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TRANSCRIPT OF PROCEEDINGS

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MODIFICATION TRANSACTION  
COUNTY OF OTSEGO INDUSTRIAL DEVELOPMENT AGENCY  
ZAED PROPERTIES, LLC PROJECT

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CLOSING DATE: FEBRUARY 27, 2023

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APPROVING OPINION:

HODGSON RUSS LLP

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MODIFICATION TRANSACTION  
COUNTY OF OTSEGO INDUSTRIAL DEVELOPMENT AGENCY  
ZAED PROPERTIES, LLC PROJECT

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# MODIFICATION AGREEMENT

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COUNTY OF OTSEGO INDUSTRIAL DEVELOPMENT AGENCY

AND

ZAED PROPERTIES, LLC

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MODIFICATION AGREEMENT

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DATED AS OF FEBRUARY 1, 2023

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RELATING TO (A) THE LEASE/LEASE BACK TRANSACTION OF  
COUNTY OF OTSEGO INDUSTRIAL DEVELOPMENT AGENCY  
DATED JANUARY 1, 2022 AND (B) CERTAIN RELATED  
DOCUMENTS.

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## MODIFICATION AGREEMENT

THIS MODIFICATION AGREEMENT dated as of February 1, 2023 (the "Modification Agreement") by and between COUNTY OF OTSEGO INDUSTRIAL DEVELOPMENT AGENCY, a public benefit corporation organized and existing under the laws of the State of New York having an office for the transaction of business located at 189 Main Street, Suite 500, Oneonta, New York (the "Agency") and ZAED PROPERTIES, LLC, a limited liability company organized and existing under the laws of the State of New York having an office for the transaction of business located at 6106 State Highway 28, Fly Creek, New York (the "Company");

### WITNESSETH:

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

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

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

WHEREAS, the Agency was created, pursuant to and in accordance with the provisions of the Enabling Act, by Chapter 252 of the Laws of 1973 of the State (collectively, with the Enabling Act, the "Act") and is empowered under the Act to undertake the Project (as hereinafter defined) in order to so advance the job opportunities, health, general prosperity and economic welfare of the people of the State and improve their standard of living; and

WHEREAS, on January 13, 2022 (the "Closing"), the Agency granted certain financial assistance to the Company in connection with a project (the "Project"), said Project consisting of the following: (A) (1) the acquisition of an interest in three parcels of land containing in the aggregate approximately 0.77 acres located at 10 Chestnut Street (tax map number 115.18-2-64.00), Chestnut Street (tax map number 115.18-2-63.02) and 17 Pine Blvd. (tax map number 115.18-2-49.00) in the Town of Otsego, Village of Cooperstown, Otsego County, New York (collectively, the "Land"), together with the existing buildings located thereon (collectively, the "Existing Facility"), (2) the demolition of the Existing Facility, (3) the construction on the Land of an approximately 16,000 square foot, two (2) story building (the "Facility") and (4) the acquisition and installation therein and thereon of related fixtures, machinery, equipment and other tangible personal property (collectively, the "Equipment") (the Land, the Existing Facility, the Facility, and the Equipment being collectively referred to as the "Project Facility"), all of the foregoing to constitute an approximately 13 unit residential multi-family apartment building to be owned and operated by the Company and any other directly and indirectly related activities; (B) the granting of certain "financial

assistance” (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real property transfer taxes and mortgage recording taxes (collectively, the “Financial Assistance”); and (C) the lease (with an obligation to purchase) of the Project Facility to the Company pursuant to a lease agreement dated as of January 1, 2022 (the “Lease Agreement”) by and between the Agency and the Company; and

WHEREAS, simultaneously with the execution and delivery of the Lease Agreement, (A) the Company executed and delivered to the Agency a certain lease to Agency dated as of January 1, 2022 (the “Underlying Lease”) by and between the Company, as landlord and the Agency, as tenant pursuant to which the Company leased to the Agency the Land and all improvements now or hereafter located on the Land (collectively, the “Premises”); (B) the Company executed and delivered to the Agency a bill of sale dated as of January 1, 2022 (the “Bill of Sale to Agency”), which conveyed to the Agency all right, title and interest of the Company in the Equipment; (C) a sales tax benefit agreement dated as of January 1, 2022 (the “Sales Tax Benefit Agreement”) delegating to the Company the authority to appoint sub-agents of the Agency in connection with the Project, which may be agents, subagents, contractors, subcontractors, contractors and subcontractors of such agents and subagents and such other parties as the Company chooses; (D) the Agency executed and delivered to the Company a letter (the “Sales Tax Exemption Letter”) to ensure the granting of the sales tax exemption which formed a part of the Financial Assistance; and (E) the Agency filed with the New York State Department of Taxation and Finance the form entitled “IDA Appointment of Project Operator or Agent for Sales Tax Purposes” (the form required to be filed pursuant to Section 874(9) of the Act) (the “Thirty-Day Sales Tax Report”) (the above enumerated documents being collectively referred to as the “Basic Documents”); and

WHEREAS, the Agency and the Company desire to modify the terms of the Basic Documents as described in this Modification Agreement in order to ensure that the terms of the Basic Documents are consistent with the terms of the Payment in Lieu of Tax Agreement; and

NOW, THEREFORE, FOR AND IN CONSIDERATION OF THE MUTUAL COVENANTS HEREINAFTER CONTAINED, THE PARTIES HERETO HEREBY FORMALLY COVENANT, AGREE AND BIND THEMSELVES AS FOLLOWS, TO WIT:

SECTION 1. DEFINITIONS. Except as otherwise provided herein, all words and terms used herein shall have the respective meanings ascribed thereto in Article I of the Basic Documents.

SECTION 2. MODIFICATION OF BASIC DOCUMENTS. (A) In each of the Basic Documents where the date of December 31, 2032 appears it shall be replaced by the date of December 31, 2038.

SECTION 3. PROVISIONS OF MODIFICATION AGREEMENT CONSTRUED WITH THE BASIC DOCUMENTS. All of the covenants, agreements and provisions of this Modification Agreement shall be deemed to be and shall be construed as part of the Basic Documents and vice versa to the same extent as if fully set forth verbatim therein and herein. In the event of any variation or inconsistency between any covenant, agreement or provision contained in any Basic Document and any covenant, agreement or provision contained in this Modification Agreement, such covenant, agreement or provision contained herein shall govern.

SECTION 4. BASIC DOCUMENTS AS AMENDED TO REMAIN IN EFFECT. Except as amended by this Modification Agreement, the Basic Documents shall remain unmodified and in full force and effect and the terms and conditions thereof are hereby confirmed.

SECTION 5. RECORDING. This Modification Agreement may, at the request of the Company, be recorded by the Agency in such office or offices as may at the time be provided by law as the proper place

or places for the recordation thereof. The Company agrees to pay all costs in connection with said recording.

SECTION 6. EXECUTION OF COUNTERPARTS. This Modification Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

[Balance of page intentionally left blank]



IN WITNESS WHEREOF, the Agency and the Company have caused this Modification Agreement to be executed by their duly authorized officer and to date this Modification Agreement as of the day and year first above written.

COUNTY OF OTSEGO INDUSTRIAL  
DEVELOPMENT AGENCY

BY: David Rowley  
(Vice) Chairman

ZAED PROPERTIES, LLC

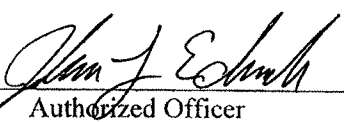
BY: \_\_\_\_\_  
Authorized Officer

IN WITNESS WHEREOF, the Agency and the Company have caused this Modification Agreement to be executed by their duly authorized officer and to date this Modification Agreement as of the day and year first above written.

COUNTY OF OTSEGO INDUSTRIAL  
DEVELOPMENT AGENCY

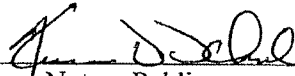
BY: \_\_\_\_\_  
(Vice) Chairman

ZAED PROPERTIES, LLC

BY:  \_\_\_\_\_  
Authorized Officer

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

On the 16<sup>th</sup> day of February, in the year 2023, before me, the undersigned, personally appeared David Rowley, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

  
\_\_\_\_\_  
Notary Public

KURT D. SCHULTE  
Notary Public, State of New York  
No. 02SC4800315  
Residing in Otsego Co.  
My Commission Expires 10/31/25


STATE OF NEW YORK )

) ss.:

COUNTY OF OTSEGO )

On the 24<sup>th</sup> day of February, in the year 2023, before me, the undersigned, personally appeared Josh Edmonds, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

PETER W. HOBAICA  
Notary Public, State of New York  
Reg. #02HO6128309  
Qualified in Onekja County  
My Commission Expires 4/11/2025

  
\_\_\_\_\_  
Notary Public

TP 584



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

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

Schedule A - Information relating to conveyance

Form with sections for Grantor/Transferor and Grantee/Transferee, including fields for Name, Mailing address, City, State, ZIP code, Social Security number (SSN), and Employer Identification Number (EIN).

Location and description of property conveyed

Table with columns: Tax map designation - Section, block & lot, SWIS code (six digits), Street address, City, town, or village, County.

Type of property conveyed (mark an X in applicable box)

Form with numbered boxes 1-7 for property types (One- to three-family house, Residential cooperative, etc.) and a date of conveyance field.

Condition of conveyance (mark an X in all that apply)

Form with multiple checkboxes (a-s) for conditions of conveyance such as fee interest, controlling interest, cooperative housing, etc.

Form for recording officer's use with fields for Amount received, Date received, and Transaction number.

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

**Part 1 – Computation of tax due**

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

1.		
2.		
3.		0 00
4.		0 00
5.		
6.		0 00

**Part 2 – Computation of additional tax due on the conveyance of residential real property for \$1 million or more**

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

1.		
2.		
3.		

**Part 3 – Explanation of exemption claimed on Part 1, line 1 (mark an X in all boxes that apply)**

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

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

\* The total tax (from Part 1, line 6 and Part 2, line 3 above) is due within 15 days from the date of conveyance. Make check(s) payable to the county clerk where the recording is to take place. For conveyances of real property within New York City, use Form TP-584-NYC. If a recording is not required, send this return and your check(s) made payable to the **NYS Department of Taxation and Finance**, directly to the NYS Tax Department, RETT Return Processing, PO Box 5045, Albany NY 12205-0045. If not using U.S. Mail, see Publication 55, *Designated Private Delivery Services*.

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

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

This is to certify that: *(mark an X in the appropriate box)*

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

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

- e  Other *(attach detailed explanation)*.
3.  The real property being transferred is presently subject to an outstanding credit line mortgage. However, no tax is due for the following reason:
  - a  A certificate of discharge of the credit line mortgage is being offered at the time of recording the deed.
  - b  A check has been drawn payable for transmission to the credit line mortgagee or mortgagee's agent for the balance due, and a satisfaction of such mortgage will be recorded as soon as it is available.
4.  The real property being transferred is subject to an outstanding credit line mortgage recorded in \_\_\_\_\_ (insert liber and page or reel or other identification of the mortgage). The maximum principal amount of debt or obligation secured by the mortgage is \_\_\_\_\_. No exemption from tax is claimed and the tax of \_\_\_\_\_ is being paid herewith. *(Make check payable to county clerk where deed will be recorded.)*

**Signature (both the grantors and grantees must sign)**

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

COUNTY OF OTSEGO INDUSTRIAL DEVELOPMENT AGENCY

ZAED PROPERTIES, LLC

*David Rowley*  
Grantor signature

(VICE) CHAIRMAN  
Title

Grantee signature

AUTHORIZED OFFICER  
Title

Grantor signature

Title

Grantee signature

Title

**Reminder:** Did you complete all of the required information in Schedules A, B, and C? Are you required to complete Schedule D? If you marked e, f, or g in Schedule A, did you complete Form TP-584.1? Have you attached your check(s) made payable to the county clerk where recording will take place? If no recording is required, send this return and your check(s), made payable to the **NYS Department of Taxation and Finance**, directly to the NYS Tax Department, RETT Return Processing, PO Box 5045, Albany NY 12205-0045. If not using U.S. Mail, see Publication 55, *Designated Private Delivery Services*.



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

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

This is to certify that: (mark an X in the appropriate box)

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

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

e  Other (attach detailed explanation).

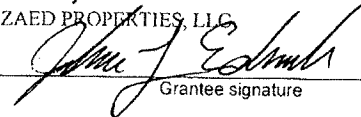
- 3.  The real property being transferred is presently subject to an outstanding credit line mortgage. However, no tax is due for the following reason:
  - a  A certificate of discharge of the credit line mortgage is being offered at the time of recording the deed.
  - b  A check has been drawn payable for transmission to the credit line mortgagee or mortgagee's agent for the balance due, and a satisfaction of such mortgage will be recorded as soon as it is available.
- 4.  The real property being transferred is subject to an outstanding credit line mortgage recorded in \_\_\_\_\_ (insert liber and page or reel or other identification of the mortgage). The maximum principal amount of debt or obligation secured by the mortgage is \_\_\_\_\_. No exemption from tax is claimed and the tax of \_\_\_\_\_ is being paid herewith. (Make check payable to county clerk where deed will be recorded.)

**Signature (both the grantors and grantees must sign)**

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

COUNTY OF OTSEGO INDUSTRIAL DEVELOPMENT AGENCY

ZAED PROPERTIES, LLC

_____	(VICE) CHAIRMAN		AUTHORIZED OFFICER
Grantor signature	Title	Grantor signature	Title

_____	Title	_____	_____
Grantor signature	Title	Grantor signature	Title

**Reminder:** Did you complete all of the required information in Schedules A, B, and C? Are you required to complete Schedule D? If you marked e, f, or g in Schedule A, did you complete Form TP-584.1? Have you attached your check(s) made payable to the county clerk where recording will take place? If no recording is required, send this return and your check(s), made payable to the **NYS Department of Taxation and Finance**, directly to the NYS Tax Department, RETT Return Processing, PO Box 5045, Albany NY 12205-0045. If not using U.S. Mail, see Publication 55, *Designated Private Delivery Services*.

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

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

If the property is being conveyed by a referee pursuant to a foreclosure proceeding, proceed to Part 2, mark an X in the second box under *Exemption for nonresident transferors/sellers*, and sign at bottom.

**Part 1 – New York State residents**

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

**Certification of resident transferors/sellers**

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

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

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

**Part 2 – Nonresidents of New York State**

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

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

**Exemption for nonresident transferors/sellers**

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

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

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

FIRST AMENDMENT TO  
LEASE AGREEMENT

---

COUNTY OF OTSEGO  
INDUSTRIAL DEVELOPMENT AGENCY

AND

ZAED PROPERTIES, LLC

---

FIRST AMENDMENT TO  
LEASE AGREEMENT

---

DATED AS OF FEBRUARY 1, 2023

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RELATING TO A LEASEHOLD INTEREST AND A LICENSE INTEREST HELD BY THE LANDLORD IN THREE PARCELS OF LAND LOCATED AT 10 CHESTNUT STREET (TAX MAP NUMBER 115.18-2-64.00), CHESTNUT STREET (TAX MAP NUMBER 115.18-2-63.02) AND 17 PINE BLVD. (TAX MAP NUMBER 115.18-2-49.90) IN THE TOWN OF OTSEGO, VILLAGE OF COOPERSTOWN, OTSEGO COUNTY, NEW YORK.

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## FIRST AMENDMENT TO LEASE AGREEMENT

THIS FIRST AMENDMENT TO LEASE AGREEMENT dated as of February 1, 2023 is by and between COUNTY OF OTSEGO INDUSTRIAL DEVELOPMENT AGENCY, a public benefit corporation organized and existing under the laws of the State of New York having an office for the transaction of business located at 189 Main Street, Suite 500, Oneonta, New York (the "Agency"), and ZAED PROPERTIES, LLC, a limited liability company organized and existing under the laws of the State of New York having an office for the transaction of business located at 6106 State Highway 28, Fly Creek, New York (the "Company").

### WITNESSETH:

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

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

WHEREAS, the Enabling Act further authorizes each such agency to lease or sell its projects and to charge and collect rent or the purchase price therefor; and

WHEREAS, the Agency was created, pursuant to and in accordance with the provisions of the Enabling Act, by Chapter 252 of the 1973 Laws of New York, as amended, constituting Section 910-a of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the "Act") and is empowered under the Act to undertake the Project (as hereinafter defined) in order to so advance the job opportunities, health, general prosperity and economic welfare of the people of the State and improve their standard of living; and

WHEREAS, on January 13, 2022 (the "Closing Date"), the Agency entered into a lease agreement dated as of January 1, 2022 (the "Original Lease Agreement") by and between the Agency and the Company for the purpose of undertaking a project (the "Project") consisting of the following: (A) (1) the acquisition of an interest in three parcels of land containing in the aggregate approximately 0.77 acres located at 10 Chestnut Street (tax map number 115.18-2-64.00), Chestnut Street (tax map number 115.18-2-63.02) and 17 Pine Blvd. (tax map number 115.18-2-49.00) in the Town of Otsego, Village of Cooperstown, Otsego County, New York (collectively, the "Land"), together with the existing buildings located thereon (collectively, the "Existing Facility"), (2) the demolition of the Existing Facility, (3) the construction on the Land of an approximately 16,000 square foot, two (2) story building (the "Facility") and (4) the acquisition and installation therein and thereon of related fixtures, machinery, equipment and other tangible personal property (collectively, the "Equipment") (the Land, the Existing Facility, the Facility, and the Equipment being collectively referred to as the "Project Facility"), all of the foregoing to constitute an approximately 13 unit residential multi-family apartment building to be owned and operated by the Company and any other directly and indirectly related activities; (B) the granting of certain "financial assistance" (within the

meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real property transfer taxes and mortgage recording taxes (collectively, the “Financial Assistance”); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency; and

WHEREAS, simultaneously with the execution and delivery of the Original Lease Agreement (the “Closing”), (A) the Company executed and delivered to the Agency (1) a certain lease to agency dated as of January 1, 2022 (the “Lease to Agency”) by and between the Company, as landlord, and the Agency, as tenant, pursuant to which the Company will lease to the Agency a portion of the Land and all improvements now or hereafter located on said portion of the Land (collectively, the “Leased Premises”); (2) a certain license agreement dated as of January 1, 2022 (the “License to Agency”) by and between the Company, as licensor, and the Agency, as licensee, pursuant to which the Company will grant to the Agency (a) a license to enter upon the balance of the Land (the “Licensed Premises”) for the purpose of undertaking and completing the Project and (b) in the event of an occurrence of an Event of Default by the Company, an additional license to enter upon the Licensed Premises for the purpose of pursuing its remedies under the Lease Agreement; (3) a certain bill of sale dated as of January 1, 2022 (the “Bill of Sale to Agency”), which conveys to the Agency all right, title and interest of the Company in the Equipment, (4) a certain recapture agreement (the “Section 875 GML Recapture Agreement”) by and between the Company and the Agency, required by the Act, regarding the recovery or recapture of certain sales and use taxes and (5) a certain uniform agency project agreement dated as of January 1, 2022 (the “Uniform Agency Project Agreement”) relating to the granting of the Financial Assistance by the Agency to the Company, (B) the Agency will execute and deliver to the Company a sales tax exemption letter (the “Sales Tax Exemption Letter”) to ensure the granting of a portion of the sales tax exemption which forms a part of the Financial Assistance and (C) the Agency will file with the New York State Department of Taxation and Finance the form entitled “IDA Appointment of Project Operator or Agent for Sales Tax Purposes” (the form required to be filed pursuant to Section 874(9) of the Act) (the “Thirty-Day Sales Tax Report”); and

WHEREAS, the Agency and the Company desire to amend the Original Lease Agreement for the purpose of updating the payment provisions of the Original Lease Agreement to be consistent with the Agency’s operating policies and guidelines; and

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

NOW, THEREFORE, for good and valuable consideration, the parties hereto agree as follows:

SECTION 1. DEFINITIONS. (A) Except as provided in subsection (B) below, unless the context or use indicates another or different meaning, initially capitalized terms used in this First Amendment to Lease Agreement, including in any instrument delivered pursuant hereto and in the recitals and granting clauses hereof, shall have the respective meanings specified in Article I to the Original Lease Agreement. Any term defined in both this First Amendment to Lease Agreement and in the Original Lease Agreement shall have the meaning specified in this First Amendment to Lease Agreement.

(B) The following definitions are equally applicable to both the singular and plural forms of any of the terms herein defined. As used in the Lease Agreement and herein:

“Basic Documents” means the Conveyance Documents, the Lease Agreement, the Payment in Lieu of Tax Agreement, the Uniform Agency Project Agreement, the Loan Documents and all other instruments

and documents related thereto and executed in connection therewith, and any other instrument or document supplemental thereto, each as amended from time to time.

“First Amendment to Lease Agreement” means the first amendment to lease agreement dated as of February 1, 2023 by and between the Agency and the Company.

“Lease Agreement” means the Original Lease Agreement, as amended by the First Amendment to Lease Agreement, as said Lease Agreement may be further amended or supplemented from time to time.

“Original Lease Agreement” means the lease agreement dated as of January 1, 2022 by and between the Agency, as landlord, and the Company, as tenant.

“Uniform Agency Project Agreement” means the uniform agency project agreement dated as of January 1, 2022 by and between the Agency and the Company, as said uniform agency project agreement may be further amended or supplemented from time to time.

SECTION 2. ADDITIONAL REPRESENTATIONS BY AGENCY. (A) Except as modified by this First Amendment to Lease Agreement, the Agency confirms, as of the date hereof, the representations set forth in Section 2.1 of the Original Lease.

(B) The Agency further represents that (1) the Agency has the power under the Act to enter into the transactions contemplated by the Basic Documents to be executed by the Agency, (2) the Agency has not received notice that it is in default under the Basic Documents, and (3) the Agency has duly authorized the execution, delivery and performance of the Basic Documents to be executed by the Agency.

SECTION 3. ADDITIONAL REPRESENTATIONS BY COMPANY. (A) Except as modified by this First Amendment to Lease Agreement, the Company confirms, as of the date hereof, the representations set forth in Section 2.2 of the Original Lease Agreement.

(B) The Company further represents that (1) the Company has the power to enter into the transactions contemplated by the Basic Documents to be executed by the Company, (2) the Company has not received notice that it is in default under the Basic Documents, and (3) the Company has duly authorized the execution, delivery and performance of the Basic Documents to be executed by the Company.

SECTION 4. AMENDMENTS TO ORIGINAL LEASE AGREEMENT. The Original Lease Agreement is hereby amended as follows:

(A) Article I of the Original Lease Agreement is hereby amended so that the following words and terms shall have the respective meanings ascribed thereto in Section 1 of this First Amendment to Lease Agreement: “First Amendment to Lease Agreement”, “Lease Agreement”, and “Original Lease Agreement”.

(B) Section 5.3(A) of the Original Lease Agreement shall be amended to read as follows:

“(A) The Company shall pay basic rental payments for the Project Facility as follows: (1) On the date of execution and delivery of this Lease Agreement, the Company shall pay, as the basic lease payments due hereunder, (a) a single lump sum basic rental payment, equal to the Agency’s initial administrative fee relating to the Project; and (2) the fees and expenses of general counsel and special counsel to the Agency relating to the Project.

