under the laws of the State of New York.

(k) No action, suit or proceeding (zoning or otherwise) is pending or, to Seller's knowledge, threatened against or directly relating to (A) Seller, (B) the Property or (C) this transaction, specifically excluding any personal injury claim covered by insurance.

(l) The execution and delivery of this Agreement and the performance by Seller of its obligations hereunder do not and will not conflict with or violate any law, rule, judgment, regulation, order, writ, injunction or decree of any court or governmental or quasi-governmental entity with jurisdiction over Seller, including, without limitation, the United States of America, the State of New York or any political subdivision of any of the foregoing, or any decision or ruling of any arbitrator to which Seller is a party or by which Seller is bound or affected.

(m) Seller has no employees working at the Property and is not a party to any union agreements with respect to the Real Property.

(n) To Seller's knowledge, Seller has not received any written notice related to an eminent domain proceeding affecting the Real Property.

(o) Seller is the sole owner of the Property and Seller has not granted to any person or entity any valid and subsisting option or other right to purchase to the Property and, to Seller's knowledge, no person or entity has any option or other right to purchase the Property.

(p) The copies of the Leases and Leasing Brokerage Agreements provided by Seller (or its representatives) to Purchaser (or its representatives) prior to the Effective Date of

this Agreement are accurate and complete copies of the Leases and Leasing Brokerage Agreements.

Section 10.02. All of the representations and warranties of Seller contained in this Agreement shall survive the Closing for the Survival Period, subject, however, to the limitations on Seller's liability set forth in Section 10.03.

Section 10.03. If (a) any of the representations and warranties set forth in Section 10.01 above prove to have been false as of the date hereof or, with respect to the Closing Date Representations, as of the Closing Date (except to the extent such representations and warranties speak as of an earlier date, they shall be true in all material respects as of such earlier date), and (b) Purchaser gives written notice thereof to Seller (a "**Purchaser's Loss Notice**") promptly but in no event later than (i) with respect to a falsity first becoming discoverable on or prior to the Closing Date, the earlier to occur of the Closing Date and the date that is two (2) Business Days after the aggregate amount of the Losses suffered by Purchaser prior to the Closing Date as a result of such misrepresentation or untrue or inaccurate warranty exceeds the Basket Amount, or (ii) with respect to a falsity first becoming discoverable after the Closing Date, the earlier to occur of the last day of the Survival Period and the date that is two (2) Business Days after the aggregate amount of the Losses suffered by Purchaser during the Survival Period as a result of such misrepresentation or untrue or inaccurate warranty exceeds the Basket Amount, then Purchaser's remedies with respect to any such Loss or Losses shall be as set forth in Section 15.01(i) hereof. If Purchaser fails to timely deliver a Purchaser's Loss Notice, then Purchaser shall be deemed to have waived any remedy set forth in Section 15.01 or any other remedy provided hereunder or otherwise available with respect to any Loss. It is specifically acknowledged that (1) if any information is (or has been) disclosed to Purchaser (or its attorneys, accountants, consultants or other professionals) on or prior to the Effective Date of this Agreement by Seller (or its attorneys, accountants, consultants or other professionals) (or is the subject of correspondence between Seller and Purchaser) which indicates that a representation or warranty made by Seller in this Agreement is untrue or inaccurate, Seller shall have no liability with respect to such misrepresentation or untrue or inaccurate warranty and Purchaser shall not be entitled to any credit at Closing in connection therewith, and (2) if the Closing occurs, Seller shall have no liability in connection with any representations or warranties which were otherwise known by Purchaser, at Closing, to be untrue or inaccurate.

Section 10.04. Purchaser, for itself and its agents, affiliates, successors and assigns, hereby releases and forever discharges Seller, its employees, agents, affiliates, successors and assigns from any and all rights, claims and demands at law or in equity, whether known or unknown at the time of this Agreement, which Purchaser has or may have in the future, arising out of the physical, environmental, economic or legal condition of the Property, including, without limitation, any claim for indemnification or contribution arising under the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. Section 9601 et seq.) or any similar federal, state or local statute, rule or ordinance relating to liability of property owners for environmental matters.

Section 10.05. The phrase "to Seller's knowledge" is hereby defined as the actual (as opposed to constructive or imputed) knowledge without independent inquiry or investigation of

Steven Kurtz or Stephen Goldstein, who shall have no personal liability in regards thereto or otherwise in respect of this Agreement.

SECTION 11: SELLER'S INSTRUMENTS AT CLOSING

Section 11.01. Seller shall duly execute, acknowledge and/or deliver or, where applicable, cause the following to be duly executed, acknowledged and/or delivered, to Purchaser on the Closing Date the following:

(a) a Standard N.Y.B.T.U. Form 8002 - Bargain and Sale Deed, with Covenant against Grantor's Acts (the "**Deed**") executed by Seller, which Deed shall be in recordable form, duly executed and acknowledged, and shall have affixed thereto, at Seller's sole cost and expense, any requisite surtax, documentary tax stamps, and or transfer tax in proper amount which documentary transfer tax declaration shall be affixed to the Deed after recordation thereof;

(b) a title affidavit with respect to the Property as may be reasonably required by the Title Insurer; provided, however, that the matters and liability covered by such title affidavit shall not exceed the matters and liability of Seller with respect to its representations and warranties made under Section 10.01 hereof;

(c) (1) a New York State Combined Real Estate Transfer Tax Return, Credit Line Mortgage Certificate and Certification of Exemption from the Payment of Estimated Personal Income Tax (TP-584), and (2) a New York State Real Property Transfer Report (RP-5217) and any other applicable documents, affidavits and/or instruments with respect to transfer tax (collectively, "Transfer Tax Documentation"), executed and acknowledged by Seller, which are required to be filed in connection with the payment of any State, County or local transfer taxes required to be paid in connection with the transfer of the Property to Purchaser (collectively, "Transfer Taxes") together with payment of the Transfer Taxes in good funds in such manner as is reasonably acceptable to the Title Insurer;

(d) an affidavit as required pursuant to Section 1445 of the Code substantially in the form of **Exhibit E** hereto;

(e) any plans with respect to the Improvements on the Property, including Tenant improvements, to the extent in Seller's possession, and all books, records, property maintenance and other files (on computer disc, if available) maintained by Seller, or by Seller's agents, with respect to the Property, the Tenants and the ownership, operation and maintenance thereof;

(f) such other documents, instruments, resolutions and other material with respect to the Property reasonably requested by Purchaser as may be necessary to effect the transfer of title hereunder, to record the deed or as may be reasonably requested by the Title Insurer;

(g) the Assignment Agreement substantially in the form of **Exhibit C** attached hereto and made a part hereof, together with original executed counterparts, to the extent

originals are in Seller's possession, or, if originals are not in Seller's possession, copies (to the extent that copies are in Seller's possession) of all Leases (if any), Service Contracts (to the extent not terminated by Seller, whether in whole or only as to the Real Property, at or prior to Closing), Permits and Licenses and Warranties, if any;

(h) a bill of sale substantially in the form of **Exhibit D** attached hereto and made a part hereof;

(i) Tenant-executed estoppel certificates (each an "**Estoppel Certificate**") either substantially in the form of **Exhibit I** attached hereto and made a part hereof (with blanks therein completed with information relevant to the subject Lease) or, if more restrictive, containing such information as is required pursuant to the terms of the subject Lease, in either case, from the Tenants; it being acknowledged and agreed that the obligation of Purchaser to close the transactions contemplated by this Agreement shall not be contingent upon any particular existing Lease remaining in force and effect or remaining without default as of the Closing Date. If any Tenant fails or refuses to complete, sign and return an Estoppel Certificate promptly following request therefor by Seller, then, at Closing, Seller may substitute therefore a so-called "Seller estoppel", confirming that the subject Lease then remains in force and effect and confirming material business terms and conditions of the subject Lease, and, for purposes of this Agreement, the delivery by Seller of such a Seller estoppel shall be deemed to satisfy the requirement for delivery of an Estoppel Certificate for the subject Tenant. The representations made in the Seller Estoppel, if any, shall survive the Closing for the Survival Period, subject, however, to the limitations on Seller's liability set forth in Section 10.03;

(j) subject to Section 14.05, all cash Security Deposits, if any, actually held by Seller at Closing, by payment of the amount thereof to Purchaser or by a credit to Purchaser against the Purchase Price. A list of the Security Deposits held by Seller on the date hereof, if any, is attached as **Exhibit K** to this Agreement;

(k) a closing statement setting forth all apportionments to be made at Closing pursuant to Section 7 hereof, together with disbursement instructions for payment of the balance of the Purchase Price;

(l) notice to the Tenants, if any, advising them of the sale of the Property to Purchaser, substantially in the form of **Exhibit G** attached hereto and made a part hereof;

(m) a certificate of Seller that the Closing Date Representations are true and correct as of Closing; and

(n) all keys to the Property, to the extent in Seller's possession, which keys shall be properly tagged for identification;

(o) a certificate of good standing of Seller in its jurisdiction of formation dated no earlier than thirty (30) days prior to the Closing Date, (b) a copy of the certificate of formation certified as true and correct by the Secretary of State of the State of Seller's formation, dated no earlier than thirty (30) days prior to the Closing Date, and (c) appropriate resolutions of Seller, confirming that this transaction has been authorized on behalf of Seller

and that the person or persons executing this Agreement and each Closing document on behalf of Seller is duly authorized to do so;

(p) possession of the Property free of tenancies and rights of possession except pursuant to the Leases; and

(q) Executed originals (or true and correct copies thereof acknowledged by a Tenant in an Estoppel Certificate) of all Leases referenced in Exhibit A annexed hereto; and

(r) such other documents as may be reasonably required to effectuate the transactions contemplated by this Agreement and/or to effectuate the closing of the transaction contemplated hereunder.

SECTION 12: PURCHASER'S REPRESENTATIONS AND WARRANTIES

Section 12.01. To induce the Seller to enter into this Agreement, Purchaser makes the following representations and warranties, all of which Purchaser represents are true in all material respects as of the Effective Date of this Agreement and shall be true in all material respects as of the Closing Date and shall be deemed to be made as of that date.

(a) The execution, delivery and performance of this Agreement and consummation of the transaction hereby contemplated in accordance with the terms of this Agreement will not violate any material contract, agreement, commitment, order, judgment or decree to which Purchaser is a party or by which it is bound, and Purchaser has obtained (or will, by the Closing, have obtained) all consents necessary (whether from a governmental authority or other third party) in order for it to consummate the transactions contemplated hereby.

(b) The party or parties executing this Agreement on behalf of Purchaser have been duly authorized and are empowered to bind Purchaser to this Agreement and to take all actions required by this Agreement.

(c) Upon the full execution and delivery of this Agreement by Purchaser to the Sellers, this Agreement shall be the binding obligation of Purchaser, enforceable against Purchaser in accordance with the terms hereof.

(d) No action, suit or proceeding is pending or, to Purchaser's knowledge, threatened against Purchaser which would materially adversely affect Purchaser's financial condition or its ability to fully perform its obligations pursuant to this Agreement.

