

LEASE AGREEMENT (the "Lease") dated as of January 10, 2019 by and between

THE COUNTY OF WESTCHESTER, a municipal corporation of the State of New York, having an office and place of business in the Michaelian Office Building, 148 Martine Avenue, White Plains, New York 10601 (the "County"),

and

FARERI ASSOCIATES; LP a limited partnership organized and existing under the laws of the State of New York (the "Lessee"), having its principal office at , 2 Dearfield Drive, Suite 3, Greenwich, Connecticut 06831.

The County and the Lessee hereinafter referred to individually as a "Party" and collectively as the "Parties".

W I T N E S S E T H:

WHEREAS, the County recognizes that due to financial challenges facing local governments, creative solutions such as public private partnerships should be considered and strategies developed to assist in maximizing local and county economic opportunities through innovative, smart growth mixed-use projects; and

WHEREAS, on March 1, 2012, the County issued a Request for Qualifications and Expressions of Interest ("RFQ") to undertake the development of the Premises (as hereinafter defined). The ultimate goal of the RFQ was to select an entity that will create a research and development complex that will support the County's growing medical and-biotechnology industry, as well as address community goals by providing a mixed-use development in support of the growing medical and biotechnology fields that reinforces the positive character of the adjacent facilities, enhances the immediately adjacent neighborhoods and Town of Mount Pleasant and Westchester county, provides public access linked to surrounding amenities and generates quality jobs and other economic benefits for the local community and other parts of Westchester County. While two proposals were received by the County, only the one submitted by Lessee was responsive; and

WHEREAS, in an effort to evaluate the proposal submitted by Lessee and ensure that the proposed rental structure was consistent with current market conditions and other factors, the County entered into an agreement with Cushman & Wakefield of Connecticut, Inc. whereby Cushman & Wakefield conducted an appraisal of the Property, which was completed on March 31, 2014 ("Cushman & Wakefield Appraisal"); and

WHEREAS, after lengthy negotiations, the Parties have structured a long term ground lease that is designed to attract businesses, bring economic development opportunities to the County, enhance educational opportunities with Westchester Community College and give the

County and local municipality revenue from taxes and rent that were otherwise not previously available.

NOW THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the County and the Lessee agree as follows:

ARTICLE I

DEFINITIONS OF CERTAIN TERMS

The following terms shall have the following meanings:

"Adjournment Notice" has the meaning provided in Section 7.3 of this Lease.

"Annual Gross Rental Income" shall have the meaning set forth in Section 3.1.2 of this Lease.

"Annual Rent" shall have the meanings set forth in Section 3.1.2(a) of this Lease.

"Approval Date" shall have the meaning set forth in Section 4.1 of this Lease.

"Children's Living Science Center" shall mean an approximately 30,000 square foot interactive experience museum devoted to the improvement of children's health throughout the Hudson Valley region.

"Community College Collaborative Education Program" shall have the meaning set forth in Section 4-A.1 of this Lease.

"Concept Plan" means the concept plan submitted by Lessee in response to the RFQ.

"Condemnation Award" means the aggregate amount of any condemnation award or awards payable with respect to a Taking, whether by agreement or pursuant to a judgment or otherwise, with any interest on such amount, including consequential damages to any portion of the Premises not taken, net of any unreimbursed costs and expenses of collecting the same.

"Consortium" shall have the meaning set forth in Section 7.9 of this Lease.

"Construction Approvals" shall have the meaning set forth in Section 4.1.

"CPI-U" shall mean the Consumer Price Index New York-Northern New Jersey-Long Island CPI-U, published by the Bureau of Labor Statistics, United States Department of Labor. If the CPI-U is no longer officially published at the time of rental adjustments, such index will nevertheless be used for adjustment of Rent by the use of conversion tables supplied by the Bureau of Labor Statistics, U.S. Department of Labor.

"Date of Taking" means the date as of which the Lessee is deprived of possession of any property involved in a Taking.

