

BLACKHAWK DEVELOPMENT LLC

TO

ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

LEASE AGREEMENT

*This conveyance of leasehold interest concerns certain parcel of land located on Hudson
Crossing Drive in the Town of Hamptonburgh, Orange County, New York.
Tax Map ID No.: Part of 1-1-21.212*

Dated as of April 1, 2015

LEASE AGREEMENT
(Company to Agency)

THIS LEASE AGREEMENT, dated as of the 1st day of April, 2015 (the "Lease Agreement"), is by and between **BLACKHAWK DEVELOPMENT LLC**, a limited liability company duly organized and validly existing under the laws of the State of Delaware and duly authorized to conduct business under the laws of the State of New York with offices at 2711 Centerville Road, Suite 400, Wilmington, Delaware 19808 (the "Company") and **ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY**, a public benefit corporation duly existing under the laws of the State of New York with offices at Orange County Business Accelerator, 4 Crotty Lane, Suite 100, New Windsor, New York 12553 (the "Agency").

WITNESSETH:

The Company desires to rent to the Agency the real property, including any buildings, structures or improvements thereon, described in Schedule A attached hereto (the "Leased Premises") pursuant to the terms contained herein, during the term of that certain leaseback agreement, between the Agency and the Company, dated as of the date hereof (the "Leaseback Agreement").

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

1. Granting Clause. The Company hereby leases to the Agency the Leased Premises, upon the terms and conditions of this Lease Agreement.
2. Warranty of Title. The Company warrants that it has good and marketable title to the Leased Premises and forever warrants the title to the Leased Premises.
3. Term. The term of this Lease Agreement shall be coterminous with the term of the Leaseback Agreement (the "Lease Term").
4. Rent. The Agency agrees that it will pay to the Company, for the use of the Leased Premises, rent of One Dollar (\$1.00) per annum.
5. Taxes. The Company agrees to pay all taxes to be assessed on, or charges or expenses incurred with respect to, the Leased Premises during the Lease Term.
6. Maintenance and Insurance of Premises. The Company shall maintain and insure the Leased Premises. The Agency shall not be required to maintain the Leased Premises or incur any costs with respect to the Leased Premises. All insurance or condemnation proceeds shall be distributed and governed by the Leaseback Agreement.
7. Lease Expiration. The parties agree that at the expiration of the Lease Term the Agency will surrender the Leased Premises to the Company pursuant to the terms and conditions

of this Lease Agreement and the Leaseback Agreement in the then condition of the Leased Premises.

8. Hold Harmless. The Company hereby releases the Agency from, agrees that the Agency shall not be liable for, and agrees to indemnify, defend and hold the Agency and its executive director, officers, members and employees, and their respective successors or personal representatives, harmless from and against any and all (i) liability for loss or damage to property or injury to or death of any and all persons that may be occasioned by any cause whatsoever pertaining to the Leased Premises or arising by reason of or in connection with the occupation or the use thereof or the presence on, in or about the Leased Premises or as a result of a breach by the Company of its representations or agreements contained herein or in the Leaseback Agreement, or (ii) liability arising from or expense incurred by the Agency's financing, constructing, equipping, owning and leasing of the Leased Premises, including without limiting the generality of the foregoing, all causes of action and attorneys' fees and any other expenses incurred in defending any suits or actions which may arise as a result of any of the foregoing. The foregoing indemnities shall apply notwithstanding the fault or negligence on the part of the Agency, or any of its respective members, directors, officers, agents or employees and irrespective of the breach of a statutory obligation or the application of any rule of comparative or apportioned liability; except, however, that such indemnities will not be applicable with respect to willful misconduct or negligence on the part of the indemnified party.

9. Non-Merger. So long as any leasehold or sub-leasehold mortgage is in existence, unless all mortgagees shall otherwise expressly consent in writing, fee title to the Facility and the leasehold estate of the Agency therein created by this Lease Agreement shall not merge but shall remain separate and distinct, notwithstanding the acquisition of said fee title and said leasehold estate by Company or by Agency or by a third party, by purchase or otherwise.

10. Notices. All notices, certificates and other communications hereunder shall be in writing and shall be sufficiently given and shall be deemed given when delivered and, if delivered by mail, shall be sent by certified mail, postage prepaid, addressed as follows:

To the Agency:

Orange County Industrial Development Agency
Orange County Business Accelerator
4 Crotty Lane, Suite 100
New Windsor, New York 12553
Attn: Executive Director

With Copy To:

Kevin T. Dowd, Esq.
Attorney - Orange County IDA
46 Daisy Lane
Montgomery, New York 12549

And To:

Harris Beach PLLC
99 Garnsey Road
Pittsford, New York 14534
Attn: Russell E. Gaenzle, Esq.