(e) The execution and delivery of this Agreement and the performance by Purchaser of its obligations hereunder do not and will not conflict with or violate any law, rule, judgment, regulation, order, writ, injunction or decree of any court or governmental or quasi-governmental entity with jurisdiction over Purchaser, including, without limitation, the United States of America, the State in which the Property is located or any political subdivision of any of the foregoing, or any decision or ruling of any arbitrator to which Purchaser is a party or by which Purchaser is bound or affected and no consent of any governmental agency is required.

(f) Purchaser is a New York corporation duly organized, validly existing and in good standing under the laws of the State of New York and is duly authorized to conduct business under the laws of the State of New York.

All representations and warranties of Purchaser contained in this Agreement shall survive the Closing for the Survival Period.

SECTION 13: PURCHASER'S INSTRUMENTS AT CLOSING

Section 13.01. On the Closing Date, Purchaser shall deliver the balance of the Purchase Price, as adjusted, to, or as directed by, Seller. Additionally, on the Closing Date, Purchaser shall duly execute, acknowledge and deliver to Seller the following:

- (a) The Transfer Tax Documentation, if any, for the Property;
- (b) the Assignment Agreement in the form of **Exhibit C** attached hereto;
- (c) a closing statement setting forth all apportionments to be made at Closing, together with disbursement instructions for payment of the balance of the Purchase Price; and
- (d) such other documents, instruments, resolutions and other material as may be necessary to effect the transfer of title hereunder and reasonably requested by Seller or the Title Insurer.

SECTION 14: CONTRACT PERIOD

Section 14.01. Intentionally Omitted.

Section 14.02. During the Contract Period, Seller shall continue to manage, operate, repair and maintain the Property (making all necessary repairs and replacements and performing all necessary maintenance) in accordance with prudent management and operating standards and practices in the area of the Property, and will not, prior to the Closing, delay or defer repair, replacement or maintenance work required in the ordinary course, though Seller shall not be obligated to incur any capital expenditures. Seller shall not remove any item of Personal Property from the Property without replacing the same with property of equal or greater value. Seller shall maintain in full force and effect all existing fire, casualty, liability and extended coverage and other insurance policies which are presently in effect for the Property, or any portion of the Property throughout the Contract Period. During the Contract Period, Seller shall not, without the written consent of Purchaser (which is in Purchaser's sole discretion), (a) enter into any New Lease, (b) enter into any New Amendment to an Existing Lease (other any amendment required in order to confirm the exercise by any Tenant of an option under any Lease listed on **Exhibit A** to this Agreement), or (c) grant any concession, rebate, allowance or free rent to any Tenant under any Lease listed on **Exhibit A** to this Agreement for any period following the Closing Date.

Section 14.03. During the Contract Period, Seller shall not, without the written consent of Purchaser, enter into any new Service Contracts, extensions, renewals, or modifications of same or other agreements relating to the ownership and operation of the Property; provided, however,

that Seller shall terminate all of the Service Contracts, which termination shall be effective no later than thirty (30) days following the Closing Date.

Section 14.04. During the Contract Period, Seller shall not allow any interest in the Property to be voluntarily liened, encumbered or transferred in such a manner that Seller may not deliver the Property as set forth in Section 5 hereof.

Section 14.05. Prior to the Closing, Seller shall have the right to (a) apply any Security Deposits held under Leases, if any, in respect of defaults by Tenants under the applicable Leases, if any, and (b) return the Security Deposit, if any, of any Tenant thereunder who in the good faith judgment of Seller is entitled to the return of such Security Deposit pursuant to the terms of its Lease or otherwise by law.

Section 14.06. Intentionally Omitted.

Section 14.07. During the Contract Period, except if consented to in writing by Seller, Purchaser shall not communicate with any governmental or quasi-governmental agencies or authorities regarding the Property or any aspect thereof except as may be required to complete title and environmental inspections or as otherwise required by law.

Section 14.08. Whenever in this Section 14 Seller is required to obtain Purchaser's approval with respect to any transaction described therein, Purchaser shall, within five (5) business days after receipt of Seller's request therefor, notify Seller of its approval or disapproval of same and, if Purchaser fails to notify Seller of its disapproval within said five (5) business day period, Purchaser shall be deemed to have approved same. In the event any new Lease, Leasing Brokerage Agreement or Service Contract is entered into by Seller with Purchaser's actual or deemed consent, then the applicable representations and warranties of Seller under this Agreement will be deemed to have been revised so as to incorporate the subject Lease (and Security Deposit thereunder, if any), Leasing Brokerage Agreement and/or Service Contract.

Section 14.09. From time to time during the Contract Period, Purchaser or Representatives of Purchaser shall have reasonable access to the Property upon prior appointment with Seller (provided such access shall not unreasonably interfere with the occupancy of Tenants), subject to compliance with Seller's reasonable rules and requirements with respect to such access and further subject to Seller's right to have Purchaser or its Representative accompanied at all time on the Property by a representative of Seller.

Section 14.10. During the Contract Period, Seller will promptly notify Purchaser if Seller attains knowledge of (a) any material emergency at, or material change in the physical condition of the Property; and (b) the institution of any litigation, arbitration or administrative proceeding of which Seller becomes aware prior to the Closing Date which is of a type described in Section 10.01(k) of this Agreement. Immediately upon receipt, Seller shall send Purchaser a copy of any notice with respect to the Project which Seller may receive from any governmental authority or agency having jurisdiction over the Project.

Section 14.11. During the Contract Period, Seller will not cause any action to be taken which would cause any of the Closing Date Representations made by Seller in this Agreement to

be false or misleading on or as of the Closing Date. In the event Seller becomes aware that any of Seller's representations and warranties made hereunder are inaccurate, untrue or incorrect, Seller will promptly notify Purchaser with a reasonably detailed description of the inaccuracy.

Section 14.12. During the Contract Period, Seller will not commence (or cause or suffer to be commenced) any proceedings for rezoning, variance or other similar matters, without the prior written consent of Purchaser, which may be withheld in Purchaser's sole and absolute discretion.

Section 14.13. During the Contract Period, Seller will not file, nor consent to the filing of, any instrument of record against title to the Property, nor enter into any agreement that would be binding upon Purchaser or the Property after the Closing.

Section 14.14. During the Contract Period, Seller shall not, and shall not consent to the, manufacture, store, generate, handle, or dispose of any Hazardous Substances on the Property, or use or consent to the Property being used for such purposes, or emit, release or discharge any such Hazardous Substances into the air, soil, surface water or groundwater comprising the Property; it being acknowledged and agreed that the foregoing shall not be construed as to prohibit or restrict the presence, use or storage of cleaning supplies and medical supplies of the type and in the manner that same have heretofore been used and stored at the Property.

SECTION 15: CONDITIONS PRECEDENT TO CLOSING

Section 15.01. (a) Purchaser's obligations to close title under this Agreement on the Closing Date shall be subject to the satisfaction of the following conditions precedent on or prior to the Closing Date (collectively, the "Purchaser Conditions"):

(i) all of Seller's representations and warranties made in this Agreement shall be true and correct in all material respects as of the Effective Date of this Agreement and, with respect to the Closing Date Representations, as of the Closing Date (except if and to the extent such representations and warranties speak as of an earlier date, then they shall be true in all material respects as of such earlier date); provided, however, that Purchaser shall be obligated to consummate the Closing without any adjustment in the Purchase Price if the aggregate amount of Losses resulting from any misrepresentation or untrue or inaccurate warranty made by Seller in this Agreement is equal to or less than Fifteen Thousand and 00/100 Dollars (\$15,000.00) (the "**Basket Amount**"). If the aggregate amount Losses resulting from any misrepresentation or untrue or inaccurate warranty made by Seller in this Agreement exceeds the Basket Amount, Purchaser shall be entitled to recover such Losses in excess of the Basket Amount from Seller at Closing by means of an adjustment or credit to the Purchase Price, or after Closing, as applicable, in accordance with any Purchaser's Loss Notice delivered in accordance with Section 10.03 hereof; provided, however, that in no event shall Seller's liability hereunder, and Purchaser's credit on account thereof, exceed One Hundred Forty-Eight Thousand Three Hundred Eighty and 00/100 Dollars (\$148,380.00) (the "**Maximum Credit Amount**"). If the aggregate amount of any credits which Purchaser would otherwise be entitled to receive pursuant to this Section 15.01(a) exceeds the Maximum Credit Amount, then Purchaser shall have the right to terminate this Agreement and receive the return of the Downpayment

(in which event neither party shall have any obligations or liabilities hereunder except those that expressly survive termination of this Agreement); provided, however, that Purchaser shall not be permitted to terminate this Agreement if Seller elects (it being acknowledged that Seller shall have the right but not the obligation to make such election) to grant a credit to Purchaser at Closing in the aggregate amount by which the Losses exceeds the Basket Amount. In the event that there is a dispute as to whether Purchaser has incurred any Loss or Losses as a result of any misrepresentation or untrue or inaccurate warranty made by Seller in this Agreement, then, unless the aggregate amount thereof exceeds the Maximum Credit Amount, the Closing shall occur without adjustment regarding same; provided, however, that a portion of the Purchase Price equal to the disputed amount (up to the Maximum Credit Amount) shall be held in escrow by the Escrow Agent pending resolution of the dispute;

(ii) All of the Closing Date Representations shall be true and correct in all material respects as of the Closing Date;

(iii) Seller shall have delivered all documents and instruments required to be delivered by Seller pursuant to the provisions of this Agreement;

(iv) The title to the Property shall be conveyed to Purchaser subject solely to the Permitted Exceptions

(v) Seller shall have performed, in all material respects, all obligations and agreements undertaken by it herein to be performed on or prior to the Closing Date.

(vi) Seller shall have delivered Unit C vacant, broom clean, and free of all occupancies, tenancies, or licenses.

If any of the Purchaser Conditions are not satisfied on the Closing Date, Purchaser shall have the right (in addition to any right Purchaser may have under Section 18 in the event that the non-satisfaction of a condition is as a result of a willful default by Seller), to (x) terminate this Agreement by notice given to Seller, whereupon the entire Downpayment shall be refunded to Purchaser together with the cost of the Title Commitment not to exceed \$500 and Survey not to exceed \$1,500 and upon such refund, no party hereto shall have any rights or obligations hereunder except for such obligations that shall survive such termination, or (y) at Purchaser's sole option, to waive any unsatisfied condition and consummate the transactions contemplated hereby.

(b) Seller's obligations to close title under this Agreement on the Closing Date shall be subject to the satisfaction of the following conditions precedent on the Closing Date:

(i) all of Purchaser's representations and warranties made in this Agreement shall be true and correct in all respects as of the Closing Date as if they were made on that date;

(ii) Purchaser shall have timely paid to Seller or its designee(s) the Purchase Price and any other amounts required to be paid by Purchaser hereunder; and

(iii) Purchaser shall have performed, in all material respects, all other obligations and agreements undertaken by it herein to be performed on or prior to the Closing Date.

If any of the foregoing conditions are not satisfied on the Closing Date, Seller shall have the right (x) to avail itself of the remedies under Section 18.01 hereof, or (y) at Seller's sole option, to waive any unsatisfied condition and consummate the transactions contemplated hereby.