"Default Rate" means the rate of interest which is three percent (3%) over the prime rate of interest as published daily in the Wall Street Journal. The Default Rate shall be computed separately for each month, or any part thereof, during which any amount upon which interest is to be charged hereunder remains unpaid hereunder.

"Development Lease(s)" shall have the meaning set forth in Section 4.2.1.

"Effective Date" shall have the meaning set forth in Section 2.2 of this Lease.

"Event of Default" has the meaning provided in Section 13.1 hereof with respect to the Lessee and in Section 14.1 hereof with respect to the County.

"Final" shall mean that such Land Use Approvals or other matters are final, unappealable, and not subject to reconsideration by any Governmental Agencies and/or to any injunction, moratorium, or other legal impediment that would preclude the Lessee from commencing construction of the First Phase promptly after the Approval Date or any after receipt of Land Use Approvals for any Future Phase.

"Financing Documents" shall have the meaning set forth in Section 7.1.

"First Extension Period" shall have the meaning set forth in Section 4.1.4.

"First Phase of the Project" means the construction by the Lessee in accordance with the Land Use Approvals and Construction Approvals, as hereinafter defined, of approximately 500,000 gross square feet of development including, but not limited to, the following uses, together with all other infrastructure and Project Improvements servicing such building(s):

- (i) approximately 100,000 square feet of medical office space;
- (ii) A hotel containing approximately 120 rooms and conference facilities (size to be determined by the end user);
- (iii) Approximately 80,000 square feet of retail space;
- (iv) Approximately 220,000 square feet of biotechnology/medical technology space, which use must be developed by the Lessee pursuant to the requirements of the County's March 1, 2012 RFQ (see Section 2.1 below);
- (v) Children's Living Science Center; and

"First Phase Commencement Date" shall have the meaning set forth in Section 4.2(a).

"First Phase Development Site" shall have the meaning set forth in Section 4.2.1.

"Future Phase" shall have the meaning set forth in Section 4.2(a).

"Future Phase Development Site" shall have the meaning set forth in Section 4.2.1.

"Governmental Agency(ies)" means all federal, state, county, municipal and other governments and all subdivisions, agencies, authorities, departments, courts, commissions, boards, bureaus and instrumentalities of any of them having jurisdiction with respect to the development, construction, use and occupancy of the Premises.

"Imposition(s)" shall have the meaning set forth in Section 6.1 of this Lease.

"Indemnitees" shall have the meaning set forth in Section 19.1.

"Initial Cure Period" has the meaning provided in Section 7.3 of this Lease.

"Initial Rent" shall have the meaning set forth in Section 3.1.2 of this Lease.

"Institutional Lender" means a state or federally chartered savings bank, savings and loan association, credit union, commercial bank, or trust company authorized to do business in New York (whether acting individually or in a fiduciary capacity); an insurance company organized and existing under the laws of the United States or any state thereof or a foreign insurance company authorized to do business in New York; a publicly held real estate investment trust; a brokerage or investment banking organization (acting as principal or agent); a religious, educational or eleemosynary institution; an employees' welfare, benefit, pension or retirement fund; any governmental agency or entity insured by a governmental agency or any combination of Institutional Lenders; provided that each of the above entities shall qualify as an Institutional Lender only if it shall: (i) be subject to the jurisdiction of the courts of the State of New York in any action; and (ii) have assets of not less than One Hundred Million Dollars (\$100,000,000.00) annually adjusted for inflation after the Effective Date this Lease as defined in Section 2.2 below.

"Land Use Approvals" shall mean the any discretionary approvals concerning the use of the Leased Premises by the Town, or Governmental Agencies necessary to carry out any Phase of the Project as defined in this Lease, including, but not limited to, any and all amendments to the Zoning Ordinance and/or Zoning Map, site plan approval(s), special and/or conditional use permit approval(s) and subdivision approval(s) as further defined in Section 4.1 of this Lease.

