

Motion By:

Seconded By:

Roculski
Blesera

RESOLUTION

(CRH Realty II, LLC and CRH Realty VI, LLC Projects)

A regular meeting of the Orange County Industrial Development Agency was held on August 21, 2013 at 3:00 p.m. (local time) at the Orange County Business Accelerator, 4 Crotty Lane, Suite 100, New Windsor, New York 12553

After the meeting had been duly called to order, the Chairman announced that among the purposes of the meeting was to consider and take action on certain matters pertaining to the existing CRH Realty II, LLC and CRH Realty VI, LLC projects.

RESOLUTION AUTHORIZING THE ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY TO EXECUTE A CERTAIN ASSIGNMENT AND ASSUMPTION AGREEMENT, AND RELATED DOCUMENTS IN CONNECTION WITH THE ACQUISITION BY AMERICAN HEALTHCARE INVESTORS LLC OF (I) THE CRH REALTY II, LLC PROJECT LOCATED AT 95 CRYSTAL RUN IN THE TOWN OF WALLKILL, NEW YORK, AND (II) THE CRH REALTY VI, LLC PROJECT LOCATED AT RYKOWSKI LANE IN THE TOWN OF WALLKILL, NEW YORK

WHEREAS, by Title I of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 390 of the Laws of 1972 of the State of New York, (hereinafter collectively called the "Act"), the **ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY** (hereinafter called the "Agency") was created with the authority and power and for the purpose of, among other things, acquiring, constructing, reconstructing and equipping manufacturing, warehousing, research, commercial, or industrial facilities as authorized by the Act; and

WHEREAS, on or about March 1, 2008, the Agency appointed **CRH REALTY II, LLC** and **CRYSTAL RUN HEALTHCARE, LLP** (collectively, "CRH II") as its agent to undertake a certain project (the "CRH II Project") consisting of: (i) the acquisition of title to, or a leasehold interest, in an approximately 12-acre parcel of vacant land located at 95 Crystal Run Road in the Town of Wallkill, Orange County, New York (the "Crystal Run Land", being more particularly described as TMID No. 60-1-52.22)); (ii) the construction and equipping on the Land of (a) an approximately four-story, 127,000 square-foot building to be used by the Company as an ambulatory surgical center and medical office building and (b) associated parking (the "Crystal Run Improvements"); and (iii) the acquisition of and installation in and around the Crystal Run Improvements of certain machinery, equipment and items of personal property (the "Crystal Run Equipment" and, collectively with the Crystal Run Land and the Crystal Run Improvements, the "Crystal Run Facility"); and

WHEREAS, on or about October 1, 2012, the Agency appointed **CRH REALTY VI, LLC** ("CRH VI" and, together with CRH II collectively referred to as "CRH") as its agent to undertake a certain project (the "CRH VI Project" and, together with the CRH II Project collectively referred to as the "Projects") consisting of: (i) the acquisition by the Agency of leasehold interests in an approximately 7.70-acre parcel of vacant land located on Rykowski Lane in the Town of Wallkill, Orange County, New York (the "Rykowski Land", being more particularly described as TMID Nos. 60-1-106, 60-1-107, 60-1-108 and 60-1-109) (ii) the acquisition and construction on the Rykowski Land of an approximately 60,000 square foot three-story building and related improvements to be used by CRH VI and its tenants for office and related space (the "Rykowski Improvements"); and (iii) the acquisition and installation in and around the Rykowski Improvements of certain items of equipment and other tangible personal property including, but not limited to, HVAC systems, plumbing and electrical fixtures, elevators and office furniture (collectively, the "Rykowski Equipment" and, together with the Rykowski Land and the Rykowski Improvements, the "Rykowski Facility" and, together with the Crystal Run Facility, the "Facilities"); and

WHEREAS, in connection with the Projects, (i) the Agency and CRH II entered into a Lease Agreement, Leaseback Agreement and PILOT Agreement, each dated as of March 1, 2008 (collectively, the "Crystal Run Documents"), and (ii) the Agency and CRH VI entered into a Lease Agreement, Leaseback Agreement and PILOT Agreement, each dated as of October 1, 2012 (collectively, the "Rykowski Documents" and, together with the Rykowski Crystal Run Documents, the "Documents"), pursuant to which the Agency provided certain financial assistance to CRH including a partial abatement from real property taxes with respect to the Facilities; and

WHEREAS, CRH has advised the Agency that it intends to sell the Facilities to American Healthcare Investors LLC (the "Purchaser") and simultaneously lease the Facilities back from Purchaser; and

WHEREAS, in connection with such purchase and transfer of the Facilities, CRH and the Purchaser have requested the Agency to approve the assignment of the Documents and related financial assistance to the Purchaser; and

WHEREAS, the Agency desires to adopt a resolution approving the assignment of the Documents and related financial assistance pursuant to a certain Assignment and Assumption Agreement, to be dated on or about September 1, 2013, and such other documents as are necessary to effect the assignment (collectively, the "Assignment").