SECTION 16: TRANSFER TAX AND TRANSACTION COSTS

Section 16.01. At the Closing, Seller shall pay or credit to Purchaser (if Purchaser pays same on Seller's behalf) an amount equal to (a) any and all applicable taxes imposed by the State of New York with respect to in connection with the conveyance of the Property to Purchaser, (b) any recording fees for the release or satisfaction of Seller's existing mortgage, if any, of the Real Property or for any other document (other than the Deed) required to be recorded in connection with Seller's obligations under this Agreement), and (c) one-half (1/2) of any escrow or closing fees if Title is closed in escrow and the Title Insurer charges a closing fee therefor (but not for any escrow fees arising from Seller's obligation to deliver title in accordance with this Agreement, and (d) all costs and expenses of its legal counsel, advisors and other professionals employed by it in connection with the transfer of the Property, and (e) any and all brokerage commissions, set-up or finder's fees as referenced in Section 26.

Section 16.02. Purchaser shall pay for (a) any and all costs and expenses associated with its due diligence, including any searches performed by the Title Insurer, (b) all costs and expenses of its legal counsel, advisors and other professionals employed by it in connection with the transfer of the Property, (c) premiums for Purchaser's and any lender's title insurance policy and all endorsements thereto, (d) all costs and expenses incurred in connection with Purchaser obtaining a current survey or any update of any existing survey of the Property, (e) all costs and expenses incurred in connection with any financing obtained by Purchaser, including without limitation, loan fees, mortgage recording taxes, financing costs and lender's legal fees (it being acknowledged and agreed by the parties, however, that the obligations of Purchaser hereunder shall not be contingent upon Purchaser obtaining any such financing), (f) one half (1/2) of any escrow or closing fees if Title is closed in escrow and the Title Insurer charges a closing fee therefor (but not for any escrow fees arising from Seller's obligation to deliver title in accordance with this Agreement), and (g) any recording fees for the Deed and any other documentation to be recorded in connection with the transactions contemplated by this Agreement (other than for the release or satisfaction of the Seller's existing mortgage, if any, of the Real Property or any other instrument required to be filed by the Seller to deliver title pursuant to the terms of this Agreement).

Section 16.03. The provisions of this Section 16 shall survive the Closing.

SECTION 17: NOTICES

Section 17.01. All notices, requests and demands to be made hereunder to the parties hereto shall be in writing (at the addresses set forth below) and shall be given by any of the following means: (a) personal delivery (including, without limitation, overnight delivery, courier or messenger services) or (b) registered or certified, first-class United States mail, postage prepaid,

return receipt requested or (c) electronic mail (email), provided that a copy of such notice, request or demand is also sent on the same day by one of the other means set forth in this Section 17. Notice by a party's counsel shall be deemed to be notice by and to such party. All notices to the Sellers shall be sent to the address set forth below. Such addresses may be changed by notice to the other parties given in the same manner as provided above. Any notice, demand or request sent (x) pursuant to subsection (a), above, shall be deemed received upon such personal delivery, and (y) pursuant to subsection (b), above, shall be deemed received three (3) days following deposit in the mail, and (z) pursuant to subsection (c), above, shall be deemed received the same day the email is sent.

If to Seller: David Barry Associates, L.L.C.
19 Woodhull Road
East Setauket, New York 11733
Attention: [REDACTED]
E-mail: [REDACTED]

With copies to: Weinberg, Gross & Pergament LLP
400 Garden City Plaza
Garden City, New York 11530
Attention: [REDACTED], Esq.
E-mail: [REDACTED]

If to Purchaser: With Pride Air Conditioning & Heating Inc.
77 Marine Street
Farmingdale, New York 11735
Attention: [REDACTED], President
E-mail: [REDACTED]

With copies to: Schwartz Ettenger, PLLC
445 Broadhollow Road, Suite 205
Melville, New York 11747
Attention: [REDACTED], Esq.
E-mail: [REDACTED]

SECTION 18: DEFAULT

Section 18.01. Purchaser's Default. If Purchaser shall default (a) in the payment of the Purchase Price or the performance of any of its other material obligations to be performed on the Closing Date or (b) in the performance of any of its material obligations to be performed prior to the Closing Date and, with respect to any default under this clause (b) only, such default shall not be cured on or prior to the date that is five (5) Business Days after written notice to Purchaser, Purchaser's attorney and Escrow Agent, then Seller shall have the right to treat this Agreement as having been breached by Purchaser and Seller's sole and exclusive remedy on account of such breach shall be the right to terminate this Agreement by written notice to Purchaser or Purchaser's attorney. Upon such uncured default and resulting termination (i) Purchaser shall forfeit all rights and claims with respect to the Property pursuant to this Agreement and to the Downpayment and (ii) Escrow Agent shall promptly remit the Downpayment to Seller; and thereupon neither party

shall have any obligations or liabilities hereunder except those that expressly survive termination of this Agreement. In the event the payment of the Downpayment to Seller is delayed in connection with any litigation, then, in addition to receipt of the Downpayment, Seller shall be entitled to judgment interest from Purchaser from date on which the Downpayment would have otherwise been payable to Seller, but for such litigation (and such entitlement of Seller and obligation of Purchaser shall survive the termination of this Agreement). Seller and Purchaser hereby agree that payment of the Downpayment to Seller shall be deemed to be fair and adequate, but not excessive, liquidated damages (and not a penalty) based upon the following considerations which Seller and Purchaser agree would constitute damages to Seller for any default by Purchaser but which are impossible to quantify, to wit: (A) the removal of the Property from the real estate market together with the uncertainty of obtaining a new purchaser at the same or greater purchase price; (B) the expenses incurred by Seller, including (but not by way of limitation) attorneys' fees, taxes, mortgage interest, and other items incidental to the maintenance of the Property until it is eventually sold; and (C) all other expenses incurred by Seller as a result of Purchaser's default. The Downpayment is not intended to cap amounts, if any, due Seller in respect of any indemnification from Purchaser that survives termination of or Closing under this Agreement. In the event of such termination, Purchaser shall immediately destroy or return to Seller for cancellation all due diligence materials, reports and studies delivered to Purchaser by Seller or any broker, agent, representative or employee of Seller (without Purchaser retaining copies thereof).

Section 18.02. Seller's Default. In the event Purchaser discovers, prior to the Closing Date, that (a) any of the representations and warranties set forth in Section 10.01 hereof are false as of the Effective Date of this Agreement and Purchaser has the right to terminate this Agreement pursuant to Section 15.01(i) hereof, or (b) Seller shall default in the performance of (i) any of its material obligations to be performed on the Closing Date or (ii) any of its material obligations to be performed prior to the Closing Date and, with respect to any default under this clause (ii) only, such default shall not be cured on or prior to the earlier to occur of the date that is five (5) Business Days after written notice to Seller, Seller's attorney and Escrow Agent or the Closing Date, then Purchaser may prosecute an action for damages or proceeding with any other legal or equitable course of conduct, including but not limited for specific performance or terminate this Agreement and receive the Downpayment. If, however, Seller is able to convey title to the Property to Purchaser pursuant to the terms hereof but Seller intentionally and willfully fails to do so, then Purchaser may either (1) terminate this Agreement and receive the Downpayment or (2) seek to obtain specific performance of Seller's obligations hereunder, provided that any action for specific performance shall be commenced within ninety (90) days after such default; it being understood and agreed that if Purchaser fails to commence an action for specific performance within ninety (90) days after such default, then this Agreement shall automatically terminate, effective as of the day immediately following such ninety (90) day period, and thereupon the Downpayment shall be returned to Purchaser, and the parties hereto shall be released of all obligations and liabilities of whatsoever nature in connection with this Agreement except those that expressly survive termination of this Agreement. If Purchaser elects to seek specific performance of this Agreement, then as a condition precedent to any suit for specific performance, Purchaser shall on or before the Closing Date, time being of the essence, fully perform all of its obligations hereunder which are capable of being performed (other than the payment of the Purchase Price, which shall be paid as and when required by the court in the suit for specific performance). Upon the termination of this Agreement and the return of the Downpayment to Purchaser in accordance with this Section 18.02,

neither party shall have any obligations or liabilities hereunder except those that expressly survive termination of this Agreement. Notwithstanding the foregoing, Purchaser shall have no right to seek specific performance, if Seller shall be prohibited from performing its obligations hereunder by reason of any law, regulation, or other legal requirement applicable to Seller. Under no circumstance shall Seller be liable to Purchaser for any consequential, punitive or other damages.

SECTION 19: ASSIGNMENT

Section 19.01. This Agreement and Purchaser's rights hereunder may not be assigned by Purchaser without the prior written consent of Seller (which may be withheld by Seller in its sole and absolute discretion, which may be arbitrary). Notwithstanding the foregoing, Purchaser shall have the right, upon notice to (but without the requirement for the consent of) Seller, to assign its rights and entitlements under this Agreement to an entity owned and controlled by With Pride Air Conditioning & Heating Inc. or the principals thereof, provided that no such assignment shall be construed as to release or relieve With Pride Air Conditioning & Heating Inc. of or from the obligations and liabilities of Purchaser under this Agreement.

Section 19.02. Notwithstanding anything herein to the contrary, Seller shall have the right, prior to Closing, to assign the rights under this Agreement and to transfer the Property to any escrow holder or exchange facilitator (a "**Qualified Intermediary**") selected by Seller in order to effect a Section 1031 exchange. Purchaser agrees to cooperate with Seller and the Qualified Intermediary in any manner necessary to complete the Section 1031 exchange; provided, however that Purchaser shall not be required to incur any additional cost or expense, and the completion of the Section 1031 exchange will not delay or postpone the Closing. Seller's effectuation of the Section 1031 exchange prior to Closing shall not be a condition or contingency to Seller's obligation hereunder.

SECTION 20: COUNTERPARTS

Section 20.01. This Agreement may be executed electronically (via DocuSign, Adobe Sign, or other nationally recognized electronic document signing platform) and/or in counterparts. The signatures of the parties who sign different counterparts of this Agreement or any of the instruments executed to effectuate the purposes of this Agreement shall have the same effect as if those parties had signed the same counterparts of this Agreement or of any such instrument. Telefacsimile transmissions (or email/pdfs) of any executed original counterpart signature page to this Agreement and/or retransmission of such any executed telefacsimile transmission (or email/pdfs) shall be deemed to be the same as the delivery of an executed original and the parties may not claim any defect based upon the other parties inability to produce a "hard" signature copy. At the request of a party hereto, another party hereto shall confirm telefacsimile transmissions (and/or email/pdfs) by executing duplicate original documents and delivering the same to the requesting party.

SECTION 21: FURTHER ASSURANCES

Section 21.01. Purchaser and Seller each agree to execute and deliver to the other such further documents or instruments as may be reasonable and necessary in furtherance of the

performance of the terms, covenants and conditions of this Agreement. This Section 21.01 shall survive the Closing.