"Land Use Approvals Outside Date" shall have the meaning set forth in Section 4.1.4(b).

"Lead Lender" means an Institutional Lender that participates in a Leasehold Mortgage financing Consortium as permitted hereunder, and is designated by the participants as the administrative agent for the Consortium.

"Lease", "the Lease" or "this Lease" means this Lease Agreement and all exhibits hereto and all amendments, modifications and supplements hereof.

"Lease Concept Plan" means the updated and expanded concept plan of the Project attached as Exhibit "B", as set forth in Section 4.1.2 (a).

"Leased Land Development Standards" shall have the meaning set forth in Section 4.1.2(b) of this Lease.

"Lease Year" shall have the meaning set forth in Section 2.2.

"Leasehold Mortgage" shall mean each mortgage which under the terms of this Lease constitutes a lien on this Lease, the Lessee's leasehold estate in the Premises, and/or the Lessee's interest in the Project Improvements, or any refinancing thereof permitted under the terms of this Lease. In the event there shall exist at any point in time more than one Leasehold Mortgage, all such Leasehold Mortgages may sometimes hereinafter be collectively referred to as the "Leasehold Mortgage".

"Leasehold Mortgagee" shall mean the Institutional Lender which is the holder, or collectively, the holders, of a Leasehold Mortgage. In the event there shall exist at any point in time more than one Leasehold Mortgage, the holders of such Leasehold Mortgages may sometimes hereinafter be collectively referred to as the "Leasehold Mortgagee", provided, however, that in order to qualify as a Leasehold Mortgagee each shall: (i) be subject to the jurisdiction of the courts of the State of New York in any action; and (ii) have assets of not less than One Hundred Million Dollars (\$100,000,000.00), annually adjusted for inflation after the Effective Date this Lease as defined in Section 2.2 below.

"Master Development Plan" shall have the meaning set forth in Section 4.1.2(b).

"Mortgagee Notice of Default" shall have the meaning in Section 7.2.2.

"Mortgagee Notice of Termination" has the meaning provided in Section 7.3 of this Lease.

"Notice of Default" shall have the meaning set forth in Section 7.2.

—— "Offer Notice" shall have the meaning set forth in Section 12.1. ——

"Outside Completion Date" shall have the meaning set forth in Section 4.2(b).

"Partial Taking" means a Taking that is not a Total Taking or a Temporary Taking.

"Participating Lenders" shall have the meaning in Section 7.9(c).

"Permitted Title Exceptions" means the matters described as such in Exhibit "C" hereof.

"Permitted Uses" shall have the meaning set forth in Section 5.1.

"Person" means an individual, corporation, partnership, limited partnership, joint venture, limited liability company, limited liability partnership, estate, trust or unincorporated association, any Federal, State, County or municipal government or any bureau, department, public corporation or agency thereof, any political subdivision, any fiduciary acting in such capacity on behalf of any of the foregoing, or any other legal or business entity.

"Premises" means the real property described on Exhibit A hereto. The term "Premises" shall include the Project Improvements and the Equipment where the context requires.

"Principal" shall have the meaning set forth in Section 11.1.

"Proposed Fee Sale" shall have the meaning set forth in Section 12.1.

"Project" means the development of the Premises for the uses described in Section 5.1 generally in accordance with the Concept Plan, as the same may be modified from time to time.

"Project Improvements" means any and all buildings, structures, utility installations, driveways, pathways, paving, roads, landscaping and other improvements now or hereafter located on the Premises, and all fixtures and non-movable equipment thereon, and any subsequent alterations, additions or replacements to or of any of the foregoing, made in connection with the Lessee's development of the Project on the Premises.

"Rent" means the rent described in Article III, including Initial Rent, Annual Rent, Additional Rent and any other payment of money that the Lessee is obligated to make under this Lease, whether payable to the County or to any other Person.