(2) In addition, beginning on January 1, 2023 and annually on each January 1



thereafter during the term of the Lease Agreement, an amount equal to \$2,307.89 (.0007 x \$3,296,990), representing the Agency annual administrative fee.”

SECTION 5. PROVISIONS OF FIRST AMENDMENT TO LEASE AGREEMENT CONSTRUED WITH ORIGINAL LEASE AGREEMENT. All of the covenants, agreements and provisions of this First Amendment to Lease Agreement shall be deemed to be and construed as part of the Original Lease Agreement and vice versa to the same extent as if fully set forth verbatim therein and herein. In the event of any variation or inconsistency between any covenant, agreement or provision contained in this First Amendment to Lease Agreement and any covenant, agreement or provision contained in the Original Lease Agreement, the covenant, agreement or provision contained herein shall govern.

SECTION 6. ORIGINAL LEASE AGREEMENT AS AMENDED TO REMAIN IN EFFECT. Except as amended by this First Amendment to Lease Agreement, the Original Lease Agreement shall remain in full force and effect and the terms and conditions thereof are hereby confirmed.

SECTION 7. RECORDING AND FILING. This First Amendment to Lease Agreement (or a memorandum thereof) shall be recorded by the Agency in such office or offices as may at the time be provided by law as the proper place or places for the recordation of filing thereof.

SECTION 8. EXECUTION OF COUNTERPARTS. This First Amendment to Lease Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 9. EFFECTIVE DATE OF FIRST AMENDMENT TO LEASE AGREEMENT. This First Amendment to Lease Agreement shall be effective as of January 1, 2023.

[Balance of page intentionally left blank]

IN WITNESS WHEREOF, the parties have caused this First Amendment to Lease Agreement to be duly executed in their respective names by their respective authorized officers or representatives thereof, all as of the day and date first above written.

COUNTY OF OTSEGO INDUSTRIAL  
DEVELOPMENT AGENCY

BY: David Rowley  
(Vice) Chairman

ZAED PROPERTIES, LLC

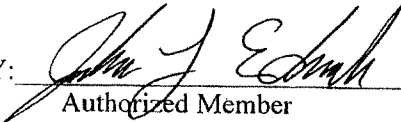
BY: \_\_\_\_\_  
Authorized Member

IN WITNESS WHEREOF, the parties have caused this First Amendment to Lease Agreement to be duly executed in their respective names by their respective authorized officers or representatives thereof, all as of the day and date first above written.

COUNTY OF OTSEGO INDUSTRIAL  
DEVELOPMENT AGENCY

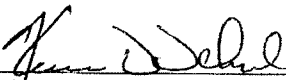
BY: \_\_\_\_\_  
(Vice) Chairman

ZAED PROPERTIES, LLC

BY:  \_\_\_\_\_  
Authorized Member

STATE OF NEW YORK        )  
  )ss:  
COUNTY OF OTSEGO        )

On the 16<sup>th</sup> day of February, in the year 2023, before me, the undersigned, personally appeared David Rowley, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

  
\_\_\_\_\_  
Notary Public

**KURT D. SCHULTE**  
Notary Public, State of New York  
No. 02SC4800315  
Residing in Otsego, Co.  
My Commission Expires 10/31/25

STATE OF NEW YORK        )  
  )ss:  
COUNTY OF OTSEGO        )

On the 24<sup>th</sup> day of February, in the year 2023, before me, the undersigned, personally appeared Josh Edmonds, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

PETER W. HOBAICA  
Notary Public, State of New York  
Reg. #02HO6125309  
Qualified in Oneida County  
My Commission Expires 4/11/2025

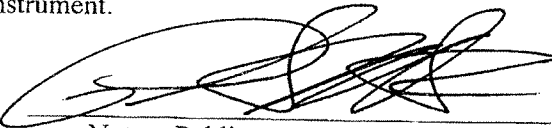
  
\_\_\_\_\_  
Notary Public

EXHIBIT A

DESCRIPTION OF THE LAND

The Land consists of the Leased Land (as described below) and the Licensed Land (as described below).

**DESCRIPTION OF THE LEASED LAND**

A leasehold interest created by a certain lease to agency dated as of January 1, 2022 (the “Lease to Agency”) between ZAED Properties, LLC (the “Company”), as landlord, and County of Otsego Industrial Development Agency (the “Agency”), as tenant, in three parcels of land containing in the aggregate approximately 0.77 acres located at 10 Chestnut Street (tax map number 115.18-2-64.00), Chestnut Street (tax map number 115.18-2-63.02) and 17 Pine Blvd. (tax map number 115.18-2-49.00) in the Town of Otsego, Village of Cooperstown, Otsego County, New York, said Leased Land being more particularly described below), together with any improvements now or hereafter located on the Leased Land (the Leased Land and all such improvements being sometimes collectively referred to as the “Leased Premises”):

ALL THAT CERTAIN TRACT, PIECE OR PARCEL OF LAND situate, lying and being in Village of Cooperstown, Otsego County, New York, bounded and described as follows:

**- SEE ATTACHED -**

**DESCRIPTION OF THE LICENSED LAND**

A license to enter upon in three parcels of land owned by the Company and located at 10 Chestnut Street (tax map number 115.18-2-64.00), Chestnut Street (tax map number 115.18-2-63.02) and 17 Pine Blvd. (tax map number 115.18-2-49.00) in the Town of Otsego, Village of Cooperstown, Otsego County, New York (the “Licensed Land”) created by a certain license agreement dated as of January 1, 2022 (the “License to Agency”) between ZAED Properties, LLC (the “Company”), as licensor, and County of Otsego Industrial Development Agency (the “Agency”), as licensee, said Licensed Land being more particularly described below), together with any improvements now or hereafter located on the Licensed Land (the Licensed Land and all such improvements being sometimes collectively referred to as the “Licensed Premises”):

ALL THAT CERTAIN TRACT, PIECE OR PARCEL OF LAND situate, lying and being in the Town of Otsego, Village of Cooperstown, Otsego County, New York, bounded and described as follows:

**- SEE ATTACHED -**

Westcor Land Title Insurance Company  
Cooper County Abstract Company, Inc.  
196 Main St., Cooperstown, NY 13326  
File No: C15495  
Policy Date:  
Policy #:

Borrower: Zaed Properties LLC  
Property Address: 17 Pine Boulevard & 10 Chestnut Street  
County of Otsego  
Town of Otsego and Village of Cooperstown  
Tax Map No: 115.18-2-49.00, 115.18-2-64.00, 115.18-2-63.02

SCHEDULE "A"

Page 1 of 6

Description

PARCEL ONE  
TM# 115.18-2-64.00

"ALL those tracts or parcels of land situate in the Village of Cooperstown, County of Otsego and State of New York, conveyed by The Hartwick National Bank to Leatherstocking Corporation by deed dated December 10, 1942 and recorded in the Otsego County Clerk's Office December 18, 1942 in Liber 402 of Deeds at Page 111, and described therein as follows:

"All that Tract or Parcel of Land situate in the Village of Cooperstown, Town of Otsego, County of Otsego, New York, on the west side of Chestnut Street, it being a one fourth part of a lot of land late the property of Thomas Fuller, deceased, except an alley way therefrom of 13 feet immediately north of Caleb J. Paul's shop on Chestnut Street, and bounded as follows: Beginning 57 feet southerly from the southeast corner of the parcel of said lot heretofore conveyed Abraham Moore, thence northerly along the west side of Chestnut Street, 57 feet to the southeast corner of said Abraham V. Moore's lot; thence westerly along the line of the said Moore's lot to the east side of an alley 30 feet wide at each end in rear of said lot; thence southerly on the east side of said alley 47 feet 2 inches; thence easterly to the place of beginning, together with the right of way through an alley heretofore opened on the north side of Caleb J. Paul's shop to be 13 feet wide at each end, and the right of way in an alley, intersecting the same and running northerly to William H. Averell's land 30 feet at each end, and according to a map or plan thereof made by Harvey Clark, and to which parties for greater certainty refer themselves, and being the same land and premises conveyed by Herbert M. Coburn and wife to Isaac Fitch on or about October 14, 1842, which deed is recorded in the Otsego County Clerk's Office in Book No. 75 of Conveyances page 61, &c .

"Also all that certain other piece or parcel of land situate and lying and being in the Village of Cooperstown aforesaid on the west side of Chestnut Street, granted or released by William Wilson and wife to Perry G. Tanner by deed bearing date on or about April 2, 1856, and recorded in said Clerk's Office in Book 106 of Conveyances on page 410, bounded as follows: Beginning at the northeast corner of my lot (being a lot now owned by Mary A. Antisdell) and runs thence south on said Street about three feet to the end of an iron fence built by the said Tanner; thence westerly along said iron fence to the northeast corner of my house, being the house of said Antisdell; thence easterly along my northerly line to the place of beginning, being a strip or wedge of land lying north and west of the iron fence aforesaid, as the same is now fenced.

"(Three reference paragraphs deleted).

"Excepting, however, from the premises hereby conveyed the portion thereof heretofore conveyed by the party hereto of the first part to Edward Severin Clark, of the Town of Otsego, N. Y., by deed dated December 2nd, 1930, and recorded in the Otsego County Clerk's Office in Book 356 of Deeds at page 176, on December 3rd, 1930; and

"Subject, also, to certain rights, including rights of way over a portion of the premises hereby conveyed, granted by the aforesaid deed of the party hereto of the first part to said Edward Severin Clark, the premises and rights granted to said Edward Severin Clark by the aforesaid deed being therein described as follows:

Westcor Land Title Insurance Company  
Cooper County Abstract Company, Inc.  
196 Main St, Cooperstown, NY 13326  
File No: C15495  
Policy Date:  
Policy #:

Borrower: Zaed Properties LLC  
Property Address: 17 Pine Boulevard & 10 Chestnut Street  
County of Otsego  
Town of Otsego and Village of Cooperstown  
Tax Map No: 115.18-2-49.00, 115.18-2-64.00, 115.18-2-63.02

SCHEDULE "A"  
Description

Page 20 of 6

"All that tract or parcel of land, with the building thereon erected, situate in the Village of Cooperstown in the County of Otsego, and State of New York, bounded and described as follows: to wit:

"Beginning at the northwest corner of a parcel of land owned by the party hereto of the first part (known as the Chestnut Street Garage Property), which is also the northwest corner of premises herein intended to be conveyed and the southwest corner of premises now known as the Fanny Root property (formerly Abraham V. Moore's lot); running thence thirty (30) feet in a southerly direction along the easterly side of an alley, which alley runs northerly to lands formerly of William H. Averell; thence easterly and for part of the distance along the southerly side of the blacksmith shop now on the parcel of land hereby conveyed thirty-five (35) feet four (4) inches; thence northerly and parallel with the first hereinabove described line thirty-one (31) feet six (6) inches to the Root property line; thence westerly along the line of the Root property to the place of beginning;

"Together with a right of way over the lands of the party hereto of the first part (being the remaining rear portion of the Chestnut Street Garage Property above mentioned), adjoining the herein conveyed premises on the southerly and easterly sides thereof so as to permit ingress and egress for men and vehicles at all times to the lands hereto conveyed, and also the right to use said right of way for the purpose of repairs, additions or alterations to the building now on the premises hereby conveyed or for the construction, repair or alteration of any other building or buildings which may be constructed on said premises;

"Together with the right, in so far as the grantor is vested with power to grant the same, to use at all times for ingress and egress to the parcel of land hereby conveyed, the alley adjoining the westerly side of the herein described premises and the alley connecting therewith and leading therefrom to Chestnut Street in the Village of Cooperstown aforesaid.

"(Four reference paragraphs deleted).

"Being the same premises shown and described as the "Chestnut Street Garage" property on a map entitled "Map of Chestnut Street Garage property situate at No. 10 on the west side of Chestnut Street in the Village of Cooperstown, County of Otsego, and State of New York" made January 5th, 1953 by William Carter Burnett and filed in the Otsego County Clerk's Office."

Being the same premises conveyed by Harry W. Smith to Harry W. Smith Real Estate Corp. by deed dated December 15, 1957 and recorded in the Otsego County Clerk's Office on January 10, 1958 in Liber 480 of Deeds at page 42.



Westcor Land Title Insurance Company  
Cooper Country Abstract Company, Inc.  
196 Main St., Cooperstown, NY 13326  
File No: C15495  
Policy Date:  
Policy #:

Borrower: Zaed Properties LLC  
Property Address: 17 Pine Boulevard & 10 Chestnut Street  
County of Otsego  
Town of Otsego and Village of Cooperstown  
Tax Map No: 115.18-2-49.00, 115.18-2-64.00, 115.18-2-63.02

SCHEDULE "A"  
Description

Page 3 of 6

Parcel II

"ALL THAT TRACT OR PARCEL OF LAND described in a deed dated December 2, 1930, from Leatherstocking Corporation to Edward Severin Clark and recorded in the Otsego County Clerk's Office on December 3, 1930, in Liber 356 of Deeds at Page 176 as follows:

"ALL that tract or parcel of land, with the building thereon erected, situate in the Village of Cooperstown in the County of Otsego and State of New York, bounded and described as follows, to wit: BEGINNING at the northwest corner of a parcel of land owned by the party hereto of the first part (known as the Chestnut Street Garage Property), which is also the northwest corner of the premises herein intended to be conveyed and the southwest corner of premises now known as the Fanny Root property (formerly Abraham V. Moore's lot); running thence thirty (30) feet in a southerly direction along the easterly side of an alley, which alley runs northerly to lands formerly of William H. Averell; thence easterly and for part of the distance along the southerly side of the blacksmith shop now on the parcel of land hereby conveyed thirty-five (35) feet four (4) inches; thence northerly and parallel with the first hereinabove described line thirty-one (31) feet six (6) inches to the Root property line; thence westerly along the line of the Root property to the place of beginning."

"Together with the right, insofar as grantor is vested with power to grant the same, to use for ingress and egress to the parcel herein conveyed, the alley adjoining the westerly side of the herein described premises and the alley connecting therewith and leading therefrom to Chestnut Street in the Village of Cooperstown aforesaid.

"Being the same premises as "PARCEL I." described in a deed from Leatherstocking Corporation to Harry W. Smith Real Estate Corp. dated December 31, 1958 and recorded in the Otsego County Clerk's Office January 9, 1959 in Liber 490 of Deeds at page 159.

"The above premises are also described as follows:

"ALL THAT TRACT OR PARCEL OF LAND situate and being in the Village of Cooperstown, County of Otsego and State of New York, and being more particularly described as follows: BEGINNING at a point formed by the intersection of the westerly line of Chestnut Street, (N. Y. State Rt. 80), with the division line between lands belonging to Mc Rorie and this parcel, said point being 54 feet northeasterly of the north line of a Public Lane; THENCE along the division lines between lands belonging to Mc Rorie and this parcel North 43° - 38' West a distance of 14.00 feet and North 55° - 30' West a distance of 149.60 feet, spike set; THENCE North 54° - 15' West, through a spike set, along the division line between lands belonging to Fritsch and this parcel a distance of 116.00 feet; THENCE North 34° - 45' East along the easterly line of a Public Lane a

Westcor Land Title Insurance Company  
Cooper County Abstract Company, Inc.  
196 Main St., Cooperstown, NY 13326  
File No: C15495  
Policy Date:  
Policy #:

Borrower: Zaed Properties LLC  
Property Address: 17 Pine Boulevard & 10 Chestnut Street  
County of Otsego  
Town of Otsego and Village of Cooperstown  
Tax Map No: 115.18-2-49.00, 115.18-2-64.00, 115.18-2-63.02

SCHEDULE "A"  
Description

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distance of 47.17 feet; THENCE South 57° - 00' East along the division line between lands belonging to Baerle and this parcel, through two iron rods found, a distance of 281.49 feet, "PK" nail set; THENCE South 36° - 43' West along the said westerly line of Chestnut Street to the point or place of beginning and containing 0.34 acres of land more or less.

"Subject to an easement conveyed by Harry W. Smith Real Estate Corp. to Karl Baerle and Rose Baerle by deed of even date, not yet recorded but intended to be recorded simultaneously herewith."

Being the same premises conveyed to Cooperstown Cards, Inc. from Harry W. Smith Real Estate Corp. by deed dated 7 April 1988 and recorded 8 April 1988 in the Otsego County Clerk's Office in Liber 727 of Deeds at page 289.

Westcor Land Title Insurance Company  
Cooper Country Abstract Company, Inc.  
196 Main St., Cooperstown, NY 13326  
File No: C15495  
Policy Date:  
Policy #:

Borrower: Zaed Properties LLC  
Property Address: 17 Pine Boulevard & 10 Chestnut Street  
County of Otsego  
Town of Otsego and Village of Cooperstown  
Tax Map No: 115.18-2-49.00, 115.18-2-64.00, 115.18-2-63.02

SCHEDULE "A"

Page 5 of 6

Description

PARCEL TWO  
TM# 115.18-2-63.02

"All that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Village of Cooperstown, Town of Otsego, County of Otsego and State of New York, bounded and described as follows:

"BEGINNING at an iron stake, this point being on the northerly side of a Public Lane and 160 feet, more or less, from the Westerly line of Chestnut Street; this point on Chestnut Street is at the corner formed by the northerly line of a Public Lane and the westerly line of Chestnut Street, said point being 221 feet 10 inches, more or less, from the intersection of the northerly line of Main Street and the westerly line of Chestnut Street; Thence N 35 degrees 30 minutes E along the McRorie property 50 feet 6 inches to an iron stake; thence N 54 degrees 15 minutes W along the Frozen Food Locker Company property 116 feet to an iron stake in the east side of Public Lane; thence along the Public Lane S 34 degrees 45 minutes W 47 feet 9 inches to an iron stake; thence along the north side of Public Lane S 53 degrees E 115 feet 6 inches to an iron stake and the place of BEGINNING.

"Being the same premises conveyed by Helen M. Shafer to Mary Elise Nelson by deed dated October 7, 1978 and recorded in the Otsego County Clerk's Office on October 25, 1978 in Liber 664 of Deeds at page 697.

"Being the same premises conveyed to Lawrence C. Fritsch from Mary Elise Nelson by deed dated 7 December 1987 and recorded 25 January 1987 in the Otsego County Clerk's Office at Liber 725 of Deeds at Page 829.

"These premises are more recently described as follows:

ALL THAT TRACT OR PARCEL OF LAND situate and being in the Village of Cooperstown, County of Otsego, and State of New York, more particularly described as follows: BEGINNING at a point in the northerly bounds of a public lane running perpendicular to Chestnut Street, which point of beginning is 160 feet north 52°53' west from an iron pin found at the intersection of said public lane with the New York State Route 80 (Chestnut Street) right of way, and which point of beginning also marks the southwesterly corner of lands now or formerly of McRorie; THENCE north 52°53' west 115.42 feet to an iron pin found marking the southwesterly corner of the premises described herein; THENCE north 34°45' east 47.75 feet to a point marking the northwesterly corner of the premises described herein; THENCE south 54° 15' east 116 feet along the southerly boundary of lands now or formerly of Harry W. Smith Real Estate Corp. to a spike set marking the northeasterly corner of the lands described herein; THENCE south 35°30' west 32.2 feet to an iron pin found in a retaining wall; THENCE along the same course south 35°30' west 17.8 feet to the point or place of beginning, containing .13 acres of land, more or less."

Being the same premises conveyed to Cooperstown Cards, Inc. from Lawrence C. Fritsch by deed dated 7 April 1988 and recorded 8 April 1988 in the Otsego County Clerk's Office in Liber 727 of Deeds at page 287.

Westcoast Land Title Insurance Company  
Cooper County Abstract Company, Inc.  
196 Main St., Cooperstown, NY 13326  
File No: C15495  
Policy Date:  
Policy #:

Borrower: Zaed Properties LLC  
Property Address: 17 Pine Boulevard & 10 Chestnut Street  
County of Otsego  
Town of Otsego and Village of Cooperstown  
Tax Map No: 115.18-2-49.00, 115.18-2-64.00, 115.18-2-63.02

SCHEDULE "A"  
Description

Page 6 of 6

PARCEL THREE  
TM# 115.18-2-49.00

ALL THAT TRACT OR PARCEL OF LAND described in a deed dated December 7, 1920, from Marie deT. Johnston to Edward Severin Clark and Stephen Carlton Clark and recorded January 7, 1921, in the Otsego County Clerk's Office in Liber 313 of Deeds at Page 11, as follows:

"ALL that Tract or Parcel of land conveyed by Edward S. Brookham as executor of the Last Will and Testament of Margaretha G. Mills, late of the town of Otsego, Otsego County, New York, deceased, to Marie deT. Johnston, by Deed dated May 1st, 1919, executed May 3rd, 1919, and recorded in the Otsego County Clerk's Office May 16th, 1919 in Book 305 of Deeds at Page 355, and in said deed described as follows:

"ALL THAT TRACT OR PARCEL OF LAND, situate in the Village of Cooperstown, County of Otsego and State of New York, which was conveyed to Susan M. Hewes by Alexander N. Benedict by referee's deed in partition action which deed is dated the 21st day of March, 1874, and recorded in Otsego County Clerk's Office in Liber 167 of Deeds at page 420, and in said deed bounded and described as follows: On the east side of Pine Street in the village aforesaid and bounded as follows, in a deed of the same from Eben B. Morehouse & Emma Fuller, executors of Thomas Fuller, deceased, and Mary Fuller, widow and devisee of Thomas Fuller to Patrick Hewes and Candice Hewes, bearing date June 1st, 1841, and recorded in Otsego County Clerk's Office in Book of Conveyances No. 73 at page 162. "Beginning two hundred and seventeen feet and three inches northerly from the corner of Second and Pine Street; thence Northerly along the East side of Pine Street sixty seven feet three inches to the lands of Wm. H. Averill; thence along said Averill's land to the west side of the alley in the rear of the lots heretofore conveyed to Babcock Moore and others, thence along said alley in the southwest corner thereof; thence westerly to the place of beginning and also a right of way in said alley and in the alley on the north side of James I. Paul's land, insofar as grantor has a right to convey such right-of-way."

"Being the same premises as "PARCEL 11." described in deed from Leatherstocking Corporation to Harry W. Smith Real Estate Corp. dated December 31, 1958 and recorded in the Otsego County Clerk's Office January 9, 1959 in Liber 490 of Deeds at page 159,

"Subject to restrictions set forth in an agreement between Margaret C. Haynes and Catherine F. Haynes and Harry W. Smith Real Estate Corporation dated April 26, 1961 and recorded in the Otsego County Clerk's Office May 1, 1966 in Liber 514 of Deeds at page 237."

Being the same premises conveyed to Lawrence C. Fritsch from Harry W. Smith Real Estate Corp. by deed dated 7 April 1988 and recorded 8 April 1988 in the Otsego County Clerk's Office in Liber 727 of Deeds at page 284.