SECTION 22: MISCELLANEOUS

Section 22.01. Attorney's Fees. In the event any action or proceeding is commenced to obtain a declaration of rights hereunder or to enforce any provision hereof, to seek rescission of this Agreement for default or any other relief in connection with the transaction contemplated herein, whether legal or equitable, the prevailing party in such action shall be entitled to recover its reasonable attorney's fees in addition to all other relief to which it may be entitled therein. All indemnities provided for herein shall include, but without limitation, the obligation to pay costs of defense in the form of court costs and attorney's fees.

Section 22.02. Subject to Section 19 hereof, this Agreement shall be binding upon and shall inure to the benefit of Seller and Purchaser and their respective successors and assigns.

Section 22.03. This Agreement shall be governed by and construed in accordance with the laws of the State in which the Real Property is located. This Agreement shall be construed without regard to any presumption or other rule requiring construction against the party causing this Agreement to be drafted. If any words or phrases in this Agreement shall have been stricken out or otherwise eliminated, whether or not any other words or phrases have been added, this Agreement shall be construed as if the words or phrases so stricken out or otherwise eliminated were never included in this Agreement and no implication or inference shall be drawn from the fact that said words or phrases were so stricken out or otherwise eliminated. All terms and words used in this Agreement, regardless of the number or gender in which they are used, shall be deemed to include any other number and any other gender as the context may require.

Section 22.04. The headings of the several Sections contained in this Agreement are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope of this Agreement or the intent of any provision thereof.

Section 22.05. The invalidity or unenforceability of any provision of this Agreement shall not affect or impair any other provision of this Agreement.

Section 22.06. This Agreement contains the entire agreement between Seller and Purchaser, and any and all prior understandings and dealings heretofore had are merged herein and any agreement hereafter made shall be ineffective to change, modify or discharge this Agreement in whole or in part unless such agreement hereafter made is in writing and signed by Seller and Purchaser.

Section 22.07. Purchaser acknowledges and agrees that its obligations under this Agreement are not subject to its ability to obtain financing for or in connection with such acquisition or, except as otherwise expressly provided in this Agreement, other contingencies or satisfaction of conditions and Purchaser shall have no right to terminate this Agreement or receive a return of the Downpayment except as otherwise expressly provided for in this Agreement. Nothing herein shall prohibit Purchaser from seeking or obtaining financing. In such event, Seller agrees to reasonably cooperate with Purchaser's efforts to obtain financing by making the Property

available for inspection by Purchaser's lender or its agents at reasonable times and on reasonable notice provided such access shall not unreasonably interfere with the occupancy of Tenants.

Section 22.08. Purchaser shall have no right to record this Agreement or a memorandum hereof. If Purchaser shall so record this Agreement or a memorandum, Purchaser shall be in default of the terms and conditions of this Agreement and, in addition to any other rights or remedies available to Seller as a result of Purchaser's default, Seller may, at Seller's option, immediately terminate this Agreement. Notwithstanding the foregoing, the Downpayment is hereby made a lien on the Property; provided, however, that such lien shall not survive any termination of this Agreement by either party.

Section 22.09. Intentionally Omitted.

Section 22.10. Purchaser shall look solely to Seller's interest in the Property (including the net proceeds from the sale of the Property after payment of all third party closing expenses and payment of the release price to the Lender) as if said asset were the sole asset of Seller for the payment or satisfaction of claims of any nature or for any performance arising under or in connection with this Agreement; provided, however, the foregoing is not intended to expand Seller's liability hereunder and, accordingly, such liability is further limited by the other provisions of this Agreement, including, without limitation, the provisions of Section 10.03 and 10.04, Section 15.01(a)(i) and Section 18.02 (which sections limit Seller's liability to Purchaser or Purchaser's remedies against Seller).

Section 22.11. Purchaser agrees that the submission of a draft of this Agreement by Seller is not intended to be an offer to enter into a legally binding contract with respect to the purchase and sale of the Property pursuant to the terms of this Agreement. Seller and Purchaser shall be legally bound with respect to the purchase and sale of the Property pursuant to the terms of this Agreement only if and when the parties have been able to negotiate all of the terms and provisions of this Agreement in a manner acceptable to each of the parties in their respective sole discretion, including, without limitation, all of the Exhibits and Schedules hereto, and each of Seller and Purchaser have fully executed and delivered to each other a counterpart of this Contract, including, without limitation, all Exhibits and Schedules hereto.

SECTION 23: ESCROW AGENT

Section 23.01. Seller and Purchaser hereby designate "**Escrow Agent**" to receive and hold the Downpayment delivered herewith by Purchaser in accordance with Section 3 hereof, and Escrow Agent agrees to act as such Escrow Agent subject to the provisions of this Section 23. Upon receipt by Escrow Agent of the Downpayment, Escrow Agent shall cause the same to be deposited into Escrow Agent's IOLA (i.e., non-interest-bearing) account, it being agreed that Escrow Agent shall not be liable for (a) any loss of such investment (unless due to Escrow Agent's gross negligence or willful misconduct) or (b) any failure to attain a rate of return on such investment.

Section 23.02. On receipt by Escrow Agent of a statement executed by Seller and Purchaser that title to the Property has closed under this Agreement, Escrow Agent shall promptly deliver such Downpayment to Seller.

Section 23.03. On receipt by Escrow Agent of a statement executed by Purchaser prior to the Closing Date that title to the Property has not closed under this Agreement because of a default by Seller under this Agreement or because of Seller's inability to convey title to the Property in accordance with the provisions of this Agreement or because any contingency contained in this Agreement has not been satisfied or waived, Escrow Agent shall, within ten (10) Business Days, deliver a copy of said statement to Seller and return such Downpayment to Purchaser on the tenth (10th) Business Day after receipt by Seller of said statement unless Escrow Agent, prior to such return, receives from Seller a statement contesting the accuracy of Purchaser's statement and demanding retention of said Downpayment by Escrow Agent.

Section 23.04. On receipt by Escrow Agent of a statement executed by Seller prior to the Closing Date that title to the Property has not closed under this Agreement because of a default by Purchaser under this Agreement, Escrow Agent shall within ten (10) Business Days deliver a copy of said statement to Purchaser and deliver such Downpayment to Seller on the tenth (10th) Business Day after receipt by Purchaser of such statement unless Escrow Agent, prior to such delivery, receives from Purchaser a statement contesting the accuracy of Seller's statement and demanding retention of said Downpayment by Escrow Agent.

Section 23.05. On receipt by Escrow Agent of a statement from Seller or Purchaser, as the case may be, under Sections 23.03 or 23.04 above, Escrow Agent shall retain the Downpayment and thereafter deliver the same to either Seller or Purchaser as Seller and Purchaser may jointly direct by a statement executed by them both, provided if there is any dispute with respect to the Downpayment, Escrow Agent may immediately and with notice to Seller and Purchaser, surrender said Downpayment to a court of competent jurisdiction for such disposition as may be directed by such court.

Section 23.06. Upon delivery of the Downpayment to either Purchaser, Seller or a court of competent jurisdiction under and pursuant to the provisions of this Section 23, Escrow Agent shall be relieved of all liability, responsibility or obligation with respect to or arising out of the Downpayment and any and all of its obligations arising therefrom.

Section 23.07. The Escrow Agent shall not be liable for any error of judgment or for any act done or omitted by it in good faith or for anything which it may in good faith do or refrain from doing in connection herewith or for any negligence other than its gross negligence, nor shall the Escrow Agent be answerable for the default or misconduct other than the willful misconduct of its agents, attorneys or employees if they be selected with reasonable care. The Escrow Agent is authorized to act upon any document believed by it to be genuine and to be signed by the proper party or parties and will incur no liability in so acting. Seller and Purchaser jointly and severally agree to and do hereby indemnify and hold harmless Escrow Agent from all loss, cost, claim, damage, liability, and expense (including reasonable attorney's fees and disbursements) which may be incurred by reason of its acting as Escrow Agent, provided the same is not the result of Escrow Agent's gross negligence or willful misconduct. Purchaser acknowledges and agrees that Escrow Agent shall be entitled to represent Seller in any dispute with respect to the Downpayment, or otherwise.

Section 23.08. The Escrow Agent has executed this Agreement for the sole purpose of agreeing to act as such in accordance with the terms of this Section 23.

Section 23.09. The provisions of this Section 23 shall survive the Closing or termination of this Agreement.

SECTION 24: CONFIDENTIALITY

Section 24.01. Purchaser shall maintain, in the strictest confidence, the contents of any and all information in respect of the Property which is supplied to, or obtained by, Purchaser or its principals, employees, contractors, consultants, advisors, attorneys, accountants, members, investors and lenders involved in the acquisition of the Property (collectively, the “**Representatives**”), including, without limitation, any third party reports in respect of the Property (collectively, the “**Confidential Information**”). Notwithstanding the foregoing, Purchaser may, without Seller’s consent, disclose such Confidential Information (a) to its Representatives without the express written consent of Seller, so long as any Representatives to whom disclosure is made agree to keep all such information confidential in accordance with the terms hereof and (b) if disclosure is required by law or by regulatory or judicial process, provided that in such event the Purchaser shall, to the extent practicable, furnish Seller with prior written notice of any such required disclosure, shall exercise all commercially reasonable efforts (at no cost or expense to Purchaser) to preserve the confidentiality of the Confidential Information, including, without limitation, reasonably cooperating with Seller to obtain an appropriate order or other reliable assurance that confidential treatment will be accorded such Confidential Information by such tribunal and shall disclose only that portion of the Confidential Information that it is legally required to disclose. Upon any termination of this Agreement, such confidentiality shall be maintained and Purchaser will destroy or deliver to Seller, upon request, such Confidential Information as was previously provided to Purchaser by Seller, with any such destruction confirmed by Purchaser in writing. For purposes of this Agreement, Confidential Information excludes information which: (i) is or becomes generally available to or known by the public other than as a result of a disclosure by Purchaser or its Representatives; (ii) is or becomes available to Purchaser or its Representatives on a non-confidential basis from a source other than Seller or its representatives, provided that such source is not prohibited from disclosing such information by a legal, contractual or fiduciary obligation to Seller, or (iii) is independently developed by Purchaser or its Representatives and does not contain adverse information regarding Seller or the Property. Purchaser hereby agrees to indemnify Seller from and against any actual loss, cost or expense (including reasonable attorneys’ fees) arising by reason of a breach by Purchaser or its Representatives of the provisions of this Section 24. The provisions of this Section 24 shall survive any termination of this Agreement, but shall not survive Closing.

Section 24.02. Without limiting the foregoing provisions of this Section 24, Seller and Purchaser shall not issue any press releases (or other public statements) with respect to the transaction contemplated in this Agreement without the prior written approval of the other party, which approval shall not be unreasonably withheld, conditioned or delayed.