"Rent Commencement Date" means the earlier of: (i) the date on which the first subtenant (or sub-subtenant) takes occupancy of any portion of the Project Improvements in the First Phase of the Project and begins paying rent, or (ii) six (6) months after the date on which the First subtenant takes occupancy.

"Requirements of Governmental Agencies" means any and all laws, rules, regulations, orders, ordinances, statutes, codes, standards (including the Leased Land Development Standards), executive orders and requirements of all Governmental Agencies applicable to the Premises and the development, construction, use and occupancy thereof.

"Restoration Work" shall have the meaning set forth in Section 9.1.

"RFQ" means the Request for Qualifications and Expressions of Interest for the Development and Use of the "North 60" at Grasslands Reservation, Mt. Pleasant, New York to create a research and development complex, which could support the County's growing medical and bio-tech industry issued by the County and dated March 1, 2012.

"Right of First Offer" shall have the meaning set forth in Section 12.1.

"Second Extension Period" shall have the meaning set forth in Section 4.1.4.

"SEQR" shall mean the State Environmental Quality Review Act set forth in the New York State Environmental Conservation Law sections 3-0301(1)(b), 3-0301(2)(m) and 8-0113 and the implementing regulations promulgated pursuant thereto set forth in 6 N.Y.C.R.R. Part 617, and any amendments thereto, which contain the procedures that state agencies and units of local government must complete before they may fund, approve or directly undertake something which may impact the environment.

"Site Development Plan" shall have the meaning set forth in Section 4.1.2(c).

"Substantial Completion" or "Substantially Completed" shall mean that the temporary or permanent certificate of occupancy to be issued for the subject Project Improvements has been issued by the Town.

"Taking" means any taking or damaging of all or any part of, interest in, or right appurtenant to the Premises by any Governmental Agency, or deed in lieu of any such taking, as a result of or in lieu of or in anticipation of or under threat of the power of condemnation or eminent domain, including severance damage and any change in grade.

"Taxes" shall have the meaning set forth in Section 6.2 of this Lease.

"TCO" shall have the meaning set forth in Section 3.1.2.

"Temporary Taking" means a temporary Taking that does not extend beyond the Term of this Lease, so that the County's fee title interest hereunder is unaffected by such Taking.

"Term" shall have the meaning set forth in Section 2.2 of this Lease.

"Termination Date" has the meaning provided in Section 7.3 of this Lease.

"Termination Notice" has the meaning provided in Section 13.2 of this Lease.

"Town" means the Town of Mount Pleasant, New York.

"Total Taking" means a Taking, whether permanent or temporary, of such scope that the remaining portion of the Premises, cannot, despite the use of condemnation proceeds available for repair or restoration, be practically and economically used or converted for use by the Lessee for the Permitted Uses of the Premises, and of the Project Improvements, permitted in this Lease.

"Transferee" shall have the meaning set forth in Section 7.5.

"Unavoidable Delay" or "Unavoidable Delays" means any delay, obstruction or interference resulting from any act or event whether affecting the Project, the County or the Lessee, which has a material adverse effect on such party's rights or duties, provided such act or event is beyond the reasonable control of such party after pursuing all diligent efforts to remedy the delaying condition in an expedient and efficient manner and was not separately or concurrently caused by any negligent or willful act or omission of such party and/or could not have been prevented by reasonable actions on such party's part (and such party shall have notified the other party herein not later than ten (10) days after the such party has knowledge of the occurrence of any Unavoidable Delay enumerated in (i) through (vi) below and within a reasonable time for any other Unavoidable Delay), including, but not limited to, delay, obstruction, or interference resulting from:

- (i) an act of God (but not including reasonably anticipated weather conditions for the geographic area of the Premises), landslide, lightning, earthquake, fire, explosion, flood, sabotage or similar occurrence, acts of a public enemy or terrorist, war, blockage or insurrection, riot or civil disturbance;