PAYMENT IN LIEU OF  
TAX AGREEMENT

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COUNTY OF OTSEGO INDUSTRIAL DEVELOPMENT AGENCY

AND

ZAED PROPERTIES, LLC

---

PAYMENT IN LIEU OF TAX AGREEMENT

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DATED AS OF FEBRUARY 1, 2023

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RELATING TO THE PREMISES LOCATED AT 10 CHESTNUT STREET  
(TAX MAP NUMBER 115.18-2-64.00), CHESTNUT STREET (TAX MAP  
NUMBER 115.18-2-63.02) AND 17 PINE BLVD. (TAX MAP NUMBER  
115.18-2-49.90) IN THE TOWN OF OTSEGO, VILLAGE OF  
COOPERSTOWN, OTSEGO COUNTY, NEW YORK.

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PAYMENT IN LIEU OF TAX AGREEMENT

THIS PAYMENT IN LIEU OF TAX AGREEMENT dated as of February 1, 2023 (the "Payment in Lieu of Tax Agreement") by and between COUNTY OF OTSEGO INDUSTRIAL DEVELOPMENT AGENCY, a public benefit corporation organized and existing under the laws of the State of New York having an office for the transaction of business located at 189 Main Street, Suite 500, Oneonta, New York (the "Agency"), and ZAED PROPERTIES, LLC, a limited liability company organized and existing under the laws of the State of New York having an office for the transaction of business located at 6106 State Highway 28, Fly Creek, New York (the "Company");

WITNESSETH:

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

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

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

WHEREAS, the Agency was created, pursuant to and in accordance with the provisions of the Enabling Act, by Chapter 252 of the Laws of 1973 of the State (collectively, with the Enabling Act, the "Act") and is empowered under the Act to undertake the Project (as hereinafter defined) in order to so advance the job opportunities, health, general prosperity and economic welfare of the people of the State and improve their standard of living; and

WHEREAS, pursuant to a closing on January 13, 2022 (the "Closing"), the Agency entered into a lease agreement dated as of January 1, 2022 (the "Lease Agreement") by and between the Agency and Company, in connection with a project (the "Project"), said Project consisting of the following: (A) (1) the acquisition of an interest in three parcels of land containing in the aggregate approximately 0.77 acres located at 10 Chestnut Street (tax map number 115.18-2-64.00), Chestnut Street (tax map number 115.18-2-63.02) and 17 Pine Blvd. (tax map number 115.18-2-49.00) in the Town of Otsego, Village of Cooperstown, Otsego County, New York (collectively, the "Land"), together with the existing buildings located thereon (collectively, the "Existing Facility"), (2) the demolition of the Existing Facility, (3) the construction on the Land of an approximately 16,000 square foot, two (2) story building (the "Facility") and (4) the acquisition and installation therein and thereon of related fixtures, machinery, equipment and other tangible personal property (collectively, the "Equipment") (the Land, the Existing Facility, the Facility, and the Equipment being collectively referred to as the "Project Facility"), all of the foregoing to constitute an approximately 13 unit residential multi-family apartment building to be owned and operated by the Company and any other directly and indirectly related activities; (B) the granting of certain "financial

assistance” (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real property transfer taxes and mortgage recording taxes (collectively, the “Financial Assistance”); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the “SEQR Act”) and the regulations (the “Regulations”) adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively with the SEQR Act, “SEQRA”), by resolution adopted by the members of the Agency on December 23, 2021 (the “SEQR Resolution”), the Agency (A) concurred in the determination that the Village of Cooperstown Board of Trustees (the “Board of Trustees”) is the “lead agency” with respect to SEQRA and (B) acknowledged receipt of a negative declaration from the Board of Trustees dated May 24, 2021 (the “Negative Declaration”), in which the Board of Trustees determined the Project to be an “unlisted action” that will not have a “significant environmental impact on the environment” and accordingly, that an environmental impact statement is not required to be prepared with respect to the Project (as such quoted terms are defined in SEQRA); and

WHEREAS, by resolution adopted by the members of the Agency on December 23, 2021 (the “2021 Mortgage/Sales Tax Approval Resolution”), the Agency determined, prior to the Public Hearing, (A) to grant a portion of the Financial Assistance consisting of the exemption from (1) mortgage recording tax and (2) sales tax, which exemption from sales tax and mortgage recording tax will be limited to an amount not to exceed \$100,000 and (B) to enter into a lease agreement dated as of January 1, 2022 (the “Lease Agreement”) between the Agency and the Company and certain other documents related thereto and to the Project (collectively with the Lease Agreement, the “Basic Documents”). Pursuant to the terms of the Lease Agreement, (A) the Company will agree (1) to cause the Project to be undertaken and completed, and (2) as agent of the Agency, to undertake and complete the Project and (B) the Agency has leased the Project Facility to the Company. The Lease Agreement grants to the Company certain options to acquire the Project Facility from the Agency; and

WHEREAS, pursuant to the authorization contained in a resolution adopted by the members of the Agency on December 23, 2021 (the “Public Hearing Resolution”), the Chief Executive Officer of the Agency (A) caused notice of a public hearing of the Agency (the “Public Hearing”) pursuant to Section 859-a of the Act, to hear all persons interested in the Project and the financial assistance being contemplated by the Agency with respect to the Project, to be mailed on January 11, 2022 to the chief executive officers of the county and of each city, town, village and school district in which the Project is or is to be located, (B) caused notice of the Public Hearing to be posted on January 5, 2022 on a bulletin board located at 197 Main Street, 2<sup>nd</sup> Floor in the Town of Otsego, Village of Cooperstown, Otsego County, New York and on January 10, 2022 on the Agency’s website, (C) caused notice of the Public Hearing to be published on January 12, 2022 in the Daily Star, a newspaper of general circulation available to the residents of the Town of Otsego, Village of Cooperstown, Otsego County, New York, (D) conducted the Public Hearing on January 24, 2022 at 10:00 o’clock a.m., local time in the Board Room of the County Office Building located at 197 Main Street in the Town of Otsego, Village of Cooperstown, Otsego County, New York, and (E) prepared a report of the Public Hearing (the “Hearing Report”) fairly summarizing the views presented at such Public Hearing and caused copies of said Hearing Report to be made available to the members of the Agency; and

WHEREAS, on January 13, 2022 (the “Closing”), the Agency granted a portion of the Financial Assistance to the Company in connection with the Project and executed and delivered the Lease Agreement and certain of the Basic Documents; and

WHEREAS, by further resolution adopted by the members of the Agency on February 24, 2022 (the “Commercial Finding Resolution”), the Agency determined that the Project constituted a “commercial project” within the meaning of the Act; and

WHEREAS, by further resolution adopted by the members of the Agency on February 24, 2022 (the “Approving Resolution”), the Agency determined to (A) grant the remaining portion of the Financial Assistance relating to the Project, and (B) execute and deliver a certain payment in lieu of tax agreement dated as of February 1, 2023 (the “Payment in Lieu of Tax Agreement”) by and between the Agency and the Company, pursuant to which the Company will agree to pay certain payments in lieu of taxes with respect to the Project Facility; and

WHEREAS, under the present provisions of the Act and Section 412-a of the Real Property Tax Law of the State of New York (the “Real Property Tax Law”), upon the filing by the Agency of the Real Property Tax Exemption Form, the Agency is required to pay no taxes or assessments upon any of the property acquired by it or under its jurisdiction or supervision or control; and

WHEREAS, pursuant to the provisions of Section 6.6 of the Lease Agreement, the Company has agreed to make payments in lieu of taxes with respect to the Project Facility in an amount equivalent to normal taxes, provided that, so long as this Payment in Lieu of Tax Agreement shall be in effect, the Company shall during the term of this Payment in Lieu of Tax Agreement make payments in lieu of taxes in the amounts and in the manner provided in this Payment in Lieu of Tax Agreement, and during such period the provisions of Section 6.6 of the Lease Agreement shall not control the amounts due as payment in lieu of taxes with respect to that portion of the Project Facility which is covered by this Payment in Lieu of Tax Agreement; and

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

NOW, THEREFORE, in consideration of the matters above recited, the parties hereto formally covenant, agree and bind themselves as follows, to wit:

## ARTICLE I

### REPRESENTATIONS AND WARRANTIES

SECTION 1.01. REPRESENTATIONS OF AND WARRANTIES BY THE AGENCY. The Agency does hereby represent, warrant and covenant as follows:

(A) Power. The Agency is a public benefit corporation of the State, has been duly established under the provisions of the Act, is validly existing under the provisions of the Act and has the power under the laws of the State of New York to enter into the transactions contemplated by this Payment in Lieu of Tax Agreement and to carry out the transactions contemplated hereby and to perform and carry out all covenants and obligations on its part to be performed under and pursuant to this Payment in Lieu of Tax Agreement hereunder.

(B) Authorization. The Agency is authorized and has the corporate power under the Act, its by-laws and the laws of the State to enter into this Payment in Lieu of Tax Agreement and the transactions contemplated hereby and to perform and carry out all the covenants and obligations on its part to be performed under and pursuant to this Payment in Lieu of Tax Agreement. By proper corporate action on the part of its members, the Agency has duly authorized the execution, delivery and performance of this Payment in Lieu of Tax Agreement and the consummation of the transactions herein contemplated.

(C) Conflicts. The Agency is not prohibited from entering into this Payment in Lieu of Tax Agreement and discharging and performing all covenants and obligations on its part to be performed under and pursuant to this Payment in Lieu of Tax Agreement by the terms, conditions or provisions of any order, judgment, decree, law, ordinance, rule or regulation of any court or other agency or authority of government, or any agreement or instrument to which the Agency is a party or by which the Agency is bound.

SECTION 1.02. REPRESENTATIONS OF AND WARRANTIES BY THE COMPANY. The Company does hereby represent, warrant and covenant as follows:

(A) Power. The Company is a limited liability company duly organized and validly existing under the laws of the State of New York, is duly authorized to do business in the State of New York and has the power under the laws of the State to enter into this Payment in Lieu of Tax Agreement and the transactions contemplated hereby and to perform and carry out all covenants and obligations on its part to be performed under and pursuant to this Payment in Lieu of Tax Agreement, and by proper action of its member has been duly authorized to execute, deliver and perform this Payment in Lieu of Tax Agreement.

(B) Authorization. The Company is authorized and has the power under its Articles of Organization, Operating Agreement and the laws of the State to enter into this Payment in Lieu of Tax Agreement and the transactions contemplated hereby and to perform and carry out all covenants and obligations on its part to be performed under and pursuant to this Payment in Lieu of Tax Agreement. By proper action of its member, the Company has duly authorized the execution, delivery and performance of this Payment in Lieu of Tax Agreement and the consummation of the transactions herein contemplated.

(C) Conflicts. The Company is not prohibited from entering into this Payment in Lieu of Tax Agreement and discharging and performing all covenants and obligations on its part to be performed under and pursuant to this Payment in Lieu of Tax Agreement by (and the execution, delivery and performance of this Payment in Lieu of Tax Agreement, the consummation of the transactions contemplated hereby and the fulfillment of and compliance with the provisions of this Payment in Lieu of Tax Agreement will not

conflict with or violate or constitute a breach of or a default under) the terms, conditions or provisions of its Articles of Organization or Operating Agreement or any other restriction, law, rule, regulation or order of any court or other agency or authority of government, or any contractual limitation, restriction or outstanding indenture, deed of trust, mortgage, loan agreement, other evidence of indebtedness or any other agreement or instrument to which the Company is a party or by which it or any of its property is bound, and neither the Company's entering into this Payment in Lieu of Tax Agreement nor the Company's discharging and performing all covenants and obligations on its part to be performed under and pursuant to this Payment in Lieu of Tax Agreement will be in conflict with or result in a breach of or constitute (with due notice and/or lapse of time) a default under any of the foregoing, or result in the creation or imposition of any lien of any nature upon any of the property of the Company under the terms of any of the foregoing, and this Payment in Lieu of Tax Agreement is the legal, valid and binding obligation of the Company enforceable in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium and other laws relating to or affecting creditors' rights generally and by general principles of equity (regardless of whether enforcement is sought in a proceeding in equity or at law).

(D) Governmental Consent. No consent, approval or authorization of, or filing, registration or qualification with, any governmental or public authority on the part of the Company is required as a condition to the execution, delivery or performance of this Payment in Lieu of Tax Agreement by the Company or as a condition to the validity of this Payment in Lieu of Tax Agreement.

## ARTICLE II

### COVENANTS AND AGREEMENTS

SECTION 2.01. TAX-EXEMPT STATUS OF THE PROJECT FACILITY. (A) Assessment of the Project Facility. Pursuant to Section 874 of the Act and Section 412-a of the Real Property Tax Law, the parties hereto understand that, upon acquisition of the Project Facility by the Agency and the filing by the Agency of a New York State Board of Real Property Services Form RP-412-a (a "Real Property Tax Exemption Form") with respect to the Project Facility, and for so long thereafter as the Agency shall own the Project Facility, the Project Facility shall be assessed by the various taxing entities having jurisdiction over the Project Facility, including, without limitation, any county, city, school district, town, village or other political unit or units wherein the Project Facility is located (such taxing entities being sometimes collectively hereinafter referred to as the "Taxing Entities", and each of such Taxing Entities being sometimes individually hereinafter referred to as a "Taxing Entity") as exempt upon the assessment rolls of the respective Taxing Entities prepared subsequent to the acquisition by the Agency of the leasehold interest to the Project Facility created by the Underlying Lease and the filing of the Real Property Tax Exemption Forms. The Company shall, promptly following acquisition by the Agency of the leasehold interest to the Project Facility created by the Underlying Lease, take such action as may be necessary to ensure that the Project Facility shall be assessed as exempt upon the assessment rolls of the respective Taxing Entities prepared subsequent to such acquisition by the Agency, including ensuring that a Real Property Tax Exemption Form shall be filed with the appropriate officer or officers of each respective Taxing Entity responsible for assessing properties on behalf of each such Taxing Entity (each such officer being hereinafter referred to as an "Assessor"). For so long thereafter as the Agency shall own such leasehold interest in the Project Facility, the Company shall take such further action as may be necessary to maintain such exempt assessment with respect to each Taxing Entity. The parties hereto understand that the Project Facility shall not be entitled to such tax-exempt status on the tax rolls of any Taxing Entity until the first tax year of such Taxing Entity following the tax status date of such Taxing Entity occurring subsequent to the date upon which the Agency becomes the owner of record of such leasehold interest in the Project Facility and the Real Property Tax Exemption Forms are filed with the Assessors. Pursuant to the provisions of the Lease Agreement, the Company will be required to pay all taxes and assessments lawfully levied and/or assessed against the Project Facility, including taxes and assessments levied for the current tax year and all subsequent tax years until the Project Facility shall be entitled to exempt status on the tax rolls of the respective Taxing Entities. The Agency will cooperate with the Company to obtain and preserve the tax-exempt status of the Project Facility.

(B) Special Assessments. The parties hereto understand that the tax exemption extended to the Agency by Section 874 of the Act and Section 412-a of the Real Property Tax Law does not entitle the Agency to exemption from special assessments and special ad valorem levies. Pursuant to the Lease Agreement, the Company will be required to pay all special assessments and special ad valorem levies lawfully levied and/or assessed against the Project Facility.

SECTION 2.02. PAYMENTS IN LIEU OF TAXES. (A) Agreement to Make Payments. The Company agrees that it shall make annual payments in lieu of property taxes in the amounts hereinafter provided to the respective Taxing Entities entitled to receive same pursuant to the provisions hereof. The Company also agrees to give the Assessors a copy of this Payment in Lieu of Tax Agreement. The payments due hereunder shall be paid by the Company to the respective appropriate officer or officers of the respective Taxing Entities charged with receiving payments of taxes for such Taxing Entities (such officers being collectively hereinafter referred to as the "Receivers of Taxes") for distribution by the Receivers of Taxes to the appropriate Taxing Entities entitled to receive same pursuant to the provisions hereof.

(B) Valuation of the Project Facility. (1) The value of the Project Facility for purposes of determining payments in lieu of taxes due hereunder (hereinafter referred to as the "Assessed Value") shall be determined by the appropriate Assessors. The Company agrees to give the Assessors a copy of this Payment in Lieu of Tax Agreement. The parties hereto agree that the Assessors shall (a) appraise the Land in the same manner as other similar properties in the general area of the Land, (b) place an Assessed Value upon the Land, equalized if necessary by using the appropriate equalization rates as apply in the assessment and levy of real property taxes, (c) appraise the Facility and any portion of the Equipment assessable as real property pursuant to the New York Real Property Tax Law (collectively with the Facility, the "Improvements") in the same manner as other similar properties in the general area of the Improvements, and (d) place an Assessed Value upon the Improvements, equalized if necessary by using the appropriate equalization rates as apply in the assessment and levy of real property taxes. The Company shall be entitled to written notice of the initial determination of the Assessed Value of the Improvements and of any change in the Assessed Value of the Land or the Improvements.

(2) If the Company is dissatisfied with the amount of the Assessed Value of the Improvements as initially established or with the amount of the Assessed Value of the Land or the Improvements as changed, and if the Company shall be entitled to challenge the Assessed Value in accordance with the terms and conditions contained in Article 7 of the Real Property Tax Law. The Company shall be entitled to take any actions under Article 7 of the Real Property Tax Law notwithstanding the fact that the Agency has an interest in the Land or the Improvements pursuant to the Lease to Agency.

(3) If the Company determines to challenge the Assessed Value of the Project Facility in accordance with the terms and conditions contained in Article 7 of the Real Property Tax Law, the Company agrees to provide written notice of such intention to file such challenge to the Agency, the County of Otsego, the Town of Cooperstown, the Village of Cooperstown and the Cooperstown Central School District at least forty-five (45) days prior to any filing under Article 7 of the Real Property Tax Law.

(C) Amount of Payments in Lieu of Taxes. The payments in lieu of taxes to be paid by the Company to the Receivers of Taxes annually on behalf of each Taxing Entity pursuant to the terms of this Payment in Lieu of Tax Agreement shall be computed separately for each Taxing Entity as follows:

(1) First, determine the amount of general taxes and general assessments (hereinafter referred to as the "Normal Tax") which would be payable to each Taxing Entity if the Land was owned by the Company and not the Agency by multiplying (a) the Assessed Value of the Land determined pursuant to Subsection (B) of this Section 2.02, by (b) the tax rate or rates of such Taxing Entity that would be applicable to the Land if the Land was owned by the Company and not the Agency.

(2) In each tax year during the term of this Payment in Lieu of Tax Agreement, commencing on the first tax year following the date on which the Land shall be assessed as exempt on the assessment roll of any Taxing Entity, the amount payable by the Company to the Receivers of Taxes on behalf of each Taxing Entity as a payment in lieu of property tax pursuant to this Payment in Lieu of Tax Agreement with respect to the Land shall be an amount equal to one hundred percent (100%) of the Normal Tax due each Taxing Entity with respect to the Land for such tax year.

(3) Next, determine the Normal Tax which would be payable to each Taxing Entity if the Facility and any portion of the Equipment assessable as real property pursuant to the New York Real Property Tax Law (collectively with the Facility, the "Improvements") were owned by the

Company and not the Agency by multiplying (a) the Assessed Value of the Improvements determined pursuant to Subsection (B) of this Section 2.02, by (b) the tax rate or rates of such Taxing Entity that would be applicable to the Improvements if the Improvements were owned by the Company and not the Agency.

(4) In each tax year during the term of this Payment in Lieu of Tax Agreement, commencing on the first tax year following the date on which the Improvements shall be assessed as exempt on the assessment roll of any Taxing Entity, the amount payable by the Company to the Receivers of Taxes on behalf of each Taxing Entity as a payment in lieu of property tax pursuant to this Payment in Lieu of Tax Agreement with respect to the Improvements shall be an amount equal to the applicable percentage of the Normal Tax due each Taxing Entity with respect to the Improvements for such tax year, as shown in the following table:

<u>Tax Year Commencing in Calendar Year</u>	<u>County/Town Percentage of Normal Tax on Assessed Value of the Improvements</u>	<u>Village Percentage of Normal Tax on Assessed Value of the Improvements</u>	<u>School Percentage of Normal Tax on Assessed Value of the Improvements</u>
2022	100%	100%	0%
2023	100%	100%	0%
2024	0%	0%	0%
2025	0%	0%	0%
2026	0%	0%	0%
2027	0%	0%	0%
2028	0%	0%	0%
2029	0%	0%	10%
2030	10%	10%	20%
2031	20%	20%	30%
2032	30%	30%	40%
2033	40%	40%	50%
2034	50%	50%	60%
2035	60%	60%	70%
2036	70%	70%	80%
2037	80%	80%	90%
2038	90%	90%	100%
2039 and thereafter during the term of this Payment in Lieu of Tax Agreement	100%	100%	100%

(5) In each tax year during the term of this Payment in Lieu of Tax Agreement, commencing on the first tax year following the date on which any portion of the Project Facility shall be assessed as exempt on the assessment roll of any Taxing Entity, the amount payable by the Company to the Receivers of Taxes on behalf of each Taxing Entity as a payment in lieu of property tax pursuant to this Payment in Lieu of Tax Agreement with respect to the Project Facility shall be



the sum of (a) the amount due each Taxing Entity with respect to the Land for such tax year, as determined pursuant to Subsection (C)(2) hereof, plus (b) the amount due each Taxing Entity with respect to the Improvements for such tax year, as determined pursuant to Subsection (C)(4) hereof.

(D) Additional Amounts in Lieu of Taxes. Commencing on the first tax year following the date on which any structural addition shall be made to the Project Facility or any portion thereof or any additional building or other structure shall be constructed on the Land (such structural additions and additional buildings and other structures being hereinafter referred to as "Additional Facilities") the Company agrees to make additional annual payments in lieu of property taxes with respect to such Additional Facilities (such additional payments being hereinafter collectively referred to as "Additional Payments") to the Receivers of Taxes with respect to such Additional Facilities, such Additional Payments to be computed separately for each Taxing Entity as follows:

(1) Determine the amount of general taxes and general assessments (hereinafter referred to as the "Additional Normal Tax") which would be payable to each Taxing Entity with respect to such Additional Facilities if such Additional Facilities were owned by the Company and not the Agency as follows: (a) multiply the Additional Assessed Value (as hereinafter defined) of such Additional Facilities determined pursuant to subsection (E) of this Section 2.02 by (b) the tax rate or rates of such Taxing Entity that would be applicable to such Additional Facilities if such Additional Facilities were owned by the Company and not the Agency, and (c) reduce the amount so determined by the amounts of any tax exemptions that would be afforded to the Company by such Taxing Entity if such Additional Facilities were owned by the Company and not the Agency.