SECTION 25: TAX PROCEEDINGS

Section 25.01. Real estate tax refunds or credits received by Seller that are attributable to the fiscal tax year in which the Closing occurs shall be apportioned between Seller and Purchaser less any reasonable expenses incurred by Seller in connection with the prosecution of such proceeding. In the event any such proceeding shall affect a fiscal tax year falling entirely during

Purchaser's period of ownership, Seller shall, at Purchaser's election, at the Closing, assign all of its right, title and interest in such proceeding to Purchaser pursuant to an assignment in form reasonably acceptable to Purchaser. If Purchaser does not elect to accept such assignment, Seller may withdraw such proceeding. Real estate tax refunds or credits received by Purchaser post-Closing directly from the applicable municipality that are attributable to the fiscal tax year in which the Closing occurs shall be apportioned between Seller and Purchaser. Real estate tax refunds or credits received by Purchaser post-Closing directly from the applicable municipality that are attributable to a fiscal year prior to the fiscal year of the Closing shall be paid to Seller and the Tenants pursuant to the Leases. Seller shall not settle the year of Closing, without Purchaser's consent, which shall not be unreasonably withheld, delayed or conditioned. Seller shall not settle multiple years, which include the year of Closing, if the result of such settlement is that the year of Closing is not settled on terms at least as favorable as the prior years. The provisions of this Section 25 shall survive Closing.

SECTION 26: SALE BROKERAGE AGREEMENTS

Section 26.01. Each of Seller and Purchaser hereby represent and warrant to the other that it has not (a) dealt with any agent, finder or broker in connection with this Agreement other than Jones Lang LaSalle Brokerage, Inc. and Industry One Realty Corp. ("Broker") or (b) made any agreement to pay any agent, finder, broker or any other Person any fee or commission in the nature of a broker's fee arising out of or in connection with this Agreement other than Seller's agreement to pay the Broker a commission pursuant to separate agreement. The Broker's commission shall be paid by the Seller pursuant to separate agreement. Purchaser hereby agrees that, in the event any claim is made for any fees or commissions by any broker, agent, finder or any other Person other than the Broker in connection with this Agreement and arising by, through or on account of any act of Purchaser or any of its Representatives, Purchaser shall indemnify and hold harmless Seller from and against any and all claims, liabilities, costs and expenses (including, without limitation, reasonable attorney's fees and disbursements) in connection therewith. Seller hereby agrees that, in the event that any claim is made for any fees or commissions by any broker, agent, finder or any other Person in connection with this Agreement and arising by, through or on account of any act of Seller or Seller's representatives, Seller shall indemnify and hold harmless Purchaser from and against any and all claims, liabilities, costs and expenses (including, without limitation, reasonable attorney's fees and disbursements) in connection therewith. The foregoing indemnities shall survive the Closing or termination of this Agreement, as applicable.

SECTION 27: THIRD PARTY BENEFICIARY

Section 27.01. This Agreement is an agreement solely for the benefit of Seller and Purchaser (and their permitted successors and/or assigns). No other Person shall have any rights hereunder nor shall any other Person be entitled to rely upon the terms, covenants and provisions contained herein. The provisions of this Section 27 shall survive the Closing or the termination hereof.

SECTION 28: JURISDICTION AND SERVICE OF PROCESS

Section 28.01. The parties hereto agree to submit to personal jurisdiction in the State of New York in any action or proceeding arising out of this Agreement and, in furtherance of such

agreement, the parties hereby agree and consent that without limiting other methods of obtaining jurisdiction, personal jurisdiction over the parties in any such action or proceeding may be obtained within or without the jurisdiction of any court located in New York and that any process or notice of motion or other application to any such court in connection with any such action or proceeding may be served upon the parties in any manner permitted by applicable law. The provisions of this Section 28 shall survive the Closing or the termination hereof. Any litigation arising from this Agreement shall be commenced and prosecuted in a court of competent jurisdiction in Suffolk County, New York.

SECTION 29: WAIVER OF TRIAL BY JURY

Section 29.01. Seller and Purchaser hereby irrevocably and unconditionally waive any and all right to trial by jury in any action, suit or counterclaim arising in connection with, out of or otherwise relating to this agreement. The provisions of this Section 29 shall survive the closing or the termination hereof.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, Seller and Purchaser have executed this Agreement as of the day and year first above written.

SELLER

DAVID BARRY ASSOCIATES, L.L.C.

Signed by:
Stephen Goldstein
0501C853A2CD4D2...

By: _____
Name: _____
Title: **Member**

PURCHASER

WITH PRIDE AIR CONDITIONING & HEATING INC.

Signed by:
Michael Dolan
By: _____
Name: _____
Title: **President**

ESCROW AGENT

WEINBERG, GROSS & PERGAMENT LLP

Signed by:
David E Miller
BF3C3B50DCB54C6...

By: _____
Name: _____, Esq.
Title: **Partner**

SCHEDULE 1

Description of the Land

706 REV. 7.5M 10/93

Title No.

SCHEDULE "A"

ALL that certain plot, piece or parcel of land, situate, lying and being in the Town of Babylon, County of Suffolk and State of New York, shown as Lot 16 and also being part of Lot 15 on the corrected map of Broad Hollow Industrial Plaza filed December 20, 1982 as map no. 7124-A, which said lot and part of lot when taken together as one parcel are more particularly bounded and described as follows:

BEGINNING at a point on the westerly side of Boening Plaza where the same is intersected by the southerly end of the arc of the curve connecting the westerly side of Boening Plaza and the southerly side of Banfi Plaza North;

RUNNING THENCE South 3 degrees 11 minutes 53 seconds west along the westerly side of Boening Plaza 111.09 feet;

THENCE North 87 degrees 48 minutes 51 seconds west 315.13 feet;

THENCE North 2 degrees 16 minutes 21 seconds east 240.49 feet to the southerly side of Banfi Plaza North;

THENCE South 71 degrees 48 minutes 48 seconds east along the southerly side of Banfi Plaza North 291.84 feet to the north-westerly end of the above mentioned curve;

RUNNING THENCE southeasterly along the arc of a curve bearing to the right having a radius of 50.00 feet a distance of 65.46 feet to the point or place of BEGINNING.

Inure

For Conveyancing Only
Together with all right, title and interest of, in and to any streets and roads abutting the above described premises.
Our policies of title insurance include such buildings and improvements thereon which by law constitute real property, unless

SCHEDULE 2

Escrow Agent's Wire Instructions

**Weinberg, Gross & Pergament LLP
400 Garden City Plaza, Suite 309
Garden City, New York 11530
516 877-2424**

WIRE TRANSFER INSTRUCTIONS

ALL INCOMING WIRE TRANSFERS OF MONEY TO CHASE BANK SHOULD BE DIRECTED IN ACCORDANCE WITH THE FOLLOWING INSTRUCTIONS:

WIRE TO: Chase Bank
New York, New York

FOR CREDIT TO: WEINBERG, GROSS & PERGAMENT LLP
ATTORNEY IOLA TRUST ACCOUNT

ACCOUNT NO.: 860115133

ABA/ROUTING #: 021000021

FOR INTERNATIONAL WIRES THE SWIFT CODE IS: CHASUS33

CYBER-FRAUD WARNING – Before wiring any funds to our office or to a third party involved in the transaction, call the intended recipient or our office as appropriate at a number you know is valid to confirm the instructions and amount – and be very wary of any request to change wire instructions you already received. Our firm is not responsible for third party fraud or electronic interceptions.

PLEASE CALL OUR OFFICE AFTER PLACING THE WIRE. THANK YOU FOR YOUR ASSISTANCE.

SCHEDULE 3

[Intentionally Omitted]

SCHEDULE 4

Title Exceptions

1. Declaration of Covenants and Restrictions recorded in Liber 9256 cp. 94 as modified by Affidavit of Correction recorded in Liber 9286 cp. 483 and Modification of Covenants and Restrictions recorded in Liber 9286 cp. 488
2. Sewer Agreement in Liber 9266 cp. 157
3. Sewer Easement in Liber 9334 cp.46
4. Thirty foot building setback line shown on subdivision map
5. Joint R.U.D. Easement in Liber 9408 cp. 389
6. Declaration of Covenants and Restrictions recorded in Liber 10558 cp. 393
7. Declaration of Covenants recorded in Liber 10725 cp. 499

SCHEDULE 5

[Intentionally Omitted)

EXHIBIT A**List of Leases**

<u>Tenant Name</u>	<u>Demised Premises</u>	<u>Lease Documents</u>
ACFR Industries, Inc. d/b/a Bay Supply	Unit A 6,730 SF	Lease Agreement dated June 6, 2022 Consent to Lease Assignment dated November 6, 2024 (Assignment results from Ficodis US CO. acquisition of 75% pf the equity interests of the Tenant
BJ Supply Group, Inc. d/b/a KNS Supply, and Segye, Inc. d/b/a HOT-STEAM	Unit B 10,000 SF	Lease agreement dated June 26, 2018 Deferral Agreement dated September 18, 2020 Extension & Modification Agreement dated February 12, 2023 adding Additional Tenant SEGYE, Inc.
To be delivered vacant, broom clean, and free of all occupancies, tenancies, and licenses at closing.	Unit C 8,000 SF	N/A to be delivered vacant.6

EXHIBIT B

Intentionally Omitted

EXHIBIT C

Form of Assignment Agreement

ASSIGNMENT AGREEMENT

THIS ASSIGNMENT AGREEMENT (this “**Assignment**”), dated this ____ day of _____, 2025, is made by and between DAVID BARRY ASSOCIATES, L.L.C. (the “**Assignor**”) and _____ (the “**Assignee**”).

WHEREAS, Assignee has this day purchased Assignor’s interest in the real property legally described on the attached Exhibit A (the “**Premises**”); and

WHEREAS, the execution and delivery of this Assignment is a condition precedent to the purchase by the Assignee of the Premises;

NOW, THEREFORE, in consideration of the purchase and sale of the Premises, and for other good and valuable consideration, Assignor agrees as follows (unless otherwise defined, all capitalized terms shall have the meanings set forth in the Purchase and Sale Agreement, dated as of January __, 2025, by and between Assignor and Assignee (the “**Purchase Agreement**”) as such capitalized terms relate to the Premises only);

1. Assignor hereby grants, transfers and assigns to Assignee, without recourse, representation or warranty, except as otherwise expressly set forth in the Purchase Agreement, all the right, title and interest of Assignor in and to the following, if any (the “**Assigned Assets**”):

- (i) all Permits and Licenses, certificates of occupancy, approvals, dedications, subdivision maps or plats and entitlements issued, approved or granted by federal, state or municipal authorities or otherwise in connection with the Premises and its renovation, construction, use, maintenance, repair, leasing and operation; and all licenses, consents, easements, rights of way and approvals required from private parties to make use of utilities, to insure pedestrian ingress and egress to the Premises and to insure continued use of any vaults under public rights-of-way presently used in the operation of the Premises;
- (ii) all Security Deposits, all Leases, and all correspondence with the Tenants under Leases, all booklets and manuals relating to the maintenance and operation of the Premises; and
- (iii) the Warranties, Leasing Brokerage Agreements, Intangible Rights and Personal Property.

The foregoing are collectively referred to herein as the “**Assigned Assets**”. The foregoing assignment is made without recourse, and on an “as-is, where-is, with all faults” basis, without any representation or warranty by Assignor except as may be expressly set forth in the Purchase Agreement.

2. Assignee hereby accepts the foregoing assignment of, and assumes all obligations under, the Assigned Assets first arising after the date hereof.