- (ii) any legal proceeding commenced by any third party seeking judicial review of this Lease, the Land Use Approvals or Construction Approvals (and/or any other approvals and/or permits necessary for the development of the Project issued by Governmental Agencies), and any restraint of law (e.g., injunctions, court or administrative orders, or legal moratoria imposed by a court or Governmental Agency;
- (iii) failure for a period of thirty (30) days or more, of any utility or governmental entity to provide and maintain public and private utilities, including power transmission lines, required for the construction of the Project Improvements;
- (iv) any unexpected or unforeseen subsurface condition inconsistent with typical background conditions which prevents construction of, or requires a material redesign or change in the construction of, or materially adversely affects the completion schedule for, the Project Improvements;
- (v) strikes, work stoppages or other substantial labor disputes; or
- (vi) the failure or inability of any subcontractor or supplier to furnish supplies or services if such failure or inability is itself caused by Unavoidable Delay and could not have been reasonably prevented and the affected party cannot reasonably obtain substitutes therefor.

Notwithstanding anything in this Lease to the contrary, during a period of Unavoidable Delay, the performance of obligation(s) under this Lease of the party asserting the Unavoidable Delay shall be tolled day for day of Unavoidable Delay; provided, however, that Unavoidable Delay shall not suspend the Lessee's obligation to pay Rent, or be deemed a cause for abatement of Rent. Nothing herein shall relieve the Parties from using commercially reasonable efforts to end the Unavoidable Delay, including through the use of commercially reasonable alternative means and methods.

"Utilities" shall have the meaning set forth in Section 4.2.2.

"Zoning Map" means the Zoning Map of the Town and any subsequent amendments.

"Zoning Ordinance" means the Zoning Ordinance of the Town and any subsequent amendments.

ARTICLE II

GRANT AND TERM

Section 2.1 Grant. For and in consideration of the payment of Annual Rent and the mutual covenants and agreements contained in this Lease, the County hereby grants and leases

the Premises to the Lessee, and the Lessee hereby takes and leases the Premises from the County, on the terms and conditions set forth in this Lease. Except as otherwise expressly provided in this Lease:

- (i) Lessee accepts the Premises "AS IS", in its present condition on the date hereof and without any representations or warranties by the County, express or implied, as to the condition thereof, except as expressly set forth herein; the County shall not be responsible for any latent or other defect or change of condition in the Premises;
- (ii) in no event shall the Annual Rent or Additional Rent hereunder be withheld or abated on account of any defect in the Premises, nor for any change in its condition, nor for any damage occurring thereto except as expressly provided in this Lease;
- (iii) the County makes no representations or warranties whatsoever with respect to the accuracy or completeness of any Draft Master Plan for the Grasslands Reservation, or the availability of any utilities or utility system and the Lessee shall be solely responsible at its own cost for all matters relating to the availability, capacity, modification and supplementation of, and connection to, all utilities and services, including, without limitation, the nearest possible tie-ins for telephone, electric, water, storm drainage and sanitary sewer, gas and other utilities and services and infrastructure related thereto; and
- (iv) the Lessee shall be responsible for the preparation of any necessary environmental assessment and other supporting documentation required by the Town or any other Governmental Agency in order to take an action, such as a discretionary approval, necessary to carry out the Project in accordance with SEQR and shall be responsible for all costs associated with such review.

It is recognized and understood by the Lessee that the purpose of the County's March 1, 2012 RFQ was a research and development complex to support the County's growing medical and biotech industries and that the development of 220,000 square feet of biotechnology/medical technology space (see definition of "First Phase of Project" in Article 1 above) is a material condition of the County's grant of lease, such that if this is not developed by the Lessee during the First Phase of the Project, then the County, acting by and through its County Executive, shall have the option in its sole discretion to declare the Lessee in default in accordance with Section 13.1 below.