(2) In each fiscal tax year during the term of this Payment in Lieu of Tax Agreement (commencing in the fiscal tax year when such Additional Facilities would first appear on the assessment roll of any Taxing Entity) if such Additional Facilities were owned by the Company and not the Agency, the amount payable by the Company to the Receivers of Taxes on behalf of each Taxing Entity as a payment in lieu of property tax with respect to such Additional Facilities pursuant to this Payment in Lieu of Tax Agreement shall be an amount equal to one hundred percent (100%) of the Normal Tax due each Taxing Entity with respect to such Additional Facilities for such fiscal tax year (unless the Agency and the Company shall enter into a separate written agreement regarding payments in lieu of property taxes with respect to such Additional Facilities, in which case the provisions of such separate written agreement shall control).

(E) Valuation of Additional Facilities. (1) The value of Additional Facilities for purposes of determining payments in lieu of taxes due under Section 2.02(D) hereof shall be determined by the Assessors of each respective Taxing Entity. The parties hereto agree that the Assessors shall (a) appraise the Additional Facilities in the same manner as other similar properties in the general area of the Project Facility, and (b) place a value for assessment purposes (hereinafter referred to as the "Additional Assessed Value") upon the Additional Facilities, equalized if necessary by using the appropriate equalization rates as apply in the assessment and levy of real property taxes. The Company shall be entitled to written notice of the initial establishment of such Additional Assessed Value and of any change in such Additional Assessed Value.

(2) If the Company is dissatisfied with the amount of the Additional Assessed Value of the Additional Facilities as initially established or as changed, and if the Company shall be entitled to challenge the Assessed Value in accordance with the terms and conditions contained in Article 7 of the Real Property Tax Law. The Company shall be entitled to take any actions under Article 7 of the Real Property Tax Law notwithstanding the fact that the Agency has an interest in the Additional Facilities pursuant to the Lease to Agency.

(F) Statements. Pursuant to Section 858(15) of the Act, the Agency agrees to give each Taxing Entity a copy of this Payment in Lieu of Tax Agreement within fifteen (15) days of the execution and delivery hereof, together with a request that a copy hereof be given to the appropriate officer or officers of the respective Taxing Entities responsible for preparing the tax rolls for said Tax Entities (each, a "Tax Billing Officer") and a request that said Tax Billing Officers submit to the Company and to the appropriate Receiver of Taxes periodic statements specifying the amount and due date or dates of the payments due each Taxing Entity hereunder, such periodic statements to be submitted to the Company at approximately the times that tax bills are mailed by such Taxing Entities.

(G) Time of Payments. The Company agrees to pay the amounts due hereunder to the Receivers of Taxes for the benefit of each particular Taxing Entity in any fiscal tax year to the appropriate Receiver of Taxes within the period that such Taxing Entity allows payment of taxes levied in such fiscal tax year without penalty. The Company shall be entitled to receive receipts for such payments.

(H) Method of Payment. All payments by the Company hereunder shall be paid to the Receivers of Taxes in lawful money of the United States of America. The Receivers of Taxes shall in turn distribute the amounts so paid to the various Taxing Entities entitled to same.

SECTION 2.03. CREDIT FOR TAXES PAID. (A) Amount of Credit. The parties hereto acknowledge and agree that the obligation of the Company to make the payments provided in Section 2.02 of this Payment in Lieu of Tax Agreement shall be in addition to any and all other taxes and governmental charges of any kind whatsoever which the Company may be required to pay under the Lease Agreement. It is understood and agreed, however, that, should the Company pay in any fiscal tax year to any Taxing Entity any amounts in the nature of general property taxes, general assessments, service charges or other governmental charges of a similar nature levied and/or assessed upon the Project Facility or the interest therein of the Company or the occupancy thereof by the Company (but not including, by way of example, (1) sales and use taxes, and (2) special assessments, special ad valorem levies or governmental charges in the nature of utility charges, including but not limited to water, solid waste, sewage treatment or sewer or other rents, rates or charges), then the Company's obligation to make payments in lieu of property taxes attributed to such fiscal tax year to such Taxing Entity hereunder shall be reduced by the amounts which the Company shall have so paid to such Taxing Entity in such fiscal tax year, but there shall be no cumulative or retroactive credit as to any payment in lieu of property taxes due to any other Taxing Entity or as to any payment in lieu of property taxes due to such Taxing Entity in any other fiscal tax year.

(B) Method of Claiming Credits. If the Company desires to claim a credit against any particular payment in lieu of tax due hereunder, the Company shall give the governing body of the affected Taxing Entity and the Agency prior written notice of its intention to claim any credit pursuant to the provision of this Section 2.03, said notice to be given by the Company at least thirty (30) days prior to the date on which such payment in lieu of tax is due pursuant to the provisions of Section 2.02(G) hereof. In the event that the governing body of the appropriate Taxing Entity desires to contest the Company's right to claim such credit, then said governing body, the Agency and the Company shall each select an arbitrator in accordance with the rules of the American Arbitration Association, each of whom shall meet the qualifications set forth in Section 2.02(B) hereof, which arbitrators shall, at the sole cost and expense of the Company, determine whether the Company is entitled to claim any credit pursuant to the provisions of this Section 2.03 and, if so, the amount of the credit to which the Company is entitled. It is understood that the arbitrators are empowered to confirm the amount of the credit claimed by the Company or to determine a lower or higher credit. When the Company shall have given notice, as provided herein, that it claims a credit, the amount of any payment in lieu of property taxes due hereunder against which the credit may be claimed may be withheld (to the extent of the credit claimed by the Company, but only to the extent that such credit may be claimed against said payment in lieu of taxes pursuant to the provisions of this Section 2.03) until the decision of the arbitrators is rendered. After the decision of the arbitrators is rendered, the payment in lieu

of taxes due with respect to any reduction or disallowance by the arbitrators in the amount of the credit claimed by the Company shall, to the extent withheld as aforesaid, be immediately due and payable and shall be paid by the Company within thirty (30) days of said decision.

SECTION 2.04. LATE PAYMENTS. (A) First Month. Pursuant to Section 874(5) of the Act, if the Company shall fail to make any payment required by this Payment in Lieu of Tax Agreement when due, the Company shall pay the same, together with a late payment penalty equal to five percent (5%) of the amount due.

(B) Thereafter. If the Company shall fail to make any payment required by this Payment in Lieu of Tax Agreement when due and such delinquency shall continue beyond the first month, the Company's obligation to make the payment so in default shall continue as an obligation of the Company to the affected Taxing Entity until such payment in default shall have been made in full, and the Company shall pay the same to the affected Taxing Entity together with (1) a late payment penalty of one percent (1%) per month for each month, or part thereof, that the payment due hereunder is delinquent beyond the first month, plus (2) interest thereon, to the extent permitted by law, at the greater of (a) one percent (1%) per month, or (b) the rate per annum which would be payable if such amount were delinquent taxes, until so paid in full.

ARTICLE III  
LIMITED OBLIGATION

SECTION 3.01. NO RECOURSE; LIMITED OBLIGATION OF THE AGENCY. (A) No Recourse. All obligations, covenants, and agreements of the Agency contained in this Payment in Lieu of Tax Agreement shall be deemed to be the obligations, covenants, and agreements of the Agency and not of any member, officer, agent, servant or employee of the Agency in his individual capacity, and no recourse under or upon any obligation, covenant or agreement contained in this Payment in Lieu of Tax Agreement, or otherwise based upon or in respect of this Payment in Lieu of Tax Agreement, or for any claim based thereon or otherwise in respect thereof, shall be had against any past, present or future member, officer, agent (other than the Company), servant or employee, as such, of the Agency or any successor public benefit corporation or political subdivision or any person executing this Payment in Lieu of Tax Agreement on behalf of the Agency, either directly or through the Agency or any successor public benefit corporation or political subdivision or any person so executing this Payment in Lieu of Tax Agreement, it being expressly understood that this Payment in Lieu of Tax Agreement is a corporate obligation, and that no such personal liability whatever shall attach to, or is or shall be incurred by, any such member, officer, agent (other than the Company), servant or employee of the Agency or of any successor public benefit corporation or political subdivision or any person so executing this Payment in Lieu of Tax Agreement under or by reason of the obligations, covenants or agreements contained in this Payment in Lieu of Tax Agreement or implied therefrom; and that any and all such personal liability of, and any and all such rights and claims against, every such member, officer, agent (other than the Company), servant or employee under or by reason of the obligations, covenants or agreements contained in this Payment in Lieu of Tax Agreement or implied therefrom are, to the extent permitted by law, expressly waived and released as a condition of, and as a consideration for, the execution of this Payment in Lieu of Tax Agreement by the Agency.

(B) Limited Obligation. The obligations, covenants and agreements of the Agency contained herein shall not constitute or give rise to an obligation of the State of New York or Otsego County, New York, and neither the State of New York nor Otsego County, New York shall be liable thereon, and further such obligations, covenants and agreements shall not constitute or give rise to a general obligation of the Agency, but rather shall constitute limited obligations of the Agency payable solely from the revenues of the Agency derived and to be derived from the lease, sale or other disposition of the Project Facility (except for revenues derived by the Agency with respect to the Unassigned Rights, as defined in the Lease Agreement).

(C) Further Limitation. Notwithstanding any provision of this Payment in Lieu of Tax Agreement to the contrary, the Agency shall not be obligated to take any action pursuant to any provision hereof unless (1) the Agency shall have been requested to do so in writing by the Company, and (2) if compliance with such request is reasonably expected to result in the incurrence by the Agency (or any of its members, officers, agents, servants or employees) of any liability, fees, expenses or other costs, the Agency shall have received from the Company security or indemnity and an agreement from the Company to defend and hold harmless the Agency satisfactory to the Agency for protection against all such liability, however remote, and for the reimbursement of all such fees, expenses and other costs.

## ARTICLE IV

### EVENTS OF DEFAULT

SECTION 4.01. EVENTS OF DEFAULT. Any one or more of the following events shall constitute an event of default under this Payment in Lieu of Tax Agreement, and the terms “Event of Default” or “default” shall mean, whenever they are used in this Payment in Lieu of Tax Agreement, any one or more of the following events:

(A) Failure of the Company to pay when due any amount due and payable by the Company pursuant to this Payment in Lieu of Tax Agreement and continuance of said failure for a period of fifteen (15) days after written notice to the Company stating that such payment is due and payable;

(B) Failure of the Company to observe and perform any other covenant, condition or agreement on its part to be observed and performed hereunder (other than as referred to in paragraph (A) above) and continuance of such failure for a period of thirty (30) days after written notice to the Company specifying the nature of such failure and requesting that it be remedied; provided that if such default cannot reasonably be cured within such thirty (30) day period and if the Company shall have commenced action to cure the breach of covenant, condition or agreement within said thirty (30) day period and thereafter diligently and expeditiously proceeds to cure the same, such thirty (30) day period shall be extended for so long as the Company shall require in the exercise of due diligence to cure such default, it being agreed that no such extension shall be for a period in excess of ninety (90) days in the aggregate from the date of default; or

(C) Any warranty, representation or other statement by or on behalf of the Company contained in this Payment in Lieu of Tax Agreement shall prove to have been false or incorrect in any material respect on the date when made or on the effective date of this Payment in Lieu of Tax Agreement and (1) shall be materially adverse to the Agency at the time when the notice referred to below shall have been given to the Company and (2) if curable, shall not have been cured within thirty (30) days after written notice of such incorrectness shall have been given to a responsible officer of the Company, provided that if such incorrectness cannot reasonably be cured within said thirty-day period and the Company shall have commenced action to cure the incorrectness within said thirty-day period and, thereafter, diligently and expeditiously proceeds to cure the same, such thirty-day period shall be extended for so long as the Company shall require, in the exercise of due diligence, to cure such default.

SECTION 4.02. REMEDIES ON DEFAULT. (A) General. Whenever any Event of Default shall have occurred with respect to this Payment in Lieu of Tax Agreement, the Agency (or if such Event of Default concerns a payment required to be made hereunder to any Taxing Entity, then with respect to such Event of Default such Taxing Entity) may take whatever action at law or in equity as may appear necessary or desirable to collect the amount then in default or to enforce the performance and observance of the obligations, agreements and covenants of the Company under this Payment in Lieu of Tax Agreement.

(B) Cross-Default. In addition, an Event of Default hereunder shall constitute an event of default under Article X of the Lease Agreement. Upon the occurrence of an Event of Default hereunder resulting from a failure of the Company to make any payment required hereunder, the Agency shall have, as a remedy therefor under the Lease Agreement, among other remedies, the right to terminate the Lease Agreement and convey the Project Facility to the Company, thus subjecting the Project Facility to immediate full taxation pursuant to Section 520 of the Real Property Tax Law of the State.

(C) Separate Suits. Each such Event of Default shall give rise to a separate cause of action hereunder and separate suits may be brought hereunder as each cause of action arises.

(D) Venue. The Company irrevocably agrees that any suit, action or other legal proceeding arising out of this Payment in Lieu of Tax Agreement may be brought in the courts of record of the State, consents to the jurisdiction of each such court in any such suit, action or proceeding, and waives any objection which it may have to the laying of the venue of any such suit, action or proceeding in any of such courts.

SECTION 4.03. PAYMENT OF ATTORNEY'S FEES AND EXPENSES. Pursuant to Section 874(6) of the Act, if the Company should default in performing any of its obligations, covenants or agreements under this Payment in Lieu of Tax Agreement and the Agency or any Taxing Entity should employ attorneys or incur other expenses for the collection of any amounts payable hereunder or for the enforcement of performance or observance of any obligation, covenant or agreement on the part of the Company herein contained, the Company agrees that it will, on demand therefor, pay to the Agency or such Taxing Entity, as the case may be, not only the amounts adjudicated due hereunder, together with the late payment penalty and interest due thereon, but also the reasonable fees and disbursements of such attorneys and all other expenses, costs and disbursements so incurred, whether or not an action is commenced.

SECTION 4.04. REMEDIES; WAIVER AND NOTICE. (A) No Remedy Exclusive. No remedy herein conferred upon or reserved to the Agency or any Taxing Entity is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Payment in Lieu of Tax Agreement or now or hereafter existing at law or in equity or by statute.

(B) Delay. No delay or omission in exercising any right or power accruing upon the occurrence of any Event of Default hereunder shall impair any such right or power or shall be construed to be a waiver thereof, but any such right or power may be exercised from time to time and as often as may be deemed expedient.

(C) Notice Not Required. In order to entitle the Agency or any Taxing Entity to exercise any remedy reserved to it in this Payment in Lieu of Tax Agreement, it shall not be necessary to give any notice, other than such notice as may be expressly required in this Payment in Lieu of Tax Agreement.

(D) No Waiver. In the event any provision contained in this Payment in Lieu of Tax Agreement should be breached by any party and thereafter duly waived by the other party so empowered to act, such waiver shall be limited to the particular breach so waived and shall not be deemed to be a waiver of any other breach hereunder. No waiver, amendment, release or modification of this Payment in Lieu of Tax Agreement shall be established by conduct, custom or course of dealing.

## ARTICLE V

### MISCELLANEOUS

SECTION 5.01. TERM. (A) General. This Payment in Lieu of Tax Agreement shall become effective and the obligations of the Company shall arise absolutely and unconditionally upon the approval of this Payment in Lieu of Tax Agreement by resolution of the Agency and the execution and delivery of this Payment in Lieu of Tax Agreement by the Company and the Agency. Unless otherwise provided by amendment hereof, this Payment in Lieu of Tax Agreement shall continue to remain in effect until the earlier to occur of (1) December 31, 2038 or (2) the date on which the Project Facility is reconveyed by the Agency to the Company pursuant to Article X or XI of the Lease Agreement.

(B) Extended Term. In the event that (1) the Project Facility shall be reconveyed to the Company, (2) on the date on which the Company obtains the Agency's interest in the Project Facility, the Project Facility shall be assessed as exempt upon the assessment roll of any one or more of the Taxing Entities, and (3) the fact of obtaining title to the Agency's interest in the Project Facility shall not immediately obligate the Company to make pro-rata tax payments pursuant to legislation similar to Chapter 635 of the 1978 Laws of the State (codified as subsection 3 of Section 302 of the Real Property Tax Law and Section 520 of the Real Property Tax Law), this Payment in Lieu of Tax Agreement shall remain in full force and effect and the Company shall be obligated to make payments to the Receiver of Taxes in amounts equal to those amounts which would be due from the Company to the respective Taxing Entities if the Project Facility were owned by the Company and not the Agency until the first tax year in which the Company shall appear on the tax rolls of the various Taxing Entities having jurisdiction over the Project Facility as the legal owner of record of the Project Facility.

SECTION 5.02. FORM OF PAYMENTS. The amounts payable under this Payment in Lieu of Tax Agreement shall be payable in such coin and currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts.

SECTION 5.03. COMPANY ACTS. Where the Company is required to do or accomplish any act or thing hereunder, the Company may cause the same to be done or accomplished with the same force and effect as if done or accomplished by the Company.

SECTION 5.04. AMENDMENTS. This Payment in Lieu of Tax Agreement may not be effectively amended, changed, modified, altered or terminated except by an instrument in writing executed by the parties hereto.

SECTION 5.05. NOTICES. (A) General. All notices, certificates or other communications hereunder shall be in writing and may be personally served, telecopied or sent by courier service or United States mail and shall be sufficiently given and shall be deemed given when (1) delivered in person or by courier to the applicable address stated below, (2) when received by telecopy or (3) three business days after deposit in the United States, by United States mail (registered or certified mail, postage prepaid, return receipt requested, properly addressed), or (4) when delivered by such other means as shall provide the sender with documentary evidence of such delivery, or when delivery is refused by the addressee, as evidenced by the affidavit of the Person who attempted to effect such delivery.

(B) Notices Given by Taxing Entities. Notwithstanding the foregoing, notices of assessment or reassessment of the Project Facility and other notices given by a Taxing Entity under Article II hereof shall be sufficiently given and shall be deemed given when given by the Taxing Entity in the same manner in which similar notices are given to owners of taxable properties by such Taxing Entity.

(C) Addresses. The addresses to which notices, certificates and other communications hereunder shall be delivered are as follows:

IF TO THE COMPANY:

ZAED Properties, LLC  
6106 State Highway 28  
Fly Creek, New York 13337  
Attention: Josh Edmonds, Partner

WITH A COPY TO:

Hobaica Law Office  
29 Pioneer Street, Suite 304  
Cooperstown, New York 13326  
Attention: Peter W. Hobaica, Esq.

IF TO THE AGENCY:

County of Otsego Industrial Development Agency  
189 Main Street, Suite 500  
Oneonta, New York 13820  
Attention: Chairman

WITH A COPY TO:

Kurt D. Schulte, Esq.  
12 Club Avenue  
Oneonta, New York 13820

and

Hodgson Russ LLP  
677 Broadway, Suite 301  
Albany, New York 12207  
Attention: A. Joseph Scott, III, Esq.

(D) Copies. A copy of any notice given hereunder by the Company which affects in any way a Taxing Entity shall also be given to the chief executive officer of such Taxing Entity.

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

SECTION 5.06. **BINDING EFFECT**. This Payment in Lieu of Tax Agreement shall inure to the benefit of, and shall be binding upon, the Agency, the Company and their respective successors and assigns. The provisions of this Payment in Lieu of Tax Agreement are intended to be for the benefit of the Agency and the respective Taxing Entities.

SECTION 5.07. **SEVERABILITY**. If any article, section, subdivision, paragraph, sentence, clause, phrase, provision or portion of this Payment in Lieu of Tax Agreement shall for any reason be held or



adjudged to be invalid or illegal or unenforceable by any court of competent jurisdiction, such article, section, subdivision, paragraph, sentence, clause, phrase, provision or portion so adjudged invalid, illegal or unenforceable shall be deemed separate, distinct and independent and the remainder of this Payment in Lieu of Tax Agreement shall be and remain in full force and effect and shall not be invalidated or rendered illegal or unenforceable or otherwise affected by such holding or adjudication.

SECTION 5.08. COUNTERPARTS. This Payment in Lieu of Tax Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 5.09. APPLICABLE LAW. This Payment in Lieu of Tax Agreement shall be governed by and construed in accordance with the laws of the State of New York.

IN WITNESS WHEREOF, the Agency and the Company have caused this Payment in Lieu of Tax Agreement to be executed in their respective names by duly authorized officers thereof, all being done as of the date first above written.

COUNTY OF OTSEGO INDUSTRIAL  
DEVELOPMENT AGENCY

BY: David Rowley  
(Vice) Chairman

ZAED PROPERTIES, LLC

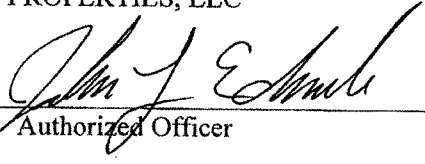
BY: \_\_\_\_\_  
Authorized Officer

IN WITNESS WHEREOF, the Agency and the Company have caused this Payment in Lieu of Tax Agreement to be executed in their respective names by duly authorized officers thereof, all being done as of the date first above written.

COUNTY OF OTSEGO INDUSTRIAL  
DEVELOPMENT AGENCY

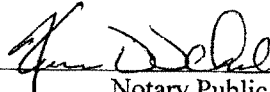
BY: \_\_\_\_\_  
(Vice) Chairman

ZAED PROPERTIES, LLC

BY:  \_\_\_\_\_  
Authorized Officer

STATE OF NEW YORK     )  
  )ss:  
COUNTY OF OTSEGO    )

On the 16<sup>th</sup> day of February, in the year 2023, before me, the undersigned, personally appeared David Rowley, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

  
\_\_\_\_\_  
Notary Public

**KURT D. SCHULTE**  
Notary Public, State of New York  
No. 02SC4800315  
Residing in Otsego Co.  
My Commission Expires 12/31/25

STATE OF NEW YORK        )  
  )ss:  
COUNTY OF OTSEGO        )

On the 24<sup>th</sup> day of February, in the year 2023, before me, the undersigned, personally appeared Josh Edmonds, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

PETER W. HOBAICA  
Notary Public, State of New York  
Reg. #02HO6125309  
Qualified in Oneida County  
My Commission Expires 4/11/2025

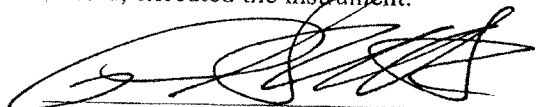
  
\_\_\_\_\_  
Notary Public

EXHIBIT A  
DESCRIPTION OF THE LEASED LAND  
-SEE ATTACHED-

Westcor Land Title Insurance Company  
Cooper County Abstract Company, Inc.  
196 Main St., Cooperstown, NY 13326  
File No: C15495  
Policy Date:  
Policy #:

Borrower: Zaed Properties LLC  
Property Address: 17 Pine Boulevard & 10 Chestnut Street  
County of Otsego  
Town of Otsego and Village of Cooperstown  
Tax Map No: 115.18-2-49.00, 115.18-2-64.00, 115.18-2-63.02

SCHEDULE "A"

Page 1 of 6

Description

PARCEL ONE  
TM# 115.18-2-64.00

"ALL those tracts or parcels of land situate in the Village of Cooperstown, County of Otsego and State of New York, conveyed by The Hartford National Bank to Leatherstocking Corporation by deed dated December 10, 1942 and recorded in the Otsego County Clerk's Office December 18, 1942 in Liber 402 of Deeds at Page 111, and described therein as follows:

"All that Tract or Parcel of Land situate in the Village of Cooperstown, Town of Otsego, County of Otsego, New York, on the west side of Chestnut Street, it being a one fourth part of a lot of land late the property of Thomas Fuller, deceased, except an alley way therefrom of 13 feet immediately north of Caleb J. Paul's shop on Chestnut Street, and bounded as follows: Beginning 57 feet southerly from the southeast corner of the parcel of said lot heretofore conveyed Abraham Moore, thence northerly along the west side of Chestnut Street, 57 feet to the southeast corner of said Abraham V. Moore's lot; thence westerly along the line of the said Moore's lot to the east side of an alley 30 feet wide at each end in rear of said lot; thence southerly on the east side of said alley 47 feet 2 inches; thence easterly to the place of beginning, together with the right of way through an alley heretofore opened on the north side of Caleb J. Paul's shop to be 13 feet wide at each end, and the right of way in an alley, intersecting the same and running northerly to William H. Averell's land 30 feet at each end, and according to a map or plan thereof made by Harvey Clark, and to which parties for greater certainty refer themselves, and being the same land and premises conveyed by Herbert M. Coburn and wife to Isaac Fitch on or about October 14, 1842, which deed is recorded in the Otsego County Clerk's Office in Book No.75 of Conveyances page 61, &c .