To the Company:

Blackhawk Development LLC
2711 Centerville Road, Suite 400
Wilmington, Delaware 19808
Attn.: Darryl Smith

With Copy To:

Drake Loeb PLLC
555 Hudson Valley Avenue, Suite 100
New Windsor, New York 12553
Attn.: Dominic Cordisco, Esq.

or at such other address as any party may from time to time furnish to the other party by notice given in accordance with the provisions of this Section. All notices shall be deemed given when mailed or personally delivered in the manner provided in this Section.

11. No Recourse; Special Obligation.

(a) The obligations and agreements of the Agency contained herein and any other instrument or document executed in connection herewith, and any other instrument or document supplemental thereto or hereto, shall be deemed the obligations and agreements of the Agency, and not of any member, officer, agent (other than the Company) or employee of the Agency in his individual capacity, and the members, officers, agents (other than the Company) and employees of the Agency shall not be liable personally hereon or thereon or be subject to any personal liability or accountability based upon or in respect hereof or thereof or of any transaction contemplated hereby or thereby; provided that such employees did not engage in willful misconduct or negligent acts or omissions.

(b) The obligations and agreements of the Agency contained hereby shall not constitute or give rise to an obligation of the State of New York (the "State") or Orange County, New York, and neither the State nor Orange County, New York, shall be liable hereon or thereon, and, further, such obligations 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 sale or other disposition of the Leased Premises (except for revenues derived by the Agency with respect to the Unassigned Rights (as such term is defined in the Leaseback Agreement)).

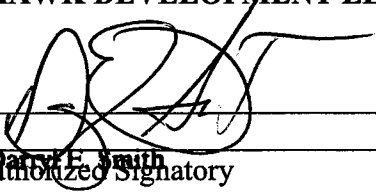
(c) No order or decree of specific performance with respect to any of the obligations of the Agency hereunder shall be sought or enforced against the Agency unless (i) the party seeking such order or decree shall first have requested the Agency in writing to take the action sought in such order or decree of specific performance, and ten (10) days shall have elapsed from the date of receipt of such request, and the Agency shall have refused to comply with such request (or, if compliance therewith would reasonably be expected to take longer than ten (10) days, shall have failed to institute and diligently pursue action to cause compliance with such request) or failed to respond within such notice period, (ii) if the Agency refuses to comply with such request and the Agency's refusal to comply is based on its reasonable expectation that it will incur fees and expenses, the party seeking such order or decree shall place, in an account with the Agency, an amount or undertaking sufficient to cover such reasonable fees and expenses, and (iii) if the Agency refuses to comply with such request and the Agency's refusal to comply is based on its reasonable expectation that it or any of its members, officers, agents (other than the

Company) or employees shall be subject to potential liability, the party seeking such order or decree shall agree to indemnify and hold harmless the Agency and its members, officers, agents (other than the Company) and employees against all liability expected to be incurred as a result of compliance with such request.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the Company and the Agency have caused this Lease Agreement to be executed in their respective names, all as of the date first above written.

BLACKHAWK DEVELOPMENT LLC

By: 
Name: _____
Its: Darryl E. Smith
Authorized Signatory

**ORANGE COUNTY INDUSTRIAL
DEVELOPMENT AGENCY**

By: _____
James R. Petro, Jr., Executive Director

IN WITNESS WHEREOF, the Company and the Agency have caused this Lease Agreement to be executed in their respective names, all as of the date first above written.

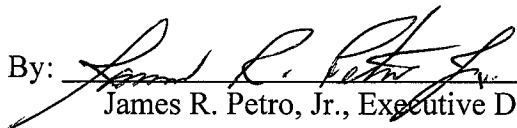
BLACKHAWK DEVELOPMENT LLC

By: _____

Name: _____

Its: Authorized Signatory

**ORANGE COUNTY INDUSTRIAL
DEVELOPMENT AGENCY**

By:  _____

James R. Petro, Jr., Executive Director

STATE OF Delaware)
COUNTY OF New Castle)

SS.:

On the 16th day of April in the year 2015, before me, the undersigned, personally appeared Darryl E. Smith, 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.