The Lessee understands and agrees that this Lease is additionally subject to certain rights of the Westchester County Health Care Corporation ("WCHCC") under a certain Restated and Amended Lease Agreement ("Restated Lease"), dated December 30, 1998 affecting the Grasslands Reservation which encompasses the Premises. In particular, Article XX, Section 20.2(a) of the Restated Lease, vests WCHCC with a right of first refusal in connection with the sale, lease, license or commercial arrangement of all or any portion of the Grasslands Reservation

which is not included within the premises leased to WCHCC, for which the County receives a bona fide written offer that the County desires to accept.

In addition to this right of first refusal, WCHCC is also vested with a right against competition. Article XXXIX, Section 39.0 of the Restated Lease provides that the County, as WCHCC's landlord, will not lease, license, use or permit to be used by anyone other than WCHCC, as tenant, certain identified property, which is inclusive of the Premises herein, for the provision of any medical or health related service, including, but not limited to senior housing, assisted living housing, and such other uses for which all or any portion of the premises leased to WCHCC are then being used by WCHCC, or a subtenant.

By letter dated May 4, 2017, WCHCC has agreed to waive its right of first refusal under Article XX of the Restated Lease with respect to this Lease, a copy of this letter is attached hereto and made a part hereof.

Lessee understands and agrees that, as the Project progresses, additional approvals from WCHCC concerning its restrictive covenant rights under Section 39.0 of the Restated Lease will be required. In the event this occurs, the County shall work with the Lessee to submit appropriate documentation to WCHCC seeking to obtain such approvals. **Lessee shall not be permitted to use the Leased Premises for any use(s) prohibited by Section 39.0 of the Restated Lease until after either: a) WCHCC irrevocably waives, in writing, the restrictions on use of the Premises as contained in the Restated Lease; or b) WCHCC and the County, subject to all necessary legal approvals, agree in the form of a written amendment to the Restated Lease to allow such prohibited use(s).**

The Lessee shall indemnify, defend and hold harmless the County its officers, employees, agents, appointed and elected officials from and against any and all liability, damage, claims, demands, costs, judgments, fees, attorney's fees or loss arising directly or indirectly out of the restrictive covenant rights contained in the Restated Lease.

Section 2.2 Term. The term of this Lease ("Term") shall commence on the date of full execution of this Lease (the "Effective Date") and shall end on the last day of the ninety-ninth (99th) Lease Year. "Lease Year" shall mean a twelve (12) month period commencing on the Effective Date and each twelve (12) month period thereafter occurring in whole or in part during the term of this Lease.

Section 2.3 Title. The Lessee has engaged a title company to obtain title insurance under an ALTA Leasehold Policy and/or an ALTA Leasehold Loan Policy which (i) reflects that the County owns the fee interest in the Premises, and (ii) insures that this Lease is not subject and/or subordinate to any lien or encumbrance (other than a Leasehold Mortgage, if any), and said title insurance is acceptable to the Lessee, subject to the Permitted Title Exceptions. Lessee shall furnish a certified copy of such Policy to the County within ten (10) days of its completion.

Section 2.4 Quiet Enjoyment. Subject to the Permitted Title Exceptions and the terms and provisions of this Lease, the Lessee shall have and enjoy throughout the Term the

quiet, peaceful, exclusive and undisturbed possession of the Premises, without hindrance, ejection or molestation by any Person.

Section 2.4 Possession. The County shall deliver actual possession of the Premises under this Lease to the Lessee on the Effective Date.

Section 2.5 "Net" Lease. This Lease shall be a completely net lease and the Rent and all other sums payable hereunder by the Lessee shall be paid without notice or demand, and without setoff, counterclaim, recoupment, abatement, diminution, deduction, reduction or defense, except as otherwise specifically set forth herein. The Lessee shall be responsible for all expenses in connection with the Premises, including but not limited to financing costs, insurance costs, maintenance and repairs of the Premises and operating expenses, including but not limited to real estate taxes, assessments, water, gas, electric, sewer and other utility charges, and any other state, County or municipal charges, duties, special district levies and taxes, special assessments, or fees or charges in lieu thereof, license and permit fees.