"Also all that certain other piece or parcel of land situate and lying and being in the Village of Cooperstown aforesaid on the west side of Chestnut Street, granted or released by William Wilson and wife to Perry G. Tanner by deed bearing date on or about April 2, 1856, and recorded in said Clerk's Office in Book 106 of Conveyances on page 410, bounded as follows: Beginning at the northeast corner of my lot (being a lot now owned by Mary A. Antisdell) and runs thence south on said Street about three feet to the end of an iron fence built by the said Tanner; thence westerly along said iron fence to the northeast corner of my house, being the house of said Antisdell; thence easterly along my northerly line to the place of beginning, being a strip or wedge of land lying north and west of the iron fence aforesaid, as the same is now fenced.

"(Three reference paragraphs deleted).

"Excepting, however, from the premises hereby conveyed the portion thereof heretofore conveyed by the party hereto of the first part to Edward Severin Clark, of the Town of Otsego, N. Y., by deed dated December 2nd, 1930, and recorded in the Otsego County Clerk's Office in Book 356 of Deeds at page 176, on December 3rd, 1930; and

"Subject, also, to certain rights, including rights of way over a portion of the premises hereby conveyed, granted by the aforesaid deed of the party hereto of the first part to said Edward Severin Clark, the premises and rights granted to said Edward Severin Clark by the aforesaid deed being therein described as follows:

Westcor Land Title Insurance Company  
Cooper Country Abstract Company, Inc.  
196 Main St., Cooperstown, NY 13326  
File No: C15495  
Policy Date:  
Policy #:

Borrower: Zaed Properties LLC  
Property Address: 17 Pine Boulevard & 10 Chestnut Street  
County of Otsego  
Town of Otsego and Village of Cooperstown  
Tax Map No: 115.18-2-49.00, 115.18-2-64.00, 115.18-2-63.02

SCHEDULE "A"  
Description

Page 2076

"All that tract or parcel of land, with the building thereon erected, situate in the Village of Cooperstown in the County of Otsego, and State of New York, bounded and described as follows: to wit:

"Beginning at the northwest corner of a parcel of land owned by the party hereto of the first part (known as the Chestnut Street Garage Property), which is also the northwest corner of premises herein intended to be conveyed and the southwest corner of premises now known as the Fanny Root property (formerly Abraham V. Moore's lot); running thence thirty (30) feet in a southerly direction along the easterly side of an alley, which alley runs northerly to lands formerly of William H. Averell; thence easterly and for part of the distance along the southerly side of the blacksmith shop now on the parcel of land hereby conveyed thirty-five (35) feet four (4) inches; thence northerly and parallel with the first hereinabove described line thirty-one (31) feet six (6) inches to the Root property line; thence westerly along the line of the Root property to the place of beginning;

"Together with a right of way over the lands of the party hereto of the first part (being the remaining rear portion of the Chestnut Street Garage Property above mentioned), adjoining the herein conveyed premises on the southerly and easterly sides thereof so as to permit ingress and egress for men and vehicles at all times to the lands hereto conveyed, and also the right to use said right of way for the purpose of repairs, additions or alterations to the building now on the premises hereby conveyed or for the construction, repair or alteration of any other building or buildings which may be constructed on said premises;

"Together with the right, in so far as the grantor is vested with power to grant the same, to use at all times for ingress and egress to the parcel of land hereby conveyed, the alley adjoining the westerly side of the herein described premises and the alley connecting therewith and leading therefrom to Chestnut Street in the Village of Cooperstown aforesaid.

"(Four reference paragraphs deleted).

"Being the same premises shown and described as the "Chestnut Street Garage" property on a map entitled "Map of Chestnut Street Garage property situate at No. 10 on the west side of Chestnut Street in the Village of Cooperstown, County of Otsego, and State of New York" made January 5th, 1953 by William Carter Burnett and filed in the Otsego County Clerk's Office."

Being the same premises conveyed by Harry W. Smith to Harry W. Smith Real Estate Corp. by deed dated December 15, 1957 and recorded in the Otsego County Clerk's Office on January 10, 1958 in Liber 480 of Decds at page 42.



Westcot Land Title Insurance Company  
Cooper Country Abstract Company, Inc.  
196 Main St., Cooperstown, NY 13326  
File No: C15495  
Policy Date:  
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Borrower: Zaed Properties LLC  
Property Address: 17 Pine Boulevard & 10 Chestnut Street  
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Tax Map No: 115.18-2-49.00, 115.18-2-64.00, 115.18-2-63.02

SCHEDULE "A"

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Description

Parcel II

"ALL THAT TRACT OR PARCEL OF LAND described in a deed dated December 2, 1930, from Leatherstocking Corporation to Edward Severin Clark and recorded in the Otsego County Clerk's Office on December 3, 1930, in Liber 356 of Deeds at Page 176 as follows:

"ALL that tract or parcel of land, with the building thereon erected, situate in the Village of Cooperstown in the County of Otsego and State of New York, bounded and described as follows, to wit: BEGINNING at the northwest corner of a parcel of land owned by the party hereto of the first part (known as the Chestnut Street Garage Property), which is also the northwest corner of the premises herein intended to be conveyed and the southwest corner of premises now known as the Fanny Root property (formerly Abraham V. Moore's lot); running thence thirty (30) feet in a southerly direction along the easterly side of an alley, which alley runs northerly to lands formerly of William H. Averell; thence easterly and for part of the distance along the southerly side of the blacksmith shop now on the parcel of land hereby conveyed thirty-five (35) feet four (4) inches; thence northerly and parallel with the first hereinabove described line thirty-one (31) feet six (6) inches to the Root property line; thence westerly along the line of the Root property to the place of beginning."

"Together with the right, insofar as grantor is vested with power to grant the same, to use for ingress and egress to the parcel herein conveyed, the alley adjoining the westerly side of the herein described premises and the alley connecting therewith and leading therefrom to Chestnut Street in the Village of Cooperstown aforesaid.

"Being the same premises as "PARCEL I." described in a deed from Leatherstocking Corporation to Harry W. Smith Real Estate Corp. dated December 31, 1958 and recorded in the Otsego County Clerk's Office January 9, 1959 in Liber 490 of Deeds at page 159.

"The above premises are also described as follows:

"ALL THAT TRACT OR PARCEL OF LAND situate and being in the Village of Cooperstown, County of Otsego and State of New York, and being more particularly described as follows: BEGINNING at a point formed by the intersection of the westerly line of Chestnut Street, (N. Y. State Rt. 80), with the division line between lands belonging to Mc Rorie and this parcel, said point being 54 feet northeasterly of the north line of a Public Lane; THENCE along the division lines between lands belonging to Mc Rorie and this parcel North 43° - 38' West a distance of 14.00 feet and North 55° - 30' West a distance of 149.60 feet, spike set; THENCE North 54° - 15' West, through a spike set, along the division line between lands belonging to Fritsch and this parcel a distance of 116.00 feet; THENCE North 34° - 45' East along the easterly line of a Public Lane a

Westcor Land Title Insurance Company  
Cooper County Abstract Company, Inc.  
196 Main St., Cooperstown, NY 13326  
File No: C15495  
Policy Date:  
Policy #:

Borrower: Zaed Properties LLC  
Property Address: 17 Pine Boulevard & 10 Chestnut Street  
County of Otsego  
Town of Otsego and Village of Cooperstown  
Tax Map No: 115.18-2-49.00, 115.18-2-64.00, 115.18-2-63.02

SCHEDULE "A"  
Description

Page 4 of 6

distance of 47.17 feet; THENCE South 57° - 00' East along the division line between lands belonging to Bacurle and this parcel, through two iron rods found, a distance of 281.49 feet, "PK" nail set; THENCE South 36° - 43' West along the said westerly line of Chestnut Street to the point or place of beginning and containing 0.34 acres of land more or less.

"Subject to an easement conveyed by Harry W. Smith Real Estate Corp. to Karl Bacurle and Rose Bacurle by deed of even date, not yet recorded but intended to be recorded simultaneously herewith."

Being the same premises conveyed to Cooperstown Cards, Inc. from Harry W. Smith Real Estate Corp. by deed dated 7 April 1988 and recorded 8 April 1988 in the Otsego County Clerk's Office in Liber 727 of Deeds at page 289.

Westcor Land Title Insurance Company  
Cooper County Abstract Company, Inc.  
196 Main St., Cooperstown, NY 13326  
File No: C15495  
Policy Date:  
Policy #:

Borrower: Zaed Properties LLC  
Property Address: 17 Pine Boulevard & 10 Chestnut Street  
County of Otsego  
Town of Otsego and Village of Cooperstown  
Tax Map No: 115.18-2-49.00, 115.18-2-64.00, 115.18-2-63.02

SCHEDULE "A"

Page 5 of 6

Description

PARCEL TWO  
TM# 115.18-2-63.02

"All that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Village of Cooperstown, Town of Otsego, County of Otsego and State of New York, bounded and described as follows:

"BEGINNING at an iron stake, this point being on the northerly side of a Public Lane and 160 feet, more or less, from the Westerly line of Chestnut Street; this point on Chestnut Street is at the corner formed by the northerly line of a Public Lane and the westerly line of Chestnut Street, said point being 221 feet 10 inches, more or less, from the intersection of the northerly line of Main Street and the westerly line of Chestnut Street; Thence N 35 degrees 30 minutes E along the McRorie property 50 feet 6 inches to an iron stake; thence N 54 degrees 15 minutes W along the Frozen Food Locker Company property 116 feet to an iron stake in the east side of Public Lane; thence along the Public Lane S 34 degrees 45 minutes W 47 feet 9 inches to an iron stake; thence along the north side of Public Lane S 53 degrees E 115 feet 6 inches to an iron stake and the place of BEGINNING.

"Being the same premises conveyed by Helen M. Shafer to Mary Elise Nelson by deed dated October 7, 1978 and recorded in the Otsego County Clerk's Office on October 25, 1978 in Liber 664 of Deeds at page 697.

"Being the same premises conveyed to Lawrence C. Fritsch from Mary Elise Nelson by deed dated 7 December 1987 and recorded 25 January 1987 in the Otsego County Clerk's Office at Liber 725 of Deeds at Page 829.

"These premises are more recently described as follows:

ALL THAT TRACT OR PARCEL OF LAND situate and being in the Village of Cooperstown, County of Otsego, and State of New York, more particularly described as follows: BEGINNING at a point in the northerly bounds of a public lane running perpendicular to Chestnut Street, which point of beginning is 160 feet north 52°53' west from an iron pin found at the intersection of said public lane with the New York State Route 80 (Chestnut Street) right of way, and which point of beginning also marks the southwesterly corner of lands now or formerly of McRorie; THENCE north 52°53' west 115.42 feet to an iron pin found marking the southwesterly corner of the premises described herein; THENCE north 34°45' east 47.75 feet to a point marking the northwesterly corner of the premises described herein; THENCE south 54° 15' east 116 feet along the southerly boundary of lands now or formerly of Harry W. Smith Real Estate Corp. to a spike set marking the northeasterly corner of the lands described herein; THENCE south 35°30' west 32.2 feet to an iron pin found in a retaining wall; THENCE along the same course south 35°30' west 17.8 feet to the point or place of beginning, containing .13 acres of land, more or less."

Being the same premises conveyed to Cooperstown Cards, Inc. from Lawrence C. Fritsch by deed dated 7 April 1988 and recorded 8 April 1988 in the Otsego County Clerk's Office in Liber 727 of Deeds at page 287.

Westcor Land Title Insurance Company  
Cooper County Abstract Company, Inc.  
196 Main St., Cooperstown, NY 13326  
File No: C15495  
Policy Date:  
Policy #:

Borrower: Zaed Properties LLC  
Property Address: 17 Pine Boulevard & 10 Chestnut Street  
County of Otsego  
Town of Otsego and Village of Cooperstown  
Tax Map No: 115.18-2-49.00, 115.18-2-64.00, 115.18-2-63.02

SCHEDULE "A"

Page 6 of 6

Description

PARCEL THREE  
TM# 115.18-2-49.00

ALL THAT TRACT OR PARCEL OF LAND described in a deed dated December 7, 1920, from Marie deT. Johnston to Edward Severin Clark and Stephen Carlton Clark and recorded January 7, 1921, in the Otsego County Clerk's Office in Liber 313 of Deeds at Page 11, as follows:

"ALL that Tract or Parcel of land conveyed by Edward S. Brookham as executor of the Last Will and Testament of Margaretha G. Mills, late of the town of Otsego, Otsego County, New York, deceased, to Marie deT. Johnston, by Deed dated May 1st, 1919, executed May 3rd, 1919, and recorded in the Otsego County Clerk's Office May 16th, 1919 in Book 305 of Deeds at Page 355, and in said deed described as follows:

"ALL THAT TRACT OR PARCEL OF LAND, situate in the Village of Cooperstown, County of Otsego and State of New York, which was conveyed to Susan M. Hewes by Alexander N. Benedict by referee's deed in partition action which deed is dated the 21st day of March, 1874, and recorded in Otsego County Clerk's Office in Liber 167 of Deeds at page 420, and in said deed bounded and described as follows: On the east side of Pine Street in the village aforesaid and bounded as follows, in a deed of the same from Eben B. Morehouse & Emma Fuller, executors of Thomas Fuller, deceased, and Mary Fuller, widow and devisee of Thomas Fuller to Patrick Hewes and Candice Howes, bearing date June 1st., 1841, and recorded in Otsego County Clerk's Office in Book of Conveyances No. 73 at page 162. "Beginning two hundred and seventeen feet and three inches northerly from the corner of Second and Pine Street; thence Northerly along the East side of Pine Street sixty seven feet three inches to the lands of Wm. H. Averill; thence along said Averill's land to the west side of the alley in the rear of the lots heretofore conveyed to Babcock Moore and others, thence along said alley in the southwest corner thereof; thence westerly to the place of beginning and also a right of way in said alley and in the alley on the north side of James I. Paul's land, insofar as grantor has a right to convey such right-of-way."

"Being the same premises as "PARCEL 11." described in deed from Leatherstocking Corporation to Harry W. Smith Real Estate Corp. dated December 31, 1958 and recorded in the Otsego County Clerk's Office January 9, 1959 in Liber 490 of Deeds at page 159.

"Subject to restrictions set forth in an agreement between Margaret C. Haynes and Catherine F. Haynes and Harry W. Smith Real Estate Corporation dated April 26, 1961 and recorded in the Otsego County Clerk's Office May 1, 1966 in Liber 514 of Deeds at page 237."

Being the same premises conveyed to Lawrence C. Fritsch from Harry W. Smith Real Estate Corp. by deed dated 7 April 1988 and recorded 8 April 1988 in the Otsego County Clerk's Office in Liber 727 of Deeds at page 284.

RP-412-a



**NYS DEPARTMENT OF TAXATION & FINANCE  
OFFICE OF REAL PROPERTY TAX SERVICES**

RP-412-a (1/95)

**INDUSTRIAL DEVELOPMENT AGENCIES  
APPLICATION FOR REAL PROPERTY TAX EXEMPTION  
(Real Property Tax Law, Section 412-a and General Municipal Law, Section 874)**

**1. INDUSTRIAL DEVELOPMENT AGENCY (IDA)**

County of Otsego  
Name Industrial Development Agency  
Street 189 Main Street, Suite 500  
City Oneonta, New York 13820  
Telephone no. Day ( ) (607) 267-4010  
Evening ( ) \_\_\_\_\_  
Contact Jody Zakrevsky  
Title Chief Executive Officer

**2. OCCUPANT (IF OTHER THAN IDA)**

(If more than one occupant attach separate listing)

Name ZAED Properties, LLC  
Street 6106 State Highway 28  
City Fly Creek, New York 13337  
Telephone no. Day ( ) (607) 643-1633  
Evening ( ) \_\_\_\_\_  
Contact Josh Edmonds  
Title Partner

**3. DESCRIPTION OF PARCEL**

- a. Assessment roll description (tax map no./roll year) 115.18-2-64.00, 115.18-2-63.02, 115.18-2-49.00
- b. Street address 10 Chestnut Street, Chestnut Street and 17 Pine Blvd.
- c. City, Town or Village Town of Otsego, Village of Cooperstown
- d. School District Cooperstown CSD
- e. County Otsego
- f. Current assessment \$339,100
- g. Deed to IDA (date recorded; liber and page) \_\_\_\_\_

**4. GENERAL DESCRIPTION OF PROPERTY** (if necessary, attach plans or specifications)

- a. Brief description (include property use) residential multi-family apartment building
- b. Type of construction demolition and construction
- c. Square footage 16,000 (est)
- d. Total cost \$3,296,990
- e. Date construction commenced 01 /13 /2022
- f. Projected expiration of exemption (i.e. date when property is no longer possessed, controlled, supervised or under the jurisdiction of IDA) December 31, 2038

**5. SUMMARIZE AGREEMENT (IF ANY) AND METHOD TO BE USED FOR PAYMENTS TO BE MADE TO MUNICIPALITY REGARDLESS OF STATUTORY EXEMPTION**

(Attach copy of the agreement or extract of the terms relating to the project).

- a. Formula for payment Pursuant to the Payment in Lieu of Tax Agreement, as modified pursuant to the Modification Agreement by and between ZAED Properties, LLC (the "Company") and the County of Otsego Industrial Development Agency (the "IDA") dated as of February 1, 2023.
- b. Projected expiration date of agreement December 31, 2038

c. Municipal corporations to which payments will be made

	Yes	No
County <u>Otsego</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Town/City <u>Town of Otsego</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Village <u>Cooperstown</u>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
School District <u>Cooperstown</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

d. Person or entity responsible for payment

Name ZAED Properties, LLC  
 Title Josh Edmonds  
 Address 6106 State Highway 28  
Fly Creek, New York 13337

e. Is the IDA the owner of the property?  Yes  No (check one)  
If "No" identify owner and explain IDA rights or interest in an attached statement.

Telephone (607) 643-1633

6. Is the property receiving or has the property ever received any other exemption from real property taxation? (check one)  Yes  No

If yes, list the statutory exemption reference and assessment roll year on which granted:  
exemption \_\_\_\_\_ assessment roll year \_\_\_\_\_

7. A copy of this application, including all attachments, has been mailed or delivered on \_\_\_\_\_ (date) to the chief executive official of each municipality within which the project is located as indicated in Item 3.

**CERTIFICATION**

I, David Rowley, (Vice) Chairman \_\_\_\_\_ of \_\_\_\_\_  
Name Title  
County of Otsego Industrial Development Agency hereby certify that the information  
Organization

on this application and accompanying papers constitutes a true statement of facts.

02/16/2023  
Date

David Rowley  
Signature

**FOR USE BY ASSESSOR**

1. Date application filed \_\_\_\_\_
2. Applicable taxable status date \_\_\_\_\_
- 3a. Agreement (or extract) date \_\_\_\_\_
- 3b. Projected exemption expiration (year) \_\_\_\_\_
4. Assessed valuation of parcel in first year of exemption \$ \_\_\_\_\_
5. Special assessments and special as valorem levies for which the parcel is liable:

\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
Date

\_\_\_\_\_  
Assessor's signature

RP-412-a Attachment

5. e. The IDA has a leasehold interest in the property pursuant to a lease to agency dated as of January 1, 2022 (the "Lease to Agency") from the Company to the IDA, as modified pursuant to a modification agreement dated as of February 1, 2023 (the "Modification Agreement") by and between the Company and the IDA.



PROOF OF MAILING  
PAYMENT IN LIEU OF TAX  
AGREEMENT  
AND  
REAL PROPERTY  
TAX EXEMPTION  
(RP-412-a)

AFFIDAVIT OF MAILING OF  
PAYMENT IN LIEU OF TAX AGREEMENT  
AND RP-412(a)

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

The undersigned, being duly sworn, hereby states:

That on February 27, 2023, I mailed an executed copy of the Payment in Lieu of Tax Agreement and Application of Real Property Tax Exemption (RP-412-a) both relating to the County of Otsego Industrial Development Agency's Zaed Properties, LLC Project to the following:

David Bliss, Board Chair  
County of Otsego  
2209 County Highway 33  
Cooperstown, New York 13326

7022 3330 0001 3556 8062

Meg Kiernan, Town Supervisor  
Town of Otsego  
P.O. Box 183  
Fly Creek, New York 13337

7022 3330 0001 3556 8031

Ellen Tillapaugh, Mayor  
Village of Cooperstown  
22 Main Street, P.O. Box 346  
Cooperstown, New York 13326

7022 3330 0001 3556 8048

Sarah Spross, Superintendent  
Cooperstown Central School District  
39 Linden Avenue  
Cooperstown, New York 13326

7022 3330 0001 3556 8079

Timothy Hayes, Board President  
Cooperstown Central School District  
39 Linden Avenue  
Cooperstown, New York 13326

7022 3330 0001 3556 8055

In witness thereof, I have hereunto set my hand this 27<sup>th</sup> day of February, 2023.



Adam Carson

Sworn to before me this  
27<sup>th</sup> day of February, 2023.