Laura Ann Mace
Notary Public

STATE OF NEW YORK)
COUNTY OF ORANGE)

SS.:

On the ____ day of April in the year 2015, before me, the undersigned, personally appeared **James R. Petro, Jr.**, 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

STATE OF _____)
COUNTY OF _____) SS.:

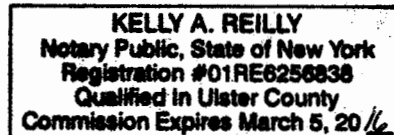
On the ____ day of April in the year 2015, before me, the undersigned, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in 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

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

On the 17th day of April in the year 2015, before me, the undersigned, personally appeared **James R. Petro, Jr.**, 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.

Kelly A. Reilly
Notary Public



February 25, 2015
Revised April 9, 2015
100470101

SCHEDULE A

WRITTEN DESCRIPTION
SECTION 1, BLOCK 1, PROPOSED LOT 2
TOWN OF HAMPTONBURGH
ORANGE COUNTY, NEW YORK

All that certain lot, parcel of land and premises, hereinafter particularly described, situate, lying and being in the Town of Hamptonburgh, Orange County, State of New York, designated as Lot "2" on a plat entitled "Subdivision Plan for Hudson Crossings II, Hudson Crossings II, Section No. 1, Block No. 1, Lot No. 21.212, Town of Hamptonburgh, Orange County, New York", prepared by Langan Engineering, Environmental, Surveying and Landscape Architecture, D.P.C., Elmwood Park, New Jersey, dated December 19, 2014, last revised April 1, 2015; said plat having been filed in the Orange County Clerk's Office on April __, 2015 as Map No. ____-2015.

Said property is more particularly described as follows.

BEGINNING at a point on the dividing line between said Lot 2, Block 1, Section 1, Town of Hamptonburgh as shown on said Map #114-12 and Lot 7.1 (n/f reputed owner Green Acres Development Group per Liber 5340 Page 196), Block 1, Section 36, Town of Montgomery, said point being North 62°34'19" West, a distance of 158.30 feet from where said dividing line intersects the dividing line between Lot 2 and Lot 1 (n/f reputed owner Carlisle Construction Materials per Liber 13342 Page 1394), Block 1, Section 1, Town of Hamptonburgh, as shown on said Map #114-12, and from said point of beginning running; thence

Along a new line being the dividing line between Proposed Lot 2 and Proposed Lot 3, Block 1, Section 1, the following nine courses:

1. South $11^{\circ}58'08''$ East, a distance of 28.86 feet to a point of curvature; thence
2. Along a curve to the right having a radius of 375.00 feet, a central angle of $30^{\circ}22'25''$, an arc length of 198.79 feet, also bearing a chord of South $03^{\circ}13'04''$ West, a chord distance of 196.48 feet to a point of tangency; thence
3. South $18^{\circ}24'17''$ West, a distance of 654.71 feet to a point of curvature; thence
4. Along a curve to the right having a radius of 475.00 feet, a central angle of $22^{\circ}02'48''$, an arc length of 182.77 feet, also bearing a chord of South $29^{\circ}25'41''$ West, a chord distance of 181.65 feet to a point of tangency; thence
5. South $40^{\circ}27'05''$ West, a distance of 275.89 feet to a point; thence
6. North $49^{\circ}20'53''$ West, a distance of 85.81 feet to a point; thence
7. South $76^{\circ}04'53''$ West, a distance of 643.64 feet to a point; thence
8. North $43^{\circ}28'40''$ West, a distance of 644.09 feet to a point; thence
9. North $38^{\circ}27'17''$ East, a distance of 537.44 feet to an iron pipe found; thence
10. Along the southeasterly line of lands of Theodore and Sharon Owens described in Liber 2089 Page 1143, North $37^{\circ}29'43''$ East, a distance of 748.00 feet to a point; thence
11. Along the same, North $34^{\circ}06'31''$ East, a distance of 230.88 feet to a point; thence

12. Along the aforementioned dividing line between Lot 2 as shown on said Map #114-12, Town of Hamptonburgh, and Lot 7.1, Block 1, Section 36, Town of Montgomery, South 62°34'19" East, a distance of 781.92 feet to the point of BEGINNING.

Encompassing an area of 1,611,720 square feet or 37.000 acres, more or less.

BEING a portion of the premises conveyed to Hudson Valley Crossing, LLC by Green Acres Development Group by deed dated April 14, 2008 and recorded in the Orange County Clerk's Office on April 30, 2008 in Liber 12657 at page 1566.

Paul D. Fisher
Professional Land Surveyor
New York License No. 050784-1

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