3. Assignee agrees to indemnify, protect, hold harmless and defend Assignor from and against any and all claims, demands, liabilities, losses, costs, obligations, injuries, penalties, causes of action, damages, expenses, including, without limitation, reasonable attorneys' fees, charges and disbursements through all appeals (including, without limitation, reasonable attorneys' fees and disbursements through all appeals in the collection thereof) asserted against or suffered by Assignor in connection with, related to, arising from, or resulting from, directly or indirectly, the Assigned Assets, from and after the Closing Date. Assignor hereby agrees to indemnify, protect, hold harmless and defend Assignee from and against any and all claims, demands, liabilities, losses, costs, obligations, injuries, penalties, causes of action, damages, expenses, including, without limitation, reasonable attorneys' fees, charges and disbursements through all appeals (including, without limitation, reasonable attorneys' fees and disbursements through all appeals in the collection thereof) asserted against or suffered by Assignee in connection with, related to, arising from, or resulting from, directly or indirectly, the Assigned Assets, prior to the Closing Date.

4. This Assignment may be executed in counterparts, each of which shall constitute an original and all of which, taken together, shall constitute one and the same instrument.

5. This Assignment shall be governed by and construed in accordance with the laws of the State of New York. This Assignment shall be construed without regard to any presumption or other rule requiring construction against the party causing this Assignment to be drafted.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties have executed this Assignment as of the date first written above.

ASSIGNOR:

DAVID BARRY ASSOCIATES, L.L.C.

By: _____

Name:

Title:

ASSIGNEE:

By: _____

Name:

Title:

(EXHIBIT A)
Legal Description

EXHIBIT D

Form of Bill of Sale

BILL OF SALE

DAVID BARRY ASSOCIATES, L.L.C. ("**Seller**"), in consideration of Ten Dollars (\$10.00) and other good and valuable consideration paid to Seller by _____ ("**Purchaser**"), the receipt and sufficiency of which are hereby acknowledged, hereby sells, conveys, assigns, transfers, delivers and sets over to Purchaser (free and clear of any liens or encumbrances) all fixtures, furniture, furnishings, equipment, machinery, inventory, appliances and other articles of tangible personal property (other than the Excluded Property, as defined in that certain Purchase and Sale Agreement, dated as of _____, 2025, by and between Seller and Purchaser) owned by Seller and which are located at and used or usable in connection with the real property located at 40 Banfi Plaza, Farmingdale, New York, except as set forth in such Purchase and Sale Agreement.

TO HAVE AND TO HOLD unto Purchaser and its successors and assigns to its and their own use and benefit forever.

This Bill of Sale is made by Seller without recourse and without any expressed or implied representation or warranty whatsoever except as may be expressly set forth in the Purchase and Sale Agreement.

IN WITNESS WHEREOF, Seller has caused this Bill of Sale to be executed as of this ____ day of _____, 2025.

DAVID BARRY ASSOCIATES, L.L.C.

By: _____

Name:

Title:

EXHIBIT E

Form of FIRPTA Certificate

FIRPTA CERTIFICATE

Section 1445 of the Internal Revenue Code provides that a transferee of a U.S. real property interest must withhold tax if the transferor is a foreign person. To inform the transferee that withholding of tax is not required upon the disposition of a U.S. real property interest by _____ (“**Seller**”), Seller hereby certifies the following:

1. Seller is not a foreign corporation, foreign partnership, foreign trust or foreign estate (as those terms are defined in the Internal Revenue Code and Income Tax Regulations);
2. Seller’s U.S. employer identification number is: _____; and
3. Seller’s principal place of business is _____.

Seller understands that this certification may be disclosed to the Internal Revenue Service by transferee and that any false statement contained herein could be punished by fine, imprisonment, or both.

Under penalties of perjury I declare that I have examined this certification and to the best of my knowledge and belief it is true, correct and complete, and I further declare that I have authority to sign this document on behalf of Seller.

[_____]

By: _____

Name:

Title:

Subscribed and sworn to
before me this _____ day of
_____, 2025.

Notary Public

EXHIBIT F

List of Service Contracts That are Not Terminable At Will or on 30 Days' Notice or Less

NONE

EXHIBIT G

Form of Notice to Tenants

DAVID BARRY ASSOCIATES, L.L.C.

_____, 2025

TO:

[INSERT NAME AND ADDRESS OF
TENANT]

Re: 40 Banfi Plaza, Farmingdale, New York

Dear Tenant:

This is to notify you that, today, the referenced property has been acquired by [_____] ("**Purchaser**"). As of the date hereof, your lease/license agreement (including any security deposit) has been assigned to Purchaser.

You are hereby authorized and directed to make all future payments under the lease/license agreement to Purchaser, _____. Any future inquiries regarding your lease/license agreement should be directed to _____ at the aforementioned address. Please update the insurance policies carried by you under your lease/license agreement to add Purchaser as an additional insured thereunder and please deliver certificates evidencing the revised coverage promptly to Purchaser at the aforementioned address.

Very truly yours,

DAVID BARRY ASSOCIATES, L.L.C.

By: _____

Name:

Title: Authorized Person

EXHIBIT H

Leasing Brokerage Agreements

NONE

EXHIBIT I

Form of Estoppel

Premises: That certain _____ rentable square foot premises demised premises known by street address _____ located within the building known by street address _____

Lease: Agreement of Lease, [originally] dated _____ [as amended] ([collectively,] the "Lease"), between DAVID BARRY ASSOCIATES, L.L.C., as lessor ("Lessor"), and [_____] [successor-in-interest to _____], as lessee ("Lessee"), for lease of the Premises

The undersigned, the Lessee under the above described Lease, certifies to Lessor and its successors and assigns, that: (i) the Lease is presently in full force and effect and has not been assigned, modified, supplemented or amended in any way except as indicated at the end of this certificate; (ii) the Lease represents the entire agreement between the Lessor and Lessee with respect to the Premises, (iii) the term of the Lease has commenced and full rental [(except _____)] is now accruing thereunder; (iv) there are no existing defenses or offsets which the Lessee has against the enforcement of the Lease by the Lessor; (v) no rent has been paid by Lessee more than 30 days in advance of the due date [(except for _____)], and [no] security [in the amount of \$ _____] has been deposited with Lessor; (vi) all rent payable under the Lease has been paid through _____, 20__; (vii) the term of the Lease commenced on _____, and expires on _____, 20__; (viii) there exist no options to purchase Property of which the Premises are part and except as expressly set forth in the Lease, there exists no rights of first refusal, rights of first offer, options to renew, or options to expand or contract the Premises, in favor of Tenant; (ix) the current monthly base rent payable under the Lease is \$ _____; (x) the current monthly payment payable under the Lease on account of (a) operating expenses is \$ _____ and (b) real estate taxes is \$ _____; (xi) Lessee's proportionate share of operating expenses and real estate taxes is _____%. and (xii) the address for notices to be sent to Tenant is:

Attn: _____.

To Lessee's Knowledge (as defined herein), any and all improvements or repairs required to be made by Lessor in, on or about the Premises have been completed in accordance with the terms of the Lease/License Agreement and to the satisfaction of Lessee. Notwithstanding the foregoing, Lessee makes no representation or assertion that Lessor's improvements or repairs were performed in compliance with all Laws (as defined herein).

To Lessee's Knowledge, Lessee is not in default under the Lease/License Agreement and Lessee has not received any notices of default under the Lease/License Agreement which have not been cured and, to Lessee's Knowledge, there are no events which have occurred that with the giving of notice or the passage of time, or both, would result in a default by Lessee under the Lease/License Agreement.

Lessee has not sent Lessor any notices of default under the Lease/License Agreement which have not been cured, and, to Lessee's Knowledge, there are no defaults by Lessor under the Lease/License Agreement as of the date hereof and there are no events that have occurred that, with the giving of notice or the passage of time, or both, would result in a default by Lessor thereunder. To Lessee's Knowledge, Lessee has no defenses, counterclaims, liens or claims of offset or credit under the Lease/License Agreement or against rents, or any other claims against Lessor [(except for _____)]. Lessee has no disputes with Lessor that arise out of the Lease/License Agreement or in any way relate to the Lease/License Agreement or arise out of any other transaction between Lessee and Lessor [(except for _____)].

To Lessee's Knowledge, Lessee is not using the Premises in violation of any applicable laws, rules, ordinances, or regulations, including but not limited to, any applicable environmental laws, rules, or regulations (collectively, "Laws") and, to Lessee's Knowledge, there are no actions or other claims pending or threatened against Lessee in connection with any such Laws, nor has Lessee received any notices alleging Lessee's violation of any such Laws [(except for _____)].

For purposes of this Certificate, the term "Lessee's Knowledge" shall mean Lessee's actual knowledge without any independent investigation and without constructive or imputed knowledge. All allowances, reimbursements, or other obligations of Lessor for the payment of monies to or for the benefit of Lessee have been fully paid, all in accordance with the terms of the Lease/License Agreement.

The provisions of this Certificate shall be binding on the undersigned, its successors and assigns, as Tenant, and shall inure to the benefit of Lessor, any transferee of the interests of Lessor under the Lease, and their respective successors and assigns

Dated: _____, 2025.

By: _____

Name:

Title:

EXHIBIT J

[Intentionally Omitted]

EXHIBIT K
List of Security Deposits

<u>Tenant Name</u>	<u>Security Deposit</u>
ACFR Industries, Inc. d/b/a Bay Supply	\$15,703.33
BJ Supply Group, Inc. d/b/a KNS Supply, and Segye, Inc. d/b/a HOT-STEAM	\$19,583.33
N/A	N/A

EXHIBIT L

List of Rent Arrearages and Tenant Inducement Costs

NONE

ATTACHMENT #3

Lease Summary of Lease between David Barry Associates L.L.C., as landlord and BJ Supply Group, Inc. d/b/a KNS Supply and Segye, Inc. d/b/a Hot-Steam

See attached



Schwartz Ettenger.PLLC
Experience you need. Results you want.

██████████ Fax: ██████████
445 Broad Hollow Road, Suite 205, Melville, NY 11747

LEASE SUMMARY

Landlord: David Barry Associates, L.L.C.

Tenant: BJ Supply Group, Inc. d/b/a KNS Supply
Segye, Inc. d/b/a Hot-Steam (Added pursuant to Extension & Modification Agreement (See Notes)

Guarantor(s): Segye, Inc. and
Hee bae Jeon

Premises: 40 Banfi Plaza (Unit B)
Farmingdale, NY 11735

Lease Status: Current

Type: Graduated

Permitted Use: “distribution of parts for, and assembly of, cleaning machinery and incidental services and products, and administrative offices therefor...”

Lease Date: June 26, 2018

Commencing: June 16, 2018

Expiration Date: July 31, 2023

Security: \$19,583.33

Rent Concession: To July 1, 2018

Grace Period: 7 Days

Late Fee: \$25.00 / Day

Interest on Late Payment: N/A

Rent:

Lease Year	Annual Fixed Rent	Monthly Payment
1	\$117,500.00	\$9,791.67
2	\$121,025.00	\$10,085.42
3	\$124,655.75	\$10,387.98

Commented [MF1]: Please confirm.