Notary Public

LAURA A. BEYER  
No. 01BE6278746  
Notary Public, State of New York  
Qualified in Erie County  
My Commission Expires March 25, 2025

A. Joseph Scott  
Partner  
ascott@hodgsonruss.com



February 27, 2023

*Certified Mail (Return Receipt Requested)*

David Bliss, Board Chair  
County of Otsego  
2209 County Highway 33  
Cooperstown, New York 13326

Sarah Spross, Superintendent  
Cooperstown Central School District  
39 Linden Avenue  
Cooperstown, New York 13326

Meg Kiernan, Town Supervisor  
Town of Otsego  
P.O. Box 183  
Fly Creek, New York 13337

Timothy Hayes, Board President  
Cooperstown Central School District  
39 Linden Avenue  
Cooperstown, New York 13326

Ellen Tillapaugh, Mayor  
Village of Cooperstown  
22 Main Street, P.O. Box 346  
Cooperstown, New York 13326

**VIA HAND -DELIVERY**  
Albert Keck, Village Assesor  
Village of Cooperstown  
22 Main Street, P.O. Box 346  
Cooperstown, New York 13326

Date: 2/27/2023

Received By: Albert Keck

RE: COUNTY OF OTSEGO INDUSTRIAL DEVELOPMENT AGENCY  
ZAED PROPERTIES, LLC PROJECT

Ladies and Gentlemen:

Enclosed herewith please find an executed copy of the Payment in Lieu of Tax Agreement by and between County of Otsego Industrial Development Agency and Zaed Properties, LLC together with a real property tax exemption form (RP-412-a) regarding the above-captioned transaction.

If you have any questions or comments regarding the foregoing, please do not hesitate to contact me.

Yours truly,

A. Joseph Scott

AJS/tab

Enclosures

cc: Jody Zakrevsky, Chief Executive Officer (w/enc., via e-mail)  
Kurt D. Schulte, Esq. (w/enc., via e-mail)  
Peter W. Hobaica, Esq. (w/enc., via e-mail)

A. Joseph Scott  
Partner  
ascott@hodgsonruss.com



February 27, 2023

*Certified Mail (Return Receipt Requested)*

David Bliss, Board Chair  
County of Otsego  
2209 County Highway 33  
Cooperstown, New York 13326

Sarah Spross, Superintendent  
Cooperstown Central School District  
39 Linden Avenue  
Cooperstown, New York 13326

Meg Kiernan, Town Supervisor  
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22 Main Street, P.O. Box 346  
Cooperstown, New York 13326

**VIA HAND -DELIVERY**  
Albert Keck, Village Assesor  
Village of Cooperstown  
22 Main Street, P.O. Box 346  
Cooperstown, New York 13326

Date: \_\_\_\_\_

Received By: \_\_\_\_\_

RE: COUNTY OF OTSEGO INDUSTRIAL DEVELOPMENT AGENCY  
ZAED PROPERTIES, LLC PROJECT

Ladies and Gentlemen:

Enclosed herewith please find an executed copy of the Payment in Lieu of Tax Agreement by and between County of Otsego Industrial Development Agency and Zaed Properties, LLC together with a real property tax exemption form (RP-412-a) regarding the above-captioned transaction.

If you have any questions or comments regarding the foregoing, please do not hesitate to contact me.

Yours truly,

A. Joseph Scott

AJS/tab

Enclosures

cc: Jody Zakrevsky, Chief Executive Officer (w/enc., via e-mail)  
Kurt D. Schulte, Esq. (w/enc., via e-mail)  
Peter W. Hobaica, Esq. (w/enc., via e-mail)

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COUNTY OF OTSEGO INDUSTRIAL DEVELOPMENT AGENCY

AND

ZAED PROPERTIES, LLC

---

PAYMENT IN LIEU OF TAX AGREEMENT

---

DATED AS OF FEBRUARY 1, 2023

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RELATING TO THE PREMISES LOCATED AT 10 CHESTNUT STREET  
(TAX MAP NUMBER 115.18-2-64.00), CHESTNUT STREET (TAX MAP  
NUMBER 115.18-2-63.02) AND 17 PINE BLVD. (TAX MAP NUMBER  
115.18-2-49.90) IN THE TOWN OF OTSEGO, VILLAGE OF  
COOPERSTOWN, OTSEGO COUNTY, NEW YORK.

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PAYMENT IN LIEU OF TAX AGREEMENT

THIS PAYMENT IN LIEU OF TAX AGREEMENT dated as of February 1, 2023 (the "Payment in Lieu of Tax Agreement") by and between COUNTY OF OTSEGO INDUSTRIAL DEVELOPMENT AGENCY, a public benefit corporation organized and existing under the laws of the State of New York having an office for the transaction of business located at 189 Main Street, Suite 500, Oneonta, New York (the "Agency"), and ZAED PROPERTIES, LLC, a limited liability company organized and existing under the laws of the State of New York having an office for the transaction of business located at 6106 State Highway 28, Fly Creek, New York (the "Company");

WITNESSETH:

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

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

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

WHEREAS, the Agency was created, pursuant to and in accordance with the provisions of the Enabling Act, by Chapter 252 of the Laws of 1973 of the State (collectively, with the Enabling Act, the "Act") and is empowered under the Act to undertake the Project (as hereinafter defined) in order to so advance the job opportunities, health, general prosperity and economic welfare of the people of the State and improve their standard of living; and

WHEREAS, pursuant to a closing on January 13, 2022 (the "Closing"), the Agency entered into a lease agreement dated as of January 1, 2022 (the "Lease Agreement") by and between the Agency and Company, in connection with a project (the "Project"), said Project consisting of the following: (A) (1) the acquisition of an interest in three parcels of land containing in the aggregate approximately 0.77 acres located at 10 Chestnut Street (tax map number 115.18-2-64.00), Chestnut Street (tax map number 115.18-2-63.02) and 17 Pine Blvd. (tax map number 115.18-2-49.00) in the Town of Otsego, Village of Cooperstown, Otsego County, New York (collectively, the "Land"), together with the existing buildings located thereon (collectively, the "Existing Facility"), (2) the demolition of the Existing Facility, (3) the construction on the Land of an approximately 16,000 square foot, two (2) story building (the "Facility") and (4) the acquisition and installation therein and thereon of related fixtures, machinery, equipment and other tangible personal property (collectively, the "Equipment") (the Land, the Existing Facility, the Facility, and the Equipment being collectively referred to as the "Project Facility"), all of the foregoing to constitute an approximately 13 unit residential multi-family apartment building to be owned and operated by the Company and any other directly and indirectly related activities; (B) the granting of certain "financial



assistance” (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real property transfer taxes and mortgage recording taxes (collectively, the “Financial Assistance”); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the “SEQR Act”) and the regulations (the “Regulations”) adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively with the SEQR Act, “SEQRA”), by resolution adopted by the members of the Agency on December 23, 2021 (the “SEQR Resolution”), the Agency (A) concurred in the determination that the Village of Cooperstown Board of Trustees (the “Board of Trustees”) is the “lead agency” with respect to SEQRA and (B) acknowledged receipt of a negative declaration from the Board of Trustees dated May 24, 2021 (the “Negative Declaration”), in which the Board of Trustees determined the Project to be an “unlisted action” that will not have a “significant environmental impact on the environment” and accordingly, that an environmental impact statement is not required to be prepared with respect to the Project (as such quoted terms are defined in SEQRA); and

WHEREAS, by resolution adopted by the members of the Agency on December 23, 2021 (the “2021 Mortgage/Sales Tax Approval Resolution”), the Agency determined, prior to the Public Hearing, (A) to grant a portion of the Financial Assistance consisting of the exemption from (1) mortgage recording tax and (2) sales tax, which exemption from sales tax and mortgage recording tax will be limited to an amount not to exceed \$100,000 and (B) to enter into a lease agreement dated as of January 1, 2022 (the “Lease Agreement”) between the Agency and the Company and certain other documents related thereto and to the Project (collectively with the Lease Agreement, the “Basic Documents”). Pursuant to the terms of the Lease Agreement, (A) the Company will agree (1) to cause the Project to be undertaken and completed, and (2) as agent of the Agency, to undertake and complete the Project and (B) the Agency has leased the Project Facility to the Company. The Lease Agreement grants to the Company certain options to acquire the Project Facility from the Agency; and

WHEREAS, pursuant to the authorization contained in a resolution adopted by the members of the Agency on December 23, 2021 (the “Public Hearing Resolution”), the Chief Executive Officer of the Agency (A) caused notice of a public hearing of the Agency (the “Public Hearing”) pursuant to Section 859-a of the Act, to hear all persons interested in the Project and the financial assistance being contemplated by the Agency with respect to the Project, to be mailed on January 11, 2022 to the chief executive officers of the county and of each city, town, village and school district in which the Project is or is to be located, (B) caused notice of the Public Hearing to be posted on January 5, 2022 on a bulletin board located at 197 Main Street, 2<sup>nd</sup> Floor in the Town of Otsego, Village of Cooperstown, Otsego County, New York and on January 10, 2022 on the Agency’s website, (C) caused notice of the Public Hearing to be published on January 12, 2022 in the Daily Star, a newspaper of general circulation available to the residents of the Town of Otsego, Village of Cooperstown, Otsego County, New York, (D) conducted the Public Hearing on January 24, 2022 at 10:00 o’clock a.m., local time in the Board Room of the County Office Building located at 197 Main Street in the Town of Otsego, Village of Cooperstown, Otsego County, New York, and (E) prepared a report of the Public Hearing (the “Hearing Report”) fairly summarizing the views presented at such Public Hearing and caused copies of said Hearing Report to be made available to the members of the Agency; and

WHEREAS, on January 13, 2022 (the “Closing”), the Agency granted a portion of the Financial Assistance to the Company in connection with the Project and executed and delivered the Lease Agreement and certain of the Basic Documents; and

WHEREAS, by further resolution adopted by the members of the Agency on February 24, 2022 (the “Commercial Finding Resolution”), the Agency determined that the Project constituted a “commercial project” within the meaning of the Act; and

WHEREAS, by further resolution adopted by the members of the Agency on February 24, 2022 (the “Approving Resolution”), the Agency determined to (A) grant the remaining portion of the Financial Assistance relating to the Project, and (B) execute and deliver a certain payment in lieu of tax agreement dated as of February 1, 2023 (the “Payment in Lieu of Tax Agreement”) by and between the Agency and the Company, pursuant to which the Company will agree to pay certain payments in lieu of taxes with respect to the Project Facility; and

WHEREAS, under the present provisions of the Act and Section 412-a of the Real Property Tax Law of the State of New York (the “Real Property Tax Law”), upon the filing by the Agency of the Real Property Tax Exemption Form, the Agency is required to pay no taxes or assessments upon any of the property acquired by it or under its jurisdiction or supervision or control; and

WHEREAS, pursuant to the provisions of Section 6.6 of the Lease Agreement, the Company has agreed to make payments in lieu of taxes with respect to the Project Facility in an amount equivalent to normal taxes, provided that, so long as this Payment in Lieu of Tax Agreement shall be in effect, the Company shall during the term of this Payment in Lieu of Tax Agreement make payments in lieu of taxes in the amounts and in the manner provided in this Payment in Lieu of Tax Agreement, and during such period the provisions of Section 6.6 of the Lease Agreement shall not control the amounts due as payment in lieu of taxes with respect to that portion of the Project Facility which is covered by this Payment in Lieu of Tax Agreement; and

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

NOW, THEREFORE, in consideration of the matters above recited, the parties hereto formally covenant, agree and bind themselves as follows, to wit:

## ARTICLE I

### REPRESENTATIONS AND WARRANTIES

SECTION 1.01. REPRESENTATIONS OF AND WARRANTIES BY THE AGENCY. The Agency does hereby represent, warrant and covenant as follows:

(A) Power. The Agency is a public benefit corporation of the State, has been duly established under the provisions of the Act, is validly existing under the provisions of the Act and has the power under the laws of the State of New York to enter into the transactions contemplated by this Payment in Lieu of Tax Agreement and to carry out the transactions contemplated hereby and to perform and carry out all covenants and obligations on its part to be performed under and pursuant to this Payment in Lieu of Tax Agreement hereunder.

(B) Authorization. The Agency is authorized and has the corporate power under the Act, its by-laws and the laws of the State to enter into this Payment in Lieu of Tax Agreement and the transactions contemplated hereby and to perform and carry out all the covenants and obligations on its part to be performed under and pursuant to this Payment in Lieu of Tax Agreement. By proper corporate action on the part of its members, the Agency has duly authorized the execution, delivery and performance of this Payment in Lieu of Tax Agreement and the consummation of the transactions herein contemplated.

(C) Conflicts. The Agency is not prohibited from entering into this Payment in Lieu of Tax Agreement and discharging and performing all covenants and obligations on its part to be performed under and pursuant to this Payment in Lieu of Tax Agreement by the terms, conditions or provisions of any order, judgment, decree, law, ordinance, rule or regulation of any court or other agency or authority of government, or any agreement or instrument to which the Agency is a party or by which the Agency is bound.

SECTION 1.02. REPRESENTATIONS OF AND WARRANTIES BY THE COMPANY. The Company does hereby represent, warrant and covenant as follows:

(A) Power. The Company is a limited liability company duly organized and validly existing under the laws of the State of New York, is duly authorized to do business in the State of New York and has the power under the laws of the State to enter into this Payment in Lieu of Tax Agreement and the transactions contemplated hereby and to perform and carry out all covenants and obligations on its part to be performed under and pursuant to this Payment in Lieu of Tax Agreement, and by proper action of its member has been duly authorized to execute, deliver and perform this Payment in Lieu of Tax Agreement.

(B) Authorization. The Company is authorized and has the power under its Articles of Organization, Operating Agreement and the laws of the State to enter into this Payment in Lieu of Tax Agreement and the transactions contemplated hereby and to perform and carry out all covenants and obligations on its part to be performed under and pursuant to this Payment in Lieu of Tax Agreement. By proper action of its member, the Company has duly authorized the execution, delivery and performance of this Payment in Lieu of Tax Agreement and the consummation of the transactions herein contemplated.

(C) Conflicts. The Company is not prohibited from entering into this Payment in Lieu of Tax Agreement and discharging and performing all covenants and obligations on its part to be performed under and pursuant to this Payment in Lieu of Tax Agreement by (and the execution, delivery and performance of this Payment in Lieu of Tax Agreement, the consummation of the transactions contemplated hereby and the fulfillment of and compliance with the provisions of this Payment in Lieu of Tax Agreement will not

conflict with or violate or constitute a breach of or a default under) the terms, conditions or provisions of its Articles of Organization or Operating Agreement or any other restriction, law, rule, regulation or order of any court or other agency or authority of government, or any contractual limitation, restriction or outstanding indenture, deed of trust, mortgage, loan agreement, other evidence of indebtedness or any other agreement or instrument to which the Company is a party or by which it or any of its property is bound, and neither the Company's entering into this Payment in Lieu of Tax Agreement nor the Company's discharging and performing all covenants and obligations on its part to be performed under and pursuant to this Payment in Lieu of Tax Agreement will be in conflict with or result in a breach of or constitute (with due notice and/or lapse of time) a default under any of the foregoing, or result in the creation or imposition of any lien of any nature upon any of the property of the Company under the terms of any of the foregoing, and this Payment in Lieu of Tax Agreement is the legal, valid and binding obligation of the Company enforceable in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium and other laws relating to or affecting creditors' rights generally and by general principles of equity (regardless of whether enforcement is sought in a proceeding in equity or at law).

(D) Governmental Consent. No consent, approval or authorization of, or filing, registration or qualification with, any governmental or public authority on the part of the Company is required as a condition to the execution, delivery or performance of this Payment in Lieu of Tax Agreement by the Company or as a condition to the validity of this Payment in Lieu of Tax Agreement.

## ARTICLE II

### COVENANTS AND AGREEMENTS

SECTION 2.01. TAX-EXEMPT STATUS OF THE PROJECT FACILITY. (A) Assessment of the Project Facility. Pursuant to Section 874 of the Act and Section 412-a of the Real Property Tax Law, the parties hereto understand that, upon acquisition of the Project Facility by the Agency and the filing by the Agency of a New York State Board of Real Property Services Form RP-412-a (a "Real Property Tax Exemption Form") with respect to the Project Facility, and for so long thereafter as the Agency shall own the Project Facility, the Project Facility shall be assessed by the various taxing entities having jurisdiction over the Project Facility, including, without limitation, any county, city, school district, town, village or other political unit or units wherein the Project Facility is located (such taxing entities being sometimes collectively hereinafter referred to as the "Taxing Entities", and each of such Taxing Entities being sometimes individually hereinafter referred to as a "Taxing Entity") as exempt upon the assessment rolls of the respective Taxing Entities prepared subsequent to the acquisition by the Agency of the leasehold interest to the Project Facility created by the Underlying Lease and the filing of the Real Property Tax Exemption Forms. The Company shall, promptly following acquisition by the Agency of the leasehold interest to the Project Facility created by the Underlying Lease, take such action as may be necessary to ensure that the Project Facility shall be assessed as exempt upon the assessment rolls of the respective Taxing Entities prepared subsequent to such acquisition by the Agency, including ensuring that a Real Property Tax Exemption Form shall be filed with the appropriate officer or officers of each respective Taxing Entity responsible for assessing properties on behalf of each such Taxing Entity (each such officer being hereinafter referred to as an "Assessor"). For so long thereafter as the Agency shall own such leasehold interest in the Project Facility, the Company shall take such further action as may be necessary to maintain such exempt assessment with respect to each Taxing Entity. The parties hereto understand that the Project Facility shall not be entitled to such tax-exempt status on the tax rolls of any Taxing Entity until the first tax year of such Taxing Entity following the tax status date of such Taxing Entity occurring subsequent to the date upon which the Agency becomes the owner of record of such leasehold interest in the Project Facility and the Real Property Tax Exemption Forms are filed with the Assessors. Pursuant to the provisions of the Lease Agreement, the Company will be required to pay all taxes and assessments lawfully levied and/or assessed against the Project Facility, including taxes and assessments levied for the current tax year and all subsequent tax years until the Project Facility shall be entitled to exempt status on the tax rolls of the respective Taxing Entities. The Agency will cooperate with the Company to obtain and preserve the tax-exempt status of the Project Facility.

(B) Special Assessments. The parties hereto understand that the tax exemption extended to the Agency by Section 874 of the Act and Section 412-a of the Real Property Tax Law does not entitle the Agency to exemption from special assessments and special ad valorem levies. Pursuant to the Lease Agreement, the Company will be required to pay all special assessments and special ad valorem levies lawfully levied and/or assessed against the Project Facility.

SECTION 2.02. PAYMENTS IN LIEU OF TAXES. (A) Agreement to Make Payments. The Company agrees that it shall make annual payments in lieu of property taxes in the amounts hereinafter provided to the respective Taxing Entities entitled to receive same pursuant to the provisions hereof. The Company also agrees to give the Assessors a copy of this Payment in Lieu of Tax Agreement. The payments due hereunder shall be paid by the Company to the respective appropriate officer or officers of the respective Taxing Entities charged with receiving payments of taxes for such Taxing Entities (such officers being collectively hereinafter referred to as the "Receivers of Taxes") for distribution by the Receivers of Taxes to the appropriate Taxing Entities entitled to receive same pursuant to the provisions hereof.

(B) Valuation of the Project Facility. (1) The value of the Project Facility for purposes of determining payments in lieu of taxes due hereunder (hereinafter referred to as the "Assessed Value") shall be determined by the appropriate Assessors. The Company agrees to give the Assessors a copy of this Payment in Lieu of Tax Agreement. The parties hereto agree that the Assessors shall (a) appraise the Land in the same manner as other similar properties in the general area of the Land, (b) place an Assessed Value upon the Land, equalized if necessary by using the appropriate equalization rates as apply in the assessment and levy of real property taxes, (c) appraise the Facility and any portion of the Equipment assessable as real property pursuant to the New York Real Property Tax Law (collectively with the Facility, the "Improvements") in the same manner as other similar properties in the general area of the Improvements, and (d) place an Assessed Value upon the Improvements, equalized if necessary by using the appropriate equalization rates as apply in the assessment and levy of real property taxes. The Company shall be entitled to written notice of the initial determination of the Assessed Value of the Improvements and of any change in the Assessed Value of the Land or the Improvements.

(2) If the Company is dissatisfied with the amount of the Assessed Value of the Improvements as initially established or with the amount of the Assessed Value of the Land or the Improvements as changed, and if the Company shall be entitled to challenge the Assessed Value in accordance with the terms and conditions contained in Article 7 of the Real Property Tax Law. The Company shall be entitled to take any actions under Article 7 of the Real Property Tax Law notwithstanding the fact that the Agency has an interest in the Land or the Improvements pursuant to the Lease to Agency.

(3) If the Company determines to challenge the Assessed Value of the Project Facility in accordance with the terms and conditions contained in Article 7 of the Real Property Tax Law, the Company agrees to provide written notice of such intention to file such challenge to the Agency, the County of Otsego, the Town of Cooperstown, the Village of Cooperstown and the Cooperstown Central School District at least forty-five (45) days prior to any filing under Article 7 of the Real Property Tax Law.

(C) Amount of Payments in Lieu of Taxes. The payments in lieu of taxes to be paid by the Company to the Receivers of Taxes annually on behalf of each Taxing Entity pursuant to the terms of this Payment in Lieu of Tax Agreement shall be computed separately for each Taxing Entity as follows:

(1) First, determine the amount of general taxes and general assessments (hereinafter referred to as the "Normal Tax") which would be payable to each Taxing Entity if the Land was owned by the Company and not the Agency by multiplying (a) the Assessed Value of the Land determined pursuant to Subsection (B) of this Section 2.02, by (b) the tax rate or rates of such Taxing Entity that would be applicable to the Land if the Land was owned by the Company and not the Agency.

(2) In each tax year during the term of this Payment in Lieu of Tax Agreement, commencing on the first tax year following the date on which the Land shall be assessed as exempt on the assessment roll of any Taxing Entity, the amount payable by the Company to the Receivers of Taxes on behalf of each Taxing Entity as a payment in lieu of property tax pursuant to this Payment in Lieu of Tax Agreement with respect to the Land shall be an amount equal to one hundred percent (100%) of the Normal Tax due each Taxing Entity with respect to the Land for such tax year.

(3) Next, determine the Normal Tax which would be payable to each Taxing Entity if the Facility and any portion of the Equipment assessable as real property pursuant to the New York Real Property Tax Law (collectively with the Facility, the "Improvements") were owned by the

Company and not the Agency by multiplying (a) the Assessed Value of the Improvements determined pursuant to Subsection (B) of this Section 2.02, by (b) the tax rate or rates of such Taxing Entity that would be applicable to the Improvements if the Improvements were owned by the Company and not the Agency.