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY AS FOLLOWS:

Section 1. The Agency hereby approves the assignment of the Documents and related financial assistance pursuant to the Assignment, including, but not limited to, the continuation of the financial assistance provided under each PILOT Agreement in accordance with its terms; provided, however, that such assignment contain provisions requiring CRH to continue to

operate the Facilities as originally contemplated, as such provisions are approved by counsel to the Agency.

Section 2. The Chairman, First Vice Chairman, Second Vice Chairman and/or Executive Director of the Agency are hereby authorized, on behalf of the Agency, to execute and deliver the Assignment and all documents reasonably contemplated by these resolutions; and, where appropriate, the Secretary or Assistant Secretary of the Agency is hereby authorized to affix the seal of the Agency to such documents and to attest the same, all with such changes, variations, omissions and insertions as the Chairman, First Vice Chairman, Second Vice Chairman and/or Executive Director of the Agency shall approve, the execution thereof by the Chairman, First Vice Chairman, Second Vice Chairman and/or Executive Director of the Agency to constitute conclusive evidence of such approval.

Section 3. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required and to execute and deliver all such certificates, instruments and documents, to pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolutions and to cause compliance by the Agency with all of the terms, covenants and provisions of the documents executed for and on behalf of the Agency.

Section 4. The Resolutions and approvals contained herein are subject to CRH (i) paying all legal fees for Bond Counsel and local counsel to the Agency in connection with the Assignment and all work related thereto, and (ii) providing background information relative to the sale of the Facilities and underlying assets to Bond Counsel and local counsel to the Agency, such information to be confidential and attorney-client privileged.

Section 5. These Resolutions shall take effect immediately.

The question of the adoption of the foregoing Resolution was duly put to a vote on roll call, which resulted as follows:

	<u>Yea</u>	<u>Nay</u>	<u>Absent</u>	<u>Abstain</u>
Robert Armistead	✓			
Mary Ellen Rogulski	✓			
Russell O. Vernon				✓
Stephen Brescia	✓			
John Steinberg, Jr.			✗	
Henry VanLeeuwen	✓			
Robert Schreibis, Sr.	✓			

The Resolutions were thereupon duly adopted.

STATE OF NEW YORK)
COUNTY OF ORANGE) ss:

I, the undersigned [Vice Chairman] of the Orange County Industrial Development Agency, DO HEREBY CERTIFY:

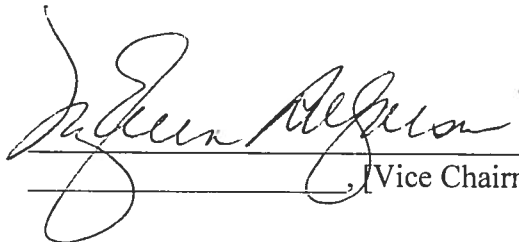
That I have compared the foregoing extract of the minutes of the meeting of the Orange County Industrial Development Agency (the "Agency") including the resolution contained therein, held on the 21st day of August, 2013, with the original thereof on file in my office, and that the same is a true and correct copy of the proceedings of the Agency and of such resolution set forth therein and of the whole of said original insofar as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that all members of said Agency had due notice of said meeting, that the meeting was in all respects duly held and that, pursuant to Article 7 of the Public Officers Law (Open Meetings Law), said meeting was open to the general public, and that public notice of the time and place of said meeting was duly given in accordance with Article 7.

I FURTHER CERTIFY that there was a quorum of the members of the Agency present throughout said meeting.

I FURTHER CERTIFY that as of the date hereof, the attached resolution is in full force and effect and has not been amended, repealed or modified.

IN WITNESS WHEREOF, I have hereunto set my hand and seal of said Agency this 21st day of August, 2013.


_____, [Vice Chairman]