Lease Summary
Unit B
Page 2

Lease Year	Annual Fixed Rent	Monthly Payment
4	\$128,395.42	\$10,699.62
5	\$132,247.29	\$11,020.61

T's Proportionate Share: 40.54%
(Additional Rent)

Option to Extend: N/A

Option Notice: N/A

Additional Rent: (40.54% of:)

- Operating Expenses
 - Snow & ice removal
 - Water
 - Sewer
- ~~Insurance over base year of~~
- Real Estate Taxes and Assessments over base year of 12/01/17 – 11/30/18

Exclusions:

- Utilities
 - Gas
 - Oil
 - Fuel
 - Electric
 - Telephone
 - HVAC
 - Refuse
 - Janitorial
 - Security
 - Roof

Guaranty Type: Segeye, Inc. = Full
Hee bae Jeon - Good Guy to Surrender Date

Right of First Refusal: N/A

Notes:

- **Schedule B:** Town of Babylon C&R's:
"should building be sold or there be a change in tenancy or change of use the loading dock will be removed and parking spaces restored."
- **Broker:** Alliance Real Estate Corp. and
Reliant Realty Group, LLC
- **Modification & Deferral Agreement** (Dated 09/18/20)
 - Acknowledged arrears of \$42,907.33 through 09/30/20;
 - \$5,000.00 monthly base rent 10/01/20 through 12/31/20;
 - 31 monthly installments of remainder through due date of 07/01/23;
 - Personal guaranty amended to include of deferred amount.
- **Extension and Modification Agreement** (Dated 02/12/23)
 - Adds additional Tenant "Segye, Inc. d/b/a Hot-Steam"
 - Extension of Term:

Commented [MF2]: Will seller be making application for exception?

Commented [MF3]: Confirm all arrears have since been cured?

Extension Year	Annual Fixed Rent	Monthly Payment
#1) 08/01/23 – 07/31/24	\$136,214.71	\$11,351.23
#2) 08/01/24 – 07/31/25	\$140,301.15	\$11,691.76
#3) 08/01/25 – 07/31/26	\$144,510.18	\$12,042.52

ATTACHMENT #4

Short Form Environmental Assessment Forms

See attached.

Short Environmental Assessment Form

Part 1 - Project Information

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: IDA Straight Lease Transaction and Renovation of 77 Marine Street							
Project Location (describe, and attach a location map): 77 Marine Street, Farmingdale, New York 11735							
Brief Description of Proposed Action: Applicant is applying for financial assistance from the Town of Babylon Industrial Development Agency in connection with planned renovations.							
Name of Applicant or Sponsor: 77 Marine Street LLC and With Pride Air Conditioning & Heating Inc.		Telephone: [REDACTED]					
		E-Mail: [REDACTED]					
Address: 77 Marine Street							
City/PO: Farmingdale		State: NY	Zip Code: 11735				
1. Does the proposed action only involve the legislative adoption of a plan, local law, ordinance, administrative rule, or regulation? If Yes, attach a narrative description of the intent of the proposed action and the environmental resources that may be affected in the municipality and proceed to Part 2. If no, continue to question 2.			<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: center;">NO</td> <td style="text-align: center;">YES</td> </tr> <tr> <td style="text-align: center;"><input checked="" type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> </table>	NO	YES	<input checked="" type="checkbox"/>	<input type="checkbox"/>
NO	YES						
<input checked="" type="checkbox"/>	<input type="checkbox"/>						
2. Does the proposed action require a permit, approval or funding from any other government Agency? If Yes, list agency(s) name and permit or approval: Town of Babylon IDA Approval and Town of Babylon Building Department issuance of building permit			<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: center;">NO</td> <td style="text-align: center;">YES</td> </tr> <tr> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input checked="" type="checkbox"/></td> </tr> </table>	NO	YES	<input type="checkbox"/>	<input checked="" type="checkbox"/>
NO	YES						
<input type="checkbox"/>	<input checked="" type="checkbox"/>						
3. a. Total acreage of the site of the proposed action?		.56 acres					
b. Total acreage to be physically disturbed?		0 acres					
c. Total acreage (project site and any contiguous properties) owned or controlled by the applicant or project sponsor?		.56 acres					
4. Check all land uses that occur on, are adjoining or near the proposed action:							
5. <input type="checkbox"/> Urban <input type="checkbox"/> Rural (non-agriculture) <input checked="" type="checkbox"/> Industrial <input checked="" type="checkbox"/> Commercial <input type="checkbox"/> Residential (suburban) <input type="checkbox"/> Forest <input type="checkbox"/> Agriculture <input type="checkbox"/> Aquatic <input type="checkbox"/> Other(Specify): <input type="checkbox"/> Parkland							


5. Is the proposed action,	NO	YES	N/A
a. A permitted use under the zoning regulations?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b. Consistent with the adopted comprehensive plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
6. Is the proposed action consistent with the predominant character of the existing built or natural landscape?	NO	YES	
	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
7. Is the site of the proposed action located in, or does it adjoin, a state listed Critical Environmental Area?	NO	YES	
If Yes, identify: _____	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
8. a. Will the proposed action result in a substantial increase in traffic above present levels?	NO	YES	
	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
b. Are public transportation services available at or near the site of the proposed action?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
c. Are any pedestrian accommodations or bicycle routes available on or near the site of the proposed action?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
9. Does the proposed action meet or exceed the state energy code requirements?	NO	YES	
If the proposed action will exceed requirements, describe design features and technologies: _____ _____	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
10. Will the proposed action connect to an existing public/private water supply?	NO	YES	
If No, describe method for providing potable water: _____ _____	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
11. Will the proposed action connect to existing wastewater utilities?	NO	YES	
If No, describe method for providing wastewater treatment: <u>on Site sanitary/cesspool system</u> _____	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
12. a. Does the project site contain, or is it substantially contiguous to, a building, archaeological site, or district which is listed on the National or State Register of Historic Places, or that has been determined by the Commissioner of the NYS Office of Parks, Recreation and Historic Preservation to be eligible for listing on the State Register of Historic Places?	NO	YES	
	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
b. Is the project site, or any portion of it, located in or adjacent to an area designated as sensitive for archaeological sites on the NY State Historic Preservation Office (SHPO) archaeological site inventory?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
13. a. Does any portion of the site of the proposed action, or lands adjoining the proposed action, contain wetlands or other waterbodies regulated by a federal, state or local agency?	NO	YES	
	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
b. Would the proposed action physically alter, or encroach into, any existing wetland or waterbody?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
If Yes, identify the wetland or waterbody and extent of alterations in square feet or acres: _____ _____ _____			

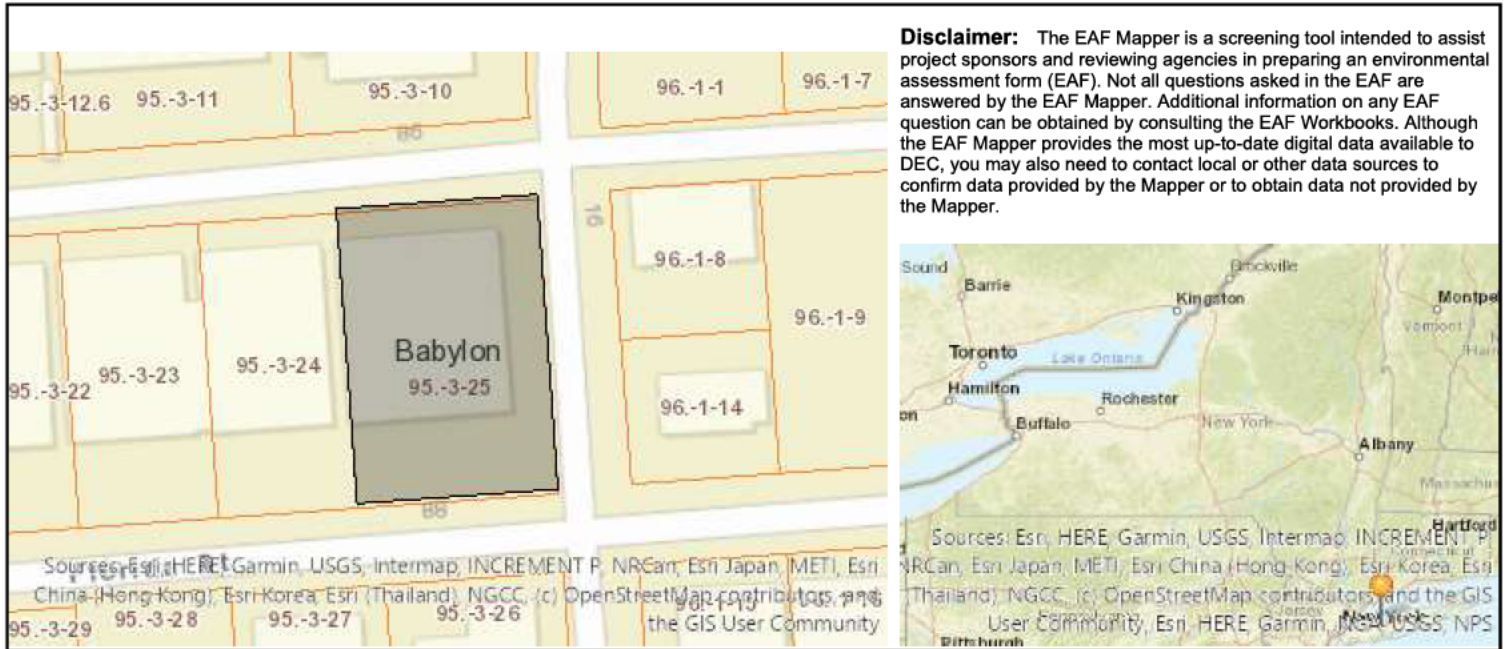
14. Identify the typical habitat types that occur on, or are likely to be found on the project site. Check all that apply: <input type="checkbox"/> Shoreline <input type="checkbox"/> Forest <input type="checkbox"/> Agricultural/grasslands <input type="checkbox"/> Early mid-successional <input type="checkbox"/> Wetland <input checked="" type="checkbox"/> Urban <input checked="" type="checkbox"/> Suburban		
15. Does the site of the proposed action contain any species of animal, or associated habitats, listed by the State or Federal government as threatened or endangered?	NO	YES
	<input checked="" type="checkbox"/>	<input type="checkbox"/>
16. Is the project site located in the 100-year flood plan?	NO	YES
	<input checked="" type="checkbox"/>	<input type="checkbox"/>
17. Will the proposed action create storm water discharge, either from point or non-point sources? If Yes,	NO	YES
	<input checked="" type="checkbox"/>	<input type="checkbox"/>
a. Will storm water discharges flow to adjacent properties?	<input type="checkbox"/>	<input type="checkbox"/>
b. Will storm water discharges be directed to established conveyance systems (runoff and storm drains)? If Yes, briefly describe:	<input type="checkbox"/>	<input type="checkbox"/>