(4) In each tax year during the term of this Payment in Lieu of Tax Agreement, commencing on the first tax year following the date on which the Improvements shall be assessed as exempt on the assessment roll of any Taxing Entity, the amount payable by the Company to the Receivers of Taxes on behalf of each Taxing Entity as a payment in lieu of property tax pursuant to this Payment in Lieu of Tax Agreement with respect to the Improvements shall be an amount equal to the applicable percentage of the Normal Tax due each Taxing Entity with respect to the Improvements for such tax year, as shown in the following table:

<u>Tax Year Commencing in Calendar Year</u>	<u>County/Town Percentage of Normal Tax on Assessed Value of the Improvements</u>	<u>Village Percentage of Normal Tax on Assessed Value of the Improvements</u>	<u>School Percentage of Normal Tax on Assessed Value of the Improvements</u>
2022	100%	100%	0%
2023	100%	100%	0%
2024	0%	0%	0%
2025	0%	0%	0%
2026	0%	0%	0%
2027	0%	0%	0%
2028	0%	0%	0%
2029	0%	0%	10%
2030	10%	10%	20%
2031	20%	20%	30%
2032	30%	30%	40%
2033	40%	40%	50%
2034	50%	50%	60%
2035	60%	60%	70%
2036	70%	70%	80%
2037	80%	80%	90%
2038	90%	90%	100%
2039 and thereafter during the term of this Payment in Lieu of Tax Agreement	100%	100%	100%

(5) In each tax year during the term of this Payment in Lieu of Tax Agreement, commencing on the first tax year following the date on which any portion of the Project Facility shall be assessed as exempt on the assessment roll of any Taxing Entity, the amount payable by the Company to the Receivers of Taxes on behalf of each Taxing Entity as a payment in lieu of property tax pursuant to this Payment in Lieu of Tax Agreement with respect to the Project Facility shall be

the sum of (a) the amount due each Taxing Entity with respect to the Land for such tax year, as determined pursuant to Subsection (C)(2) hereof, **plus** (b) the amount due each Taxing Entity with respect to the Improvements for such tax year, as determined pursuant to Subsection (C)(4) hereof.

(D) Additional Amounts in Lieu of Taxes. Commencing on the first tax year following the date on which any structural addition shall be made to the Project Facility or any portion thereof or any additional building or other structure shall be constructed on the Land (such structural additions and additional buildings and other structures being hereinafter referred to as "Additional Facilities") the Company agrees to make additional annual payments in lieu of property taxes with respect to such Additional Facilities (such additional payments being hereinafter collectively referred to as "Additional Payments") to the Receivers of Taxes with respect to such Additional Facilities, such Additional Payments to be computed separately for each Taxing Entity as follows:

(1) Determine the amount of general taxes and general assessments (hereinafter referred to as the "Additional Normal Tax") which would be payable to each Taxing Entity with respect to such Additional Facilities if such Additional Facilities were owned by the Company and not the Agency as follows: (a) multiply the Additional Assessed Value (as hereinafter defined) of such Additional Facilities determined pursuant to subsection (E) of this Section 2.02 by (b) the tax rate or rates of such Taxing Entity that would be applicable to such Additional Facilities if such Additional Facilities were owned by the Company and not the Agency, and (c) reduce the amount so determined by the amounts of any tax exemptions that would be afforded to the Company by such Taxing Entity if such Additional Facilities were owned by the Company and not the Agency.

(2) In each fiscal tax year during the term of this Payment in Lieu of Tax Agreement (commencing in the fiscal tax year when such Additional Facilities would first appear on the assessment roll of any Taxing Entity) if such Additional Facilities were owned by the Company and not the Agency, the amount payable by the Company to the Receivers of Taxes on behalf of each Taxing Entity as a payment in lieu of property tax with respect to such Additional Facilities pursuant to this Payment in Lieu of Tax Agreement shall be an amount equal to one hundred percent (100%) of the Normal Tax due each Taxing Entity with respect to such Additional Facilities for such fiscal tax year (unless the Agency and the Company shall enter into a separate written agreement regarding payments in lieu of property taxes with respect to such Additional Facilities, in which case the provisions of such separate written agreement shall control).

(E) Valuation of Additional Facilities. (1) The value of Additional Facilities for purposes of determining payments in lieu of taxes due under Section 2.02(D) hereof shall be determined by the Assessors of each respective Taxing Entity. The parties hereto agree that the Assessors shall (a) appraise the Additional Facilities in the same manner as other similar properties in the general area of the Project Facility, and (b) place a value for assessment purposes (hereinafter referred to as the "Additional Assessed Value") upon the Additional Facilities, equalized if necessary by using the appropriate equalization rates as apply in the assessment and levy of real property taxes. The Company shall be entitled to written notice of the initial establishment of such Additional Assessed Value and of any change in such Additional Assessed Value.

(2) If the Company is dissatisfied with the amount of the Additional Assessed Value of the Additional Facilities as initially established or as changed, and if the Company shall be entitled to challenge the Assessed Value in accordance with the terms and conditions contained in Article 7 of the Real Property Tax Law. The Company shall be entitled to take any actions under Article 7 of the Real Property Tax Law notwithstanding the fact that the Agency has an interest in the Additional Facilities pursuant to the Lease to Agency.



(F) Statements. Pursuant to Section 858(15) of the Act, the Agency agrees to give each Taxing Entity a copy of this Payment in Lieu of Tax Agreement within fifteen (15) days of the execution and delivery hereof, together with a request that a copy hereof be given to the appropriate officer or officers of the respective Taxing Entities responsible for preparing the tax rolls for said Tax Entities (each, a "Tax Billing Officer") and a request that said Tax Billing Officers submit to the Company and to the appropriate Receiver of Taxes periodic statements specifying the amount and due date or dates of the payments due each Taxing Entity hereunder, such periodic statements to be submitted to the Company at approximately the times that tax bills are mailed by such Taxing Entities.

(G) Time of Payments. The Company agrees to pay the amounts due hereunder to the Receivers of Taxes for the benefit of each particular Taxing Entity in any fiscal tax year to the appropriate Receiver of Taxes within the period that such Taxing Entity allows payment of taxes levied in such fiscal tax year without penalty. The Company shall be entitled to receive receipts for such payments.

(H) Method of Payment. All payments by the Company hereunder shall be paid to the Receivers of Taxes in lawful money of the United States of America. The Receivers of Taxes shall in turn distribute the amounts so paid to the various Taxing Entities entitled to same.

SECTION 2.03. CREDIT FOR TAXES PAID. (A) Amount of Credit. The parties hereto acknowledge and agree that the obligation of the Company to make the payments provided in Section 2.02 of this Payment in Lieu of Tax Agreement shall be in addition to any and all other taxes and governmental charges of any kind whatsoever which the Company may be required to pay under the Lease Agreement. It is understood and agreed, however, that, should the Company pay in any fiscal tax year to any Taxing Entity any amounts in the nature of general property taxes, general assessments, service charges or other governmental charges of a similar nature levied and/or assessed upon the Project Facility or the interest therein of the Company or the occupancy thereof by the Company (but not including, by way of example, (1) sales and use taxes, and (2) special assessments, special ad valorem levies or governmental charges in the nature of utility charges, including but not limited to water, solid waste, sewage treatment or sewer or other rents, rates or charges), then the Company's obligation to make payments in lieu of property taxes attributed to such fiscal tax year to such Taxing Entity hereunder shall be reduced by the amounts which the Company shall have so paid to such Taxing Entity in such fiscal tax year, but there shall be no cumulative or retroactive credit as to any payment in lieu of property taxes due to any other Taxing Entity or as to any payment in lieu of property taxes due to such Taxing Entity in any other fiscal tax year.

(B) Method of Claiming Credits. If the Company desires to claim a credit against any particular payment in lieu of tax due hereunder, the Company shall give the governing body of the affected Taxing Entity and the Agency prior written notice of its intention to claim any credit pursuant to the provision of this Section 2.03, said notice to be given by the Company at least thirty (30) days prior to the date on which such payment in lieu of tax is due pursuant to the provisions of Section 2.02(G) hereof. In the event that the governing body of the appropriate Taxing Entity desires to contest the Company's right to claim such credit, then said governing body, the Agency and the Company shall each select an arbitrator in accordance with the rules of the American Arbitration Association, each of whom shall meet the qualifications set forth in Section 2.02(B) hereof, which arbitrators shall, at the sole cost and expense of the Company, determine whether the Company is entitled to claim any credit pursuant to the provisions of this Section 2.03 and, if so, the amount of the credit to which the Company is entitled. It is understood that the arbitrators are empowered to confirm the amount of the credit claimed by the Company or to determine a lower or higher credit. When the Company shall have given notice, as provided herein, that it claims a credit, the amount of any payment in lieu of property taxes due hereunder against which the credit may be claimed may be withheld (to the extent of the credit claimed by the Company, but only to the extent that such credit may be claimed against said payment in lieu of taxes pursuant to the provisions of this Section 2.03) until the decision of the arbitrators is rendered. After the decision of the arbitrators is rendered, the payment in lieu

of taxes due with respect to any reduction or disallowance by the arbitrators in the amount of the credit claimed by the Company shall, to the extent withheld as aforesaid, be immediately due and payable and shall be paid by the Company within thirty (30) days of said decision.

SECTION 2.04. LATE PAYMENTS. (A) First Month. Pursuant to Section 874(5) of the Act, if the Company shall fail to make any payment required by this Payment in Lieu of Tax Agreement when due, the Company shall pay the same, together with a late payment penalty equal to five percent (5%) of the amount due.

(B) Thereafter. If the Company shall fail to make any payment required by this Payment in Lieu of Tax Agreement when due and such delinquency shall continue beyond the first month, the Company's obligation to make the payment so in default shall continue as an obligation of the Company to the affected Taxing Entity until such payment in default shall have been made in full, and the Company shall pay the same to the affected Taxing Entity together with (1) a late payment penalty of one percent (1%) per month for each month, or part thereof, that the payment due hereunder is delinquent beyond the first month, plus (2) interest thereon, to the extent permitted by law, at the greater of (a) one percent (1%) per month, or (b) the rate per annum which would be payable if such amount were delinquent taxes, until so paid in full.

## ARTICLE III

### LIMITED OBLIGATION

SECTION 3.01. NO RECOURSE; LIMITED OBLIGATION OF THE AGENCY. (A) No Recourse. All obligations, covenants, and agreements of the Agency contained in this Payment in Lieu of Tax Agreement shall be deemed to be the obligations, covenants, and agreements of the Agency and not of any member, officer, agent, servant or employee of the Agency in his individual capacity, and no recourse under or upon any obligation, covenant or agreement contained in this Payment in Lieu of Tax Agreement, or otherwise based upon or in respect of this Payment in Lieu of Tax Agreement, or for any claim based thereon or otherwise in respect thereof, shall be had against any past, present or future member, officer, agent (other than the Company), servant or employee, as such, of the Agency or any successor public benefit corporation or political subdivision or any person executing this Payment in Lieu of Tax Agreement on behalf of the Agency, either directly or through the Agency or any successor public benefit corporation or political subdivision or any person so executing this Payment in Lieu of Tax Agreement, it being expressly understood that this Payment in Lieu of Tax Agreement is a corporate obligation, and that no such personal liability whatever shall attach to, or is or shall be incurred by, any such member, officer, agent (other than the Company), servant or employee of the Agency or of any successor public benefit corporation or political subdivision or any person so executing this Payment in Lieu of Tax Agreement under or by reason of the obligations, covenants or agreements contained in this Payment in Lieu of Tax Agreement or implied therefrom; and that any and all such personal liability of, and any and all such rights and claims against, every such member, officer, agent (other than the Company), servant or employee under or by reason of the obligations, covenants or agreements contained in this Payment in Lieu of Tax Agreement or implied therefrom are, to the extent permitted by law, expressly waived and released as a condition of, and as a consideration for, the execution of this Payment in Lieu of Tax Agreement by the Agency.

(B) Limited Obligation. The obligations, covenants and agreements of the Agency contained herein shall not constitute or give rise to an obligation of the State of New York or Otsego County, New York, and neither the State of New York nor Otsego County, New York shall be liable thereon, and further such obligations, covenants and agreements shall not constitute or give rise to a general obligation of the Agency, but rather shall constitute limited obligations of the Agency payable solely from the revenues of the Agency derived and to be derived from the lease, sale or other disposition of the Project Facility (except for revenues derived by the Agency with respect to the Unassigned Rights, as defined in the Lease Agreement).

(C) Further Limitation. Notwithstanding any provision of this Payment in Lieu of Tax Agreement to the contrary, the Agency shall not be obligated to take any action pursuant to any provision hereof unless (1) the Agency shall have been requested to do so in writing by the Company, and (2) if compliance with such request is reasonably expected to result in the incurrence by the Agency (or any of its members, officers, agents, servants or employees) of any liability, fees, expenses or other costs, the Agency shall have received from the Company security or indemnity and an agreement from the Company to defend and hold harmless the Agency satisfactory to the Agency for protection against all such liability, however remote, and for the reimbursement of all such fees, expenses and other costs.

## ARTICLE IV

### EVENTS OF DEFAULT

SECTION 4.01. EVENTS OF DEFAULT. Any one or more of the following events shall constitute an event of default under this Payment in Lieu of Tax Agreement, and the terms "Event of Default" or "default" shall mean, whenever they are used in this Payment in Lieu of Tax Agreement, any one or more of the following events:

(A) Failure of the Company to pay when due any amount due and payable by the Company pursuant to this Payment in Lieu of Tax Agreement and continuance of said failure for a period of fifteen (15) days after written notice to the Company stating that such payment is due and payable;

(B) Failure of the Company to observe and perform any other covenant, condition or agreement on its part to be observed and performed hereunder (other than as referred to in paragraph (A) above) and continuance of such failure for a period of thirty (30) days after written notice to the Company specifying the nature of such failure and requesting that it be remedied; provided that if such default cannot reasonably be cured within such thirty (30) day period and if the Company shall have commenced action to cure the breach of covenant, condition or agreement within said thirty (30) day period and thereafter diligently and expeditiously proceeds to cure the same, such thirty (30) day period shall be extended for so long as the Company shall require in the exercise of due diligence to cure such default, it being agreed that no such extension shall be for a period in excess of ninety (90) days in the aggregate from the date of default; or

(C) Any warranty, representation or other statement by or on behalf of the Company contained in this Payment in Lieu of Tax Agreement shall prove to have been false or incorrect in any material respect on the date when made or on the effective date of this Payment in Lieu of Tax Agreement and (1) shall be materially adverse to the Agency at the time when the notice referred to below shall have been given to the Company and (2) if curable, shall not have been cured within thirty (30) days after written notice of such incorrectness shall have been given to a responsible officer of the Company, provided that if such incorrectness cannot reasonably be cured within said thirty-day period and the Company shall have commenced action to cure the incorrectness within said thirty-day period and, thereafter, diligently and expeditiously proceeds to cure the same, such thirty-day period shall be extended for so long as the Company shall require, in the exercise of due diligence, to cure such default.

SECTION 4.02. REMEDIES ON DEFAULT. (A) General. Whenever any Event of Default shall have occurred with respect to this Payment in Lieu of Tax Agreement, the Agency (or if such Event of Default concerns a payment required to be made hereunder to any Taxing Entity, then with respect to such Event of Default such Taxing Entity) may take whatever action at law or in equity as may appear necessary or desirable to collect the amount then in default or to enforce the performance and observance of the obligations, agreements and covenants of the Company under this Payment in Lieu of Tax Agreement.

(B) Cross-Default. In addition, an Event of Default hereunder shall constitute an event of default under Article X of the Lease Agreement. Upon the occurrence of an Event of Default hereunder resulting from a failure of the Company to make any payment required hereunder, the Agency shall have, as a remedy therefor under the Lease Agreement, among other remedies, the right to terminate the Lease Agreement and convey the Project Facility to the Company, thus subjecting the Project Facility to immediate full taxation pursuant to Section 520 of the Real Property Tax Law of the State.

(C) Separate Suits. Each such Event of Default shall give rise to a separate cause of action hereunder and separate suits may be brought hereunder as each cause of action arises.

(D) Venue. The Company irrevocably agrees that any suit, action or other legal proceeding arising out of this Payment in Lieu of Tax Agreement may be brought in the courts of record of the State, consents to the jurisdiction of each such court in any such suit, action or proceeding, and waives any objection which it may have to the laying of the venue of any such suit, action or proceeding in any of such courts.

SECTION 4.03. PAYMENT OF ATTORNEY'S FEES AND EXPENSES. Pursuant to Section 874(6) of the Act, if the Company should default in performing any of its obligations, covenants or agreements under this Payment in Lieu of Tax Agreement and the Agency or any Taxing Entity should employ attorneys or incur other expenses for the collection of any amounts payable hereunder or for the enforcement of performance or observance of any obligation, covenant or agreement on the part of the Company herein contained, the Company agrees that it will, on demand therefor, pay to the Agency or such Taxing Entity, as the case may be, not only the amounts adjudicated due hereunder, together with the late payment penalty and interest due thereon, but also the reasonable fees and disbursements of such attorneys and all other expenses, costs and disbursements so incurred, whether or not an action is commenced.

SECTION 4.04. REMEDIES; WAIVER AND NOTICE. (A) No Remedy Exclusive. No remedy herein conferred upon or reserved to the Agency or any Taxing Entity is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Payment in Lieu of Tax Agreement or now or hereafter existing at law or in equity or by statute.

(B) Delay. No delay or omission in exercising any right or power accruing upon the occurrence of any Event of Default hereunder shall impair any such right or power or shall be construed to be a waiver thereof, but any such right or power may be exercised from time to time and as often as may be deemed expedient.

(C) Notice Not Required. In order to entitle the Agency or any Taxing Entity to exercise any remedy reserved to it in this Payment in Lieu of Tax Agreement, it shall not be necessary to give any notice, other than such notice as may be expressly required in this Payment in Lieu of Tax Agreement.

(D) No Waiver. In the event any provision contained in this Payment in Lieu of Tax Agreement should be breached by any party and thereafter duly waived by the other party so empowered to act, such waiver shall be limited to the particular breach so waived and shall not be deemed to be a waiver of any other breach hereunder. No waiver, amendment, release or modification of this Payment in Lieu of Tax Agreement shall be established by conduct, custom or course of dealing.

## ARTICLE V

### MISCELLANEOUS

SECTION 5.01. TERM. (A) General. This Payment in Lieu of Tax Agreement shall become effective and the obligations of the Company shall arise absolutely and unconditionally upon the approval of this Payment in Lieu of Tax Agreement by resolution of the Agency and the execution and delivery of this Payment in Lieu of Tax Agreement by the Company and the Agency. Unless otherwise provided by amendment hereof, this Payment in Lieu of Tax Agreement shall continue to remain in effect until the earlier to occur of (1) December 31, 2038 or (2) the date on which the Project Facility is reconveyed by the Agency to the Company pursuant to Article X or XI of the Lease Agreement.

(B) Extended Term. In the event that (1) the Project Facility shall be reconveyed to the Company, (2) on the date on which the Company obtains the Agency's interest in the Project Facility, the Project Facility shall be assessed as exempt upon the assessment roll of any one or more of the Taxing Entities, and (3) the fact of obtaining title to the Agency's interest in the Project Facility shall not immediately obligate the Company to make pro-rata tax payments pursuant to legislation similar to Chapter 635 of the 1978 Laws of the State (codified as subsection 3 of Section 302 of the Real Property Tax Law and Section 520 of the Real Property Tax Law), this Payment in Lieu of Tax Agreement shall remain in full force and effect and the Company shall be obligated to make payments to the Receiver of Taxes in amounts equal to those amounts which would be due from the Company to the respective Taxing Entities if the Project Facility were owned by the Company and not the Agency until the first tax year in which the Company shall appear on the tax rolls of the various Taxing Entities having jurisdiction over the Project Facility as the legal owner of record of the Project Facility.

SECTION 5.02. FORM OF PAYMENTS. The amounts payable under this Payment in Lieu of Tax Agreement shall be payable in such coin and currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts.

SECTION 5.03. COMPANY ACTS. Where the Company is required to do or accomplish any act or thing hereunder, the Company may cause the same to be done or accomplished with the same force and effect as if done or accomplished by the Company.

SECTION 5.04. AMENDMENTS. This Payment in Lieu of Tax Agreement may not be effectively amended, changed, modified, altered or terminated except by an instrument in writing executed by the parties hereto.

SECTION 5.05. NOTICES. (A) General. All notices, certificates or other communications hereunder shall be in writing and may be personally served, telecopied or sent by courier service or United States mail and shall be sufficiently given and shall be deemed given when (1) delivered in person or by courier to the applicable address stated below, (2) when received by telecopy or (3) three business days after deposit in the United States, by United States mail (registered or certified mail, postage prepaid, return receipt requested, properly addressed), or (4) when delivered by such other means as shall provide the sender with documentary evidence of such delivery, or when delivery is refused by the addressee, as evidenced by the affidavit of the Person who attempted to effect such delivery.

(B) Notices Given by Taxing Entities. Notwithstanding the foregoing, notices of assessment or reassessment of the Project Facility and other notices given by a Taxing Entity under Article II hereof shall be sufficiently given and shall be deemed given when given by the Taxing Entity in the same manner in which similar notices are given to owners of taxable properties by such Taxing Entity.

(C) Addresses. The addresses to which notices, certificates and other communications hereunder shall be delivered are as follows:

IF TO THE COMPANY:

ZAED Properties, LLC  
6106 State Highway 28  
Fly Creek, New York 13337  
Attention: Josh Edmonds, Partner

WITH A COPY TO:

Hobaica Law Office  
29 Pioneer Street, Suite 304  
Cooperstown, New York 13326  
Attention: Peter W. Hobaica, Esq.

IF TO THE AGENCY:

County of Otsego Industrial Development Agency  
189 Main Street, Suite 500  
Oneonta, New York 13820  
Attention: Chairman

WITH A COPY TO:

Kurt D. Schulte, Esq.  
12 Club Avenue  
Oneonta, New York 13820

and

Hodgson Russ LLP  
677 Broadway, Suite 301  
Albany, New York 12207  
Attention: A. Joseph Scott, III, Esq.

(D) Copies. A copy of any notice given hereunder by the Company which affects in any way a Taxing Entity shall also be given to the chief executive officer of such Taxing Entity.

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

SECTION 5.06. BINDING EFFECT. This Payment in Lieu of Tax Agreement shall inure to the benefit of, and shall be binding upon, the Agency, the Company and their respective successors and assigns. The provisions of this Payment in Lieu of Tax Agreement are intended to be for the benefit of the Agency and the respective Taxing Entities.

SECTION 5.07. SEVERABILITY. If any article, section, subdivision, paragraph, sentence, clause, phrase, provision or portion of this Payment in Lieu of Tax Agreement shall for any reason be held or

adjudged to be invalid or illegal or unenforceable by any court of competent jurisdiction, such article, section, subdivision, paragraph, sentence, clause, phrase, provision or portion so adjudged invalid, illegal or unenforceable shall be deemed separate, distinct and independent and the remainder of this Payment in Lieu of Tax Agreement shall be and remain in full force and effect and shall not be invalidated or rendered illegal or unenforceable or otherwise affected by such holding or adjudication.

SECTION 5.08. COUNTERPARTS. This Payment in Lieu of Tax Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 5.09. APPLICABLE LAW. This Payment in Lieu of Tax Agreement shall be governed by and construed in accordance with the laws of the State of New York.



IN WITNESS WHEREOF, the Agency and the Company have caused this Payment in Lieu of Tax Agreement to be executed in their respective names by duly authorized officers thereof, all being done as of the date first above written.

COUNTY OF OTSEGO INDUSTRIAL  
DEVELOPMENT AGENCY

BY: David Rowley  
(Vice) Chairman

ZAED PROPERTIES, LLC

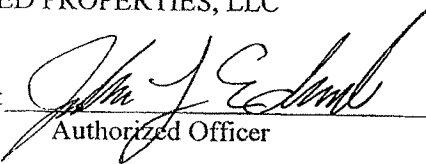
BY: \_\_\_\_\_  
Authorized Officer

IN WITNESS WHEREOF, the Agency and the Company have caused this Payment in Lieu of Tax Agreement to be executed in their respective names by duly authorized officers thereof, all being done as of the date first above written.

COUNTY OF OTSEGO INDUSTRIAL  
DEVELOPMENT AGENCY

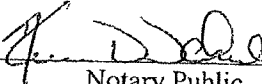
BY: \_\_\_\_\_  
(Vice) Chairman

ZAED PROPERTIES, LLC

BY:  \_\_\_\_\_  
Authorized Officer

STATE OF NEW YORK        )  
  )ss:  
COUNTY OF OTSEGO        )

On the 16<sup>th</sup> day of February, in the year 2023, before me, the undersigned, personally appeared David Rowley, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

  
\_\_\_\_\_  
Notary Public

**KURT D. SCHULTE**  
Notary Public, State of New York  
No. 02SC4800315  
Residing in Otsego Co.  
My Commission Expires 12/31/25

STATE OF NEW YORK     )  
  )ss:  
COUNTY OF OTSEGO     )

On the 24<sup>th</sup> day of February, in the year 2023, before me, the undersigned, personally appeared Josh Edmonds, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

PETER W. HOBAICA  
Notary Public, State of New York  
Reg. #02HOS125339  
Qualified in Oneida County  
My Commission Expires 4/11/2025


  
\_\_\_\_\_  
Notary Public

EXHIBIT A  
DESCRIPTION OF THE LEASED LAND  
-SEE ATTACHED-

Western Land Title Insurance Company  
Cooper Country Abstract Company, Inc.  
196 Main St., Cooperstown, NY 13326  
File No: C15495  
Policy Date:  
Policy #:

Borrower: Zaed Properties LLC  
Property Address: 17 Pine Boulevard & 10 Chestnut Street  
County of Otsego  
Town of Otsego and Village of Cooperstown  
Tax Map No: 115.18-2-49.00, 115.18-2-64.00, 115.18-2-63.02

SCHEDULE "A"

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Description

PARCEL ONE  
TM# 115.18-2-64.00

"ALL those tracts or parcels of land situate in the Village of Cooperstown, County of Otsego and State of New York, conveyed by The Hartford National Bank to Leatherstocking Corporation by deed dated December 10, 1942 and recorded in the Otsego County Clerk's Office December 18, 1942 in Liber 402 of Deeds at Page 111, and described therein as follows:

"All that Tract or Parcel of Land situate in the Village of Cooperstown, Town of Otsego, County of Otsego, New York, on the west side of Chestnut Street, it being a one fourth part of a lot of land late the property of Thomas Fuller, deceased, except an alley way therefrom of 13 feet immediately north of Caleb J. Paul's shop on Chestnut Street, and bounded as follows: Beginning 57 feet southerly from the southeast corner of the parcel of said lot heretofore conveyed Abraham Moore, thence northerly along the west side of Chestnut Street, 57 feet to the southeast corner of said Abraham V. Moore's lot; thence westerly along the line of the said Moore's lot to the east side of an alley 30 feet wide at each end in rear of said lot; thence southerly on the east side of said alley 47 feet 2 inches; thence easterly to the place of beginning, together with the right of way through an alley heretofore opened on the north side of Caleb J. Paul's shop to be 13 feet wide at each end, and the right of way in an alley, intersecting the same and running northerly to William H. Averell's land 30 feet at each end, and according to a map or plan thereof made by Harvey Clark, and to which parties for greater certainty refer themselves, and being the same land and premises conveyed by Herbert M. Coburn and wife to Isaac Fitch on or about October 14, 1842, which deed is recorded in the Otsego County Clerk's Office in Book No. 75 of Conveyances page 61, &c .

"Also all that certain other piece or parcel of land situate and lying and being in the Village of Cooperstown aforesaid on the west side of Chestnut Street, granted or released by William Wilson and wife to Perry G. Tanner by deed bearing date on or about April 2, 1856, and recorded in said Clerk's Office in Book 106 of Conveyances on page 410, bounded as follows: Beginning at the northeast corner of my lot (being a lot now owned by Mary A. Antisdell) and runs thence south on said Street about three feet to the end of an iron fence built by the said Tanner; thence westerly along said iron fence to the northeast corner of my house, being the house of said Antisdell; thence easterly along my northerly line to the place of beginning, being a strip or wedge of land lying north and west of the iron fence aforesaid, as the same is now fenced.

"(Three reference paragraphs deleted).

"Excepting, however, from the premises hereby conveyed the portion thereof heretofore conveyed by the party hereto of the first part to Edward Severin Clark, of the Town of Otsego, N. Y., by deed dated December 2nd, 1930, and recorded in the Otsego County Clerk's Office in Book 356 of Deeds at page 176, on December 3rd, 1930; and

"Subject, also, to certain rights, including rights of way over a portion of the premises hereby conveyed, granted by the aforesaid deed of the party hereto of the first part to said Edward Severin Clark, the premises and rights granted to said Edward Severin Clark by the aforesaid deed being therein described as follows:

Westcor Land Title Insurance Company  
Cooper County Abstract Company, Inc.  
196 Main St., Cooperstown, NY 13326  
File No: C15495  
Policy Date:  
Policy #:

Borrower: Zaed Properties LLC  
Property Address: 17 Pine Boulevard & 10 Chestnut Street  
County of Otsego  
Town of Otsego and Village of Cooperstown  
Tax Map No: 115.18-2-49.00, 115.18-2-64.00, 115.18-2-63.02

SCHEDULE "A"  
Description

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"All that tract or parcel of land, with the building thereon erected, situate in the Village of Cooperstown in the County of Otsego, and State of New York, bounded and described as follows: to wit:

"Beginning at the northwest corner of a parcel of land owned by the party hereto of the first part (known as the Chestnut Street Garage Property), which is also the northwest corner of premises herein intended to be conveyed and the southwest corner of premises now known as the Fanny Root property (formerly Abraham V. Moore's lot); running thence thirty (30) feet in a southerly direction along the easterly side of an alley, which alley runs northerly to lands formerly of William H. Averell; thence easterly and for part of the distance along the southerly side of the blacksmith shop now on the parcel of land hereby conveyed thirty-five (35) feet four (4) inches; thence northerly and parallel with the first hereinabove described line thirty-one (31) feet six (6) inches to the Root property line; thence westerly along the line of the Root property to the place of beginning;

"Together with a right of way over the lands of the party hereto of the first part (being the remaining rear portion of the Chestnut Street Garage Property above mentioned), adjoining the herein conveyed premises on the southerly and easterly sides thereof so as to permit ingress and egress for men and vehicles at all times to the lands hereto conveyed, and also the right to use said right of way for the purpose of repairs, additions or alterations to the building now on the premises hereby conveyed or for the construction, repair or alteration of any other building or buildings which may be constructed on said premises;

"Together with the right, in so far as the grantor is vested with power to grant the same, to use at all times for ingress and egress to the parcel of land hereby conveyed, the alley adjoining the westerly side of the herein described premises and the alley connecting therewith and leading therefrom to Chestnut Street in the Village of Cooperstown aforesaid.

"(Four reference paragraphs deleted).

"Being the same premises shown and described as the "Chestnut Street Garage" property on a map entitled "Map of Chestnut Street Garage property situate at No. 10 on the west side of Chestnut Street in the Village of Cooperstown, County of Otsego, and State of New York" made January 5th, 1953 by William Carter Burnett and filed in the Otsego County Clerk's Office."

Being the same premises conveyed by Harry W. Smith to Harry W. Smith Real Estate Corp. by deed dated December 15, 1957 and recorded in the Otsego County Clerk's Office on January 10, 1958 in Liber 480 of Deeds at page 42.

Westcor Land Title Insurance Company  
Cooper Country Abstract Company, Inc.  
196 Main St., Cooperstown, NY 13326  
File No: C15495  
Policy Date:  
Policy #:

Borrower: Zaed Properties LLC  
Property Address: 17 Pine Boulevard & 10 Chestnut Street  
County of Otsego  
Town of Otsego and Village of Cooperstown  
Tax Map No: 115.18-2-49.00, 115.18-2-64.00, 115.18-2-63.02

SCHEDULE "A"  
Description

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Parcel II

"ALL THAT TRACT OR PARCEL OF LAND described in a deed dated December 2, 1930, from Leatherstocking Corporation to Edward Severin Clark and recorded in the Otsego County Clerk's Office on December 3, 1930, in Liber 356 of Deeds at Page 176 as follows:

"ALL that tract or parcel of land, with the building thereon erected, situate in the Village of Cooperstown in the County of Otsego and State of New York, bounded and described as follows, to wit: BEGINNING at the northwest corner of a parcel of land owned by the party hereto of the first part (known as the Chestnut Street Garage Property), which is also the northwest corner of the premises herein intended to be conveyed and the southwest corner of premises now known as the Fanny Root property (formerly Abraham V. Moore's lot); running thence thirty (30) feet in a southerly direction along the easterly side of an alley, which alley runs northerly to lands (formerly of William H. Averell; thence easterly and for part of the distance along the southerly side of the blacksmith shop now on the parcel of land hereby conveyed thirty-five (35) feet four (4) inches; thence northerly and parallel with the first hereinabove described line thirty-one (31) feet six (6) inches to the Root property line; thence westerly along the line of the Root property to the place of beginning."

"Together with the right, insofar as grantor is vested with power to grant the same, to use for ingress and egress to the parcel herein conveyed, the alley adjoining the westerly side of the herein described premises and the alley connecting therewith and leading therefrom to Chestnut Street in the Village of Cooperstown aforesaid.

"Being the same premises as "PARCEL I." described in a deed from Leatherstocking Corporation to Harry W. Smith Real Estate Corp. dated December 31, 1958 and recorded in the Otsego County Clerk's Office January 9, 1959 in Liber 490 of Deeds at page 159.

"The above premises are also described as follows:

"ALL THAT TRACT OR PARCEL OF LAND situate and being in the Village of Cooperstown, County of Otsego and State of New York, and being more particularly described as follows: BEGINNING at a point formed by the intersection of the westerly line of Chestnut Street, (N. Y. State Rt. 80), with the division line between lands belonging to Mc Rorie and this parcel, said point being 54 feet northeasterly of the north line of a Public Lane; THENCE along the division lines between lands belonging to Mc Rorie and this parcel North 43° - 38' West a distance of 14.00 feet and North 55° - 30' West a distance of 149.60 feet, spike set; THENCE North 54° - 15' West, through a spike set, along the division line between lands belonging to Fritsch and this parcel a distance of 116.00 feet; THENCE North 34° - 45' East along the easterly line of a Public Lane a



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Property Address: 17 Pine Boulevard & 10 Chestnut Street  
County of Otsego  
Town of Otsego and Village of Cooperstown  
Tax Map No: 115.18-2-49.00, 115.18-2-64.00, 115.18-2-63.02

SCHEDULE "A"  
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distance of 47.17 feet; THENCE South 57° - 00' East along the division line between lands belonging to Bacurle and this parcel, through two iron rods found, a distance of 281.49 feet, "PK" nail set; THENCE South 36° - 43' West along the said westerly line of Chestnut Street to the point of place of beginning and containing 0.34 acres of land more or less.

"Subject to an easement conveyed by Harry W. Smith Real Estate Corp. to Karl Bacurle and Rose Bacurle by deed of even date, not yet recorded but intended to be recorded simultaneously herewith."

Being the same premises conveyed to Cooperstown Cards, Inc. from Harry W. Smith Real Estate Corp. by deed dated 7 April 1988 and recorded 8 April 1988 in the Otsego County Clerk's Office in Liber 727 of Deeds at page 289.

Westcor Land Title Insurance Company  
Cooper County Abstract Company, Inc.  
196 Main St., Cooperstown, NY 13326  
File No: C15495  
Policy Date:  
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Borrower: Zaed Properties LLC  
Property Address: 17 Pine Boulevard & 10 Chestnut Street  
County of Otsego  
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Tax Map No: 115.18-2-49.00, 115.18-2-64.00, 115.18-2-63.02

## SCHEDULE "A"

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### Description

PARCEL TWO  
TAX# 115.18-2-63.02

"All that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Village of Cooperstown, Town of Otsego, County of Otsego and State of New York, bounded and described as follows:

"BEGINNING at an iron stake, this point being on the northerly side of a Public Lane and 160 feet, more or less, from the Westerly line of Chestnut Street; this point on Chestnut Street is at the corner formed by the northerly line of a Public Lane and the westerly line of Chestnut Street, said point being 221 feet 10 inches, more or less, from the intersection of the northerly line of Main Street and the westerly line of Chestnut Street; thence N 35 degrees 30 minutes E along the McRorie property 50 feet 6 inches to an iron stake; thence N 54 degrees 15 minutes W along the Frozen Food Locker Company property 116 feet to an iron stake in the east side of Public Lane; thence along the Public Lane S 34 degrees 45 minutes W 47 feet 9 inches to an iron stake; thence along the north side of Public Lane S 53 degrees E 115 feet 6 inches to an iron stake and the place of BEGINNING.

"Being the same premises conveyed by Helen M. Shafer to Mary Elise Nelson by deed dated October 7, 1978 and recorded in the Otsego County Clerk's Office on October 25, 1978 in Liber 664 of Deeds at page 697.

"Being the same premises conveyed to Lawrence C. Fritsch from Mary Elise Nelson by deed dated 7 December 1987 and recorded 25 January 1987 in the Otsego County Clerk's Office at Liber 725 of Deeds at Page 829.

"These premises are more recently described as follows:

ALL THAT TRACT OR PARCEL OF LAND situate and being in the Village of Cooperstown, County of Otsego, and State of New York, more particularly described as follows: BEGINNING at a point in the northerly bounds of a public lane running perpendicular to Chestnut Street, which point of beginning is 160 feet north 52°53' west from an iron pin found at the intersection of said public lane with the New York State Route 80 (Chestnut Street) right of way, and which point of beginning also marks the southwesterly corner of lands now or formerly of McRorie; THENCE north 52°53' west 115.42 feet to an iron pin found marking the southwesterly corner of the premises described herein; THENCE north 34°45' east 47.75 feet to a point marking the northwesterly corner of the premises described herein; THENCE south 54° 15' east 116 feet along the southerly boundary of lands now or formerly of Harry W. Smith Real Estate Corp. to a spike set marking the northeasterly corner of the lands described herein; THENCE south 35°30' west 32.2 feet to an iron pin found in a retaining wall; THENCE along the same course south 35°30' west 17.8 feet to the point or place of beginning, containing .13 acres of land, more or less."

Being the same premises conveyed to Cooperstown Cards, Inc. from Lawrence C. Fritsch by deed dated 7 April 1988 and recorded 8 April 1988 in the Otsego County Clerk's Office in Liber 727 of Deeds at page 287.

Westcor Land Title Insurance Company  
Cooper County Abstract Company, Inc.  
196 Main St., Cooperstown, NY 13326  
File No: C15495  
Policy Date:  
Policy #:

Borrower: Zaed Properties LLC  
Property Address: 17 Pine Boulevard & 10 Chestnut Street  
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Town of Otsego and Village of Cooperstown  
Tax Map No: 115.18-2-49.00, 115.18-2-64.00, 115.18-2-63.02

SCHEDULE "A"  
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PARCEL THREE  
TAX# 115.18-2-49.00

ALL THAT TRACT OR PARCEL OF LAND described in a deed dated December 7, 1920, from Marie deT. Johnston to Edward Severin Clark and Stephen Carlton Clark and recorded January 7, 1921, in the Otsego County Clerk's Office in Liber 313 of Deeds at Page 11, as follows:

"ALL that Tract or Parcel of land conveyed by Edward S. Blackham as executor of the Last Will and Testament of Margareta G. Mills, late of the town of Otsego, Otsego County, New York, deceased, to Marie deT. Johnston, by Deed dated May 1st, 1919, executed May 3rd, 1919, and recorded in the Otsego County Clerk's Office May 16th, 1919 in Book 305 of Deeds at Page 355, and in said deed described as follows:

"ALL THAT TRACT OR PARCEL OF LAND, situate in the Village of Cooperstown, County of Otsego and State of New York, which was conveyed to Susan M. Hewes by Alexander N. Benedict by referee's deed in partition action which deed is dated the 21st day of March, 1874, and recorded in Otsego County Clerk's Office in Liber 167 of Deeds at page 420, and in said deed bounded and described as follows: On the east side of Pine Street in the village aforesaid and bounded as follows, in a deed of the same from Eben B. Morchouse & Emma Fuller, executors of Thomas Fuller, deceased, and Mary Fuller, widow and devisee of Thomas Fuller to Patrick Hewes and Candice Howes, bearing date June 1st, 1841, and recorded in Otsego County Clerk's Office in Book of Conveyances No. 73 at page 162. "Beginning two hundred and seventeen feet and three inches northerly from the corner of Second and Pine Street; thence Northerly along the East side of Pine Street sixty seven feet three inches to the lands of Wm. H. Averill; thence along said Averill's land to the west side of the alley in the rear of the lots heretofore conveyed to Babcock Moore and others, thence along said alley in the southwest corner thereof; thence westerly to the place of beginning and also a right of way in said alley and in the alley on the north side of James I. Paul's land, insofar as grantor has a right to convey such right-of-way."

"Being the same premises as "PARCEL 11." described in deed from Leatherstocking Corporation to Harry W. Smith Real Estate Corp. dated December 31, 1958 and recorded in the Otsego County Clerk's Office January 9, 1959 in Liber 490 of Deeds at page 159.

"Subject to restrictions set forth in an agreement between Margaret C. Haynes and Catherine F. Haynes and Harry W. Smith Real Estate Corporation dated April 26, 1961 and recorded in the Otsego County Clerk's Office May 1, 1966 in Liber 514 of Deeds at page 237."

Being the same premises conveyed to Lawrence C. Fritsch from Harry W. Smith Real Estate Corp. by deed dated 7 April 1988 and recorded 8 April 1988 in the Otsego County Clerk's Office in Liber 727 of Deeds at page 284.



NYS DEPARTMENT OF TAXATION & FINANCE  
OFFICE OF REAL PROPERTY TAX SERVICES

RP-412-a (1/95)

INDUSTRIAL DEVELOPMENT AGENCIES  
APPLICATION FOR REAL PROPERTY TAX EXEMPTION  
(Real Property Tax Law, Section 412-a and General Municipal Law, Section 874)

**1. INDUSTRIAL DEVELOPMENT AGENCY (IDA)**

County of Otsego  
Name Industrial Development Agency  
Street 189 Main Street, Suite 500  
City Oneonta, New York 13820  
Telephone no. Day ( ) (607) 267-4010  
Evening ( ) \_\_\_\_\_  
Contact Jody Zakrevsky  
Title Chief Executive Officer

**2. OCCUPANT (IF OTHER THAN IDA)**

(If more than one occupant attach separate listing)

Name ZAED Properties, LLC  
Street 6106 State Highway 28  
City Fly Creek, New York 13337  
Telephone no. Day ( ) (607) 643-1633  
Evening ( ) \_\_\_\_\_  
Contact Josh Edmonds  
Title Partner

**3. DESCRIPTION OF PARCEL**

- a. Assessment roll description (tax map no./roll year) 115.18-2-64.00, 115.18-2-63.02, 115.18-2-49.00
- b. Street address 10 Chestnut Street, Chestnut Street and 17 Pine Blvd.
- c. City, Town or Village Town of Otsego, Village of Cooperstown
- d. School District Cooperstown CSD
- e. County Otsego
- f. Current assessment \$339,100
- g. Deed to IDA (date recorded; liber and page) \_\_\_\_\_

**4. GENERAL DESCRIPTION OF PROPERTY** (if necessary, attach plans or specifications)

- a. Brief description (include property use) residential multi-family apartment building
- b. Type of construction demolition and construction
- c. Square footage 16,000 (est)
- d. Total cost \$3,296,990
- e. Date construction commenced 01 /13 /2022
- f. Projected expiration of exemption (i.e. date when property is no longer possessed, controlled, supervised or under the jurisdiction of IDA) December 31, 2038

**5. SUMMARIZE AGREEMENT (IF ANY) AND METHOD TO BE USED FOR PAYMENTS TO BE MADE TO MUNICIPALITY REGARDLESS OF STATUTORY EXEMPTION**

(Attach copy of the agreement or extract of the terms relating to the project).

- a. Formula for payment Pursuant to the Payment in Lieu of Tax Agreement, as modified pursuant to the Modification Agreement by and between ZAED Properties, LLC (the "Company") and the County of Otsego Industrial Development Agency (the "IDA") dated as of February 1, 2023.

- b. Projected expiration date of agreement December 31, 2038

c. Municipal corporations to which payments will be made

	Yes	No
County <u>Otsego</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Town/City <u>Town of Otsego</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Village <u>Cooperstown</u>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
School District <u>Cooperstown</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

d. Person or entity responsible for payment

Name ZAED Properties, LLC  
 Title Josh Edmonds  
 Address 6106 State Highway 28  
Fly Creek, New York 13337

e. Is the IDA the owner of the property?  Yes  No (check one)  
If "No" identify owner and explain IDA rights or interest in an attached statement.

Telephone (607) 643-1633

6. Is the property receiving or has the property ever received any other exemption from real property taxation? (check one)  Yes  No

If yes, list the statutory exemption reference and assessment roll year on which granted:  
exemption \_\_\_\_\_ assessment roll year \_\_\_\_\_

7. A copy of this application, including all attachments, has been mailed or delivered on 2/27/2023 (date) to the chief executive official of each municipality within which the project is located as indicated in Item 3.

**CERTIFICATION**

I, David Rowley, (Vice) Chairman of \_\_\_\_\_ of \_\_\_\_\_  
Name Title  
County of Otsego Industrial Development Agency hereby certify that the information  
Organization

on this application and accompanying papers constitutes a true statement of facts.

02/16/2023  
Date

David Rowley  
Signature

**FOR USE BY ASSESSOR**

1. Date application filed \_\_\_\_\_
2. Applicable taxable status date \_\_\_\_\_
- 3a. Agreement (or extract) date \_\_\_\_\_
- 3b. Projected exemption expiration (year) \_\_\_\_\_
4. Assessed valuation of parcel in first year of exemption \$ \_\_\_\_\_
5. Special assessments and special as valorem levies for which the parcel is liable:  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
Date

\_\_\_\_\_  
Assessor's signature

RP-412-a Attachment

5. e. The IDA has a leasehold interest in the property pursuant to a lease to agency dated as of January 1, 2022 (the "Lease to Agency") from the Company to the IDA, as modified pursuant to a modification agreement dated as of February 1, 2023 (the "Modification Agreement") by and between the Company and the IDA.