18. Does the proposed action include construction or other activities that would result in the impoundment of water or other liquids (e.g., retention pond, waste lagoon, dam)? If Yes, explain the purpose and size of the impoundment:	NO	YES
	<input checked="" type="checkbox"/>	<input type="checkbox"/>

19. Has the site of the proposed action or an adjoining property been the location of an active or closed solid waste management facility? If Yes, describe:	NO	YES
	<input checked="" type="checkbox"/>	<input type="checkbox"/>

20. Has the site of the proposed action or an adjoining property been the subject of remediation (ongoing or completed) for hazardous waste? If Yes, describe:	NO	YES
Site 152030, Preferred Plating, 32 Allen Blvd, Site 152111 Louis Sorrentino Property 115 Marine Street Site 152140, National Heatset Printing Co., 1 Adams Blvd and Site 152127 Polycom Huntsman Inc., 100 Adams Blvd.	<input type="checkbox"/>	<input checked="" type="checkbox"/>

I CERTIFY THAT THE INFORMATION PROVIDED ABOVE IS TRUE AND ACCURATE TO THE BEST OF MY KNOWLEDGE Applicant/sponsor/name: <u>Michael Dolan</u> Date: <u>05/09/2025</u> Signature: <u></u> Title: <u>Owner</u>		



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]	Digital mapping data are not available or are 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]	Yes

Short Environmental Assessment Form

Part 1 - Project Information

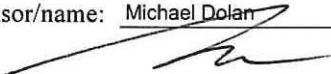
Instructions for Completing

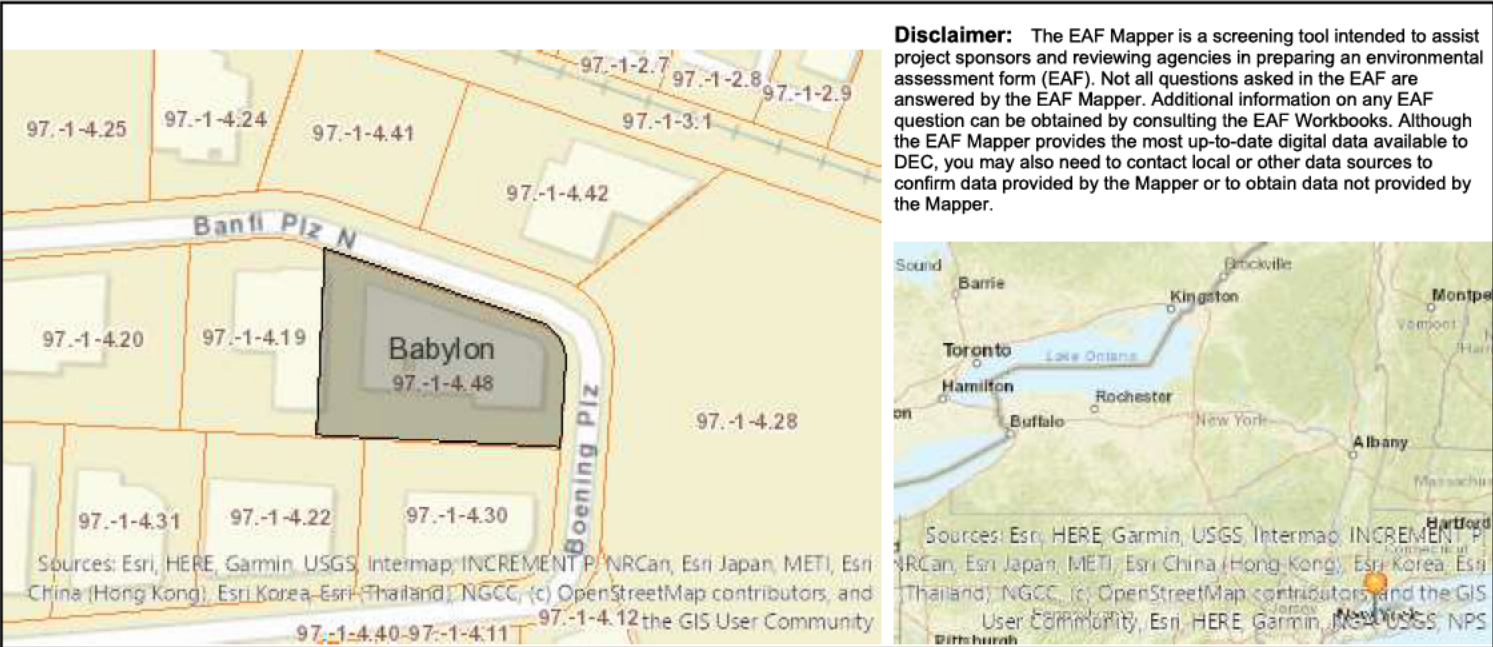
Part 1 – Project Information. The applicant or project sponsor is responsible for the completion of Part 1. Responses become part of the application for approval or funding, are subject to public review, and may be subject to further verification. Complete Part 1 based on information currently available. 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: Straight Lease Transaction and renovation at 40 Banfi Plaza			
Project Location (describe, and attach a location map): 40 Banfi Plaza, Farmingdale, New York 11735			
Brief Description of Proposed Action: Applicant is applying for financial assistance from the Town of Babylon Industrial Development Agency in connection with the acquisition and planned renovation of 40 Banfi Plaza, Farmingdale, New York.			
Name of Applicant or Sponsor: 40 Banfi LLC and With Pride Air Conditioning & Heating Inc.		Telephone: [REDACTED] E-Mail: [REDACTED]	
Address: 77 Marine Street			
City/PO: Farmingdale		State: NY	Zip Code: 11735
1. Does the proposed action only involve the legislative adoption of a plan, local law, ordinance, administrative rule, or regulation? If Yes, attach a narrative description of the intent of the proposed action and the environmental resources that may be affected in the municipality and proceed to Part 2. If no, continue to question 2.		NO <input checked="" type="checkbox"/>	YES <input type="checkbox"/>
2. Does the proposed action require a permit, approval or funding from any other government Agency? If Yes, list agency(s) name and permit or approval: Town of Babylon IDA Approval and Town of Babylon Building Department issuance of building permit		NO <input type="checkbox"/>	YES <input checked="" type="checkbox"/>
3. a. Total acreage of the site of the proposed action? b. Total acreage to be physically disturbed? c. Total acreage (project site and any contiguous properties) owned or controlled by the applicant or project sponsor?		1.4 acres 0 acres 1.4 acres	
4. Check all land uses that occur on, are adjoining or near the proposed action:			
5. <input checked="" type="checkbox"/> Urban <input type="checkbox"/> Rural (non-agriculture) <input checked="" type="checkbox"/> Industrial <input checked="" type="checkbox"/> Commercial <input type="checkbox"/> Residential (suburban) <input type="checkbox"/> Forest <input type="checkbox"/> Agriculture <input type="checkbox"/> Aquatic <input type="checkbox"/> Other(Specify): <input type="checkbox"/> Parkland			

5. Is the proposed action,	NO	YES	N/A
a. A permitted use under the zoning regulations?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b. Consistent with the adopted comprehensive plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
6. Is the proposed action consistent with the predominant character of the existing built or natural landscape?	NO	YES	
	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
7. Is the site of the proposed action located in, or does it adjoin, a state listed Critical Environmental Area?	NO	YES	
If Yes, identify: _____	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
8. a. Will the proposed action result in a substantial increase in traffic above present levels?	NO	YES	
	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
b. Are public transportation services available at or near the site of the proposed action?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
c. Are any pedestrian accommodations or bicycle routes available on or near the site of the proposed action?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
9. Does the proposed action meet or exceed the state energy code requirements?	NO	YES	
If the proposed action will exceed requirements, describe design features and technologies: _____ _____	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
10. Will the proposed action connect to an existing public/private water supply?	NO	YES	
If No, describe method for providing potable water: _____ _____	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
11. Will the proposed action connect to existing wastewater utilities?	NO	YES	
If No, describe method for providing wastewater treatment: _____ on Site sanitary/cesspool system _____	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
12. a. Does the project site contain, or is it substantially contiguous to, a building, archaeological site, or district which is listed on the National or State Register of Historic Places, or that has been determined by the Commissioner of the NYS Office of Parks, Recreation and Historic Preservation to be eligible for listing on the State Register of Historic Places?	NO	YES	
	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
b. Is the project site, or any portion of it, located in or adjacent to an area designated as sensitive for archaeological sites on the NY State Historic Preservation Office (SHPO) archaeological site inventory?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
13. a. Does any portion of the site of the proposed action, or lands adjoining the proposed action, contain wetlands or other waterbodies regulated by a federal, state or local agency?	NO	YES	
	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
b. Would the proposed action physically alter, or encroach into, any existing wetland or waterbody?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
If Yes, identify the wetland or waterbody and extent of alterations in square feet or acres: _____ _____ _____			

14. Identify the typical habitat types that occur on, or are likely to be found on the project site. Check all that apply: <input type="checkbox"/> Shoreline <input type="checkbox"/> Forest <input type="checkbox"/> Agricultural/grasslands <input type="checkbox"/> Early mid-successional <input type="checkbox"/> Wetland <input checked="" type="checkbox"/> Urban <input checked="" type="checkbox"/> Suburban		
15. Does the site of the proposed action contain any species of animal, or associated habitats, listed by the State or Federal government as threatened or endangered?	NO	YES
	<input checked="" type="checkbox"/>	<input type="checkbox"/>
16. Is the project site located in the 100-year flood plan?	NO	YES
	<input checked="" type="checkbox"/>	<input type="checkbox"/>
17. Will the proposed action create storm water discharge, either from point or non-point sources? If Yes,	NO	YES
	<input checked="" type="checkbox"/>	<input type="checkbox"/>
a. Will storm water discharges flow to adjacent properties?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b. Will storm water discharges be directed to established conveyance systems (runoff and storm drains)? If Yes, briefly describe:	<input checked="" type="checkbox"/>	<input type="checkbox"/>
18. Does the proposed action include construction or other activities that would result in the impoundment of water or other liquids (e.g., retention pond, waste lagoon, dam)? If Yes, explain the purpose and size of the impoundment:	NO	YES
	<input checked="" type="checkbox"/>	<input type="checkbox"/>
19. Has the site of the proposed action or an adjoining property been the location of an active or closed solid waste management facility? If Yes, describe:	NO	YES
	<input checked="" type="checkbox"/>	<input type="checkbox"/>
20. Has the site of the proposed action or an adjoining property been the subject of remediation (ongoing or completed) for hazardous waste? If Yes, describe:	NO	YES
Site 152030, Preferred Plating, 32 Allen Blvd, Site 152111 Louis Sorrentino Property 115 Marine Street Site 152140, National Heatset Printing Co., 1 Adams Blvd and Site 152127 Polycom Huntsman Inc., 100 Adams Blvd.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
I CERTIFY THAT THE INFORMATION PROVIDED ABOVE IS TRUE AND ACCURATE TO THE BEST OF MY KNOWLEDGE Applicant/sponsor/name: <u>Michael Dolan</u> Date: <u>05/09/2025</u> Signature: <u></u> Title: <u>Owner</u>		



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]	Digital mapping data are not available or are 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]	Yes