Section 2.6 Incorporation of RFQ. The RFQ issued by the County on March 1, 2012 and the response by the Lessee dated April 24, 2012 are incorporated in this Lease as if set forth herein; provided, however, that in the event any of the terms, provisions, or conditions of the RFQ conflict with the terms, provisions, or conditions of this Lease, then this Lease shall control.

ARTICLE III

RENT

Section 3.1 [Intentionally omitted].

Section 3.1.1 Cost Reimbursement. The Lessee agrees that upon full execution of this Lease it shall reimburse the County for the cost of the Cushman & Wakefield Appraisal for the Premises, and any appraisal that may be required and agreed upon the Parties hereto.

Section 3.1.2 Initial Rent and Annual Rent. Commencing as of the Effective Date and continuing monthly until the Rent Commencement Date, the Lessee shall pay to the County an annual minimum rent in the amount of \$125,000 ("Initial Rent"), payable in monthly installments equal to one-twelfth (1/12) of the Initial Rent. If the Rent Commencement Date occurs at any time during a Lease Year other than the first day of a Lease Year, the Lessee shall only be responsible to pay the Initial Rent on a prorated basis.

Commencing as of the Rent Commencement Date, and for each partial and full Lease Year thereafter during the Term of this Lease, the Lessee shall pay to the County annual rent ("Annual Rent") equal to:

- (a) six percent (6%) of the Lessee's annual gross rental income ("Annual Gross Rental Income") for such partial or full Lease Year from the Permitted Uses defined in Article V, Section 5.1, except a hotel or an assisted living facility (which shall only become a

Permitted Use under this Lease after either: (i) a written irrevocable waiver of the use restrictions is executed by WCHCC; or (ii) an amendment to the Restated Lease between the WCHCC and the County in accordance with the terms set forth in section 2.1 above); plus

(b) three percent (3%) of the Lessee's Annual Gross Rental Income for such partial or full Lease Year from a hotel or an assisted living facility (see (a) above)

payable in monthly installments equal to one-twelfth (1/12) of the Annual Rent commencing on the Rent Commencement Date, and monthly thereafter. Annual Gross Rental Income shall include any and all payments received for the use and occupation of all or any portion of the Premises, including, but not limited to, rent, percentage rent, advance rent, and cancellation payments. Notwithstanding anything to the contrary contained herein, Annual Gross Rental Income shall not include Additional Rent (as hereinafter defined) for purposes of calculating Annual Rent.

In the event of a dispute between the Parties concerning the amount of Annual Gross Rental Income, the Parties shall follow the mechanism set forth in Section 3.2.6.

Should Lessee propose uses that are outside of those identified as Permitted Uses under Section 5.1, including, for example, residential uses or arts and cultural uses, Lessee shall, at Lessee's sole cost and expense, obtain an appraisal from an appraiser mutually agreed to by the Parties, to determine the fair market rental value ("FMRV") and percentage of gross rental income to be paid to the County. Such proposed new Permitted Uses shall only become a Permitted Use under this Lease after an amendment to this Lease is fully executed which sets forth the percentage of gross rental income to be paid to the County for such new Permitted Use under this Section 3.1.2 and which amends the list of Permitted Uses in Article V hereunder.

Notwithstanding the foregoing or any provision of this Lease, in no event shall the Annual Rent to the County be an amount less than the percentages set forth in subsections (a) and (b) immediately above (or by appraisal conducted during the Term for new uses) of the FMRV of the relevant sub-leased premises as of the date of execution of the sub-lease, as determined by comparables provided Lessee. Lessee shall provide the County with copies of any and all sub-lease agreements upon full execution by Lessee in order to allow the County to confirm the Annual Rent payable under this Lease Agreement. Within six (6) months after the delivery to the County of a copy of a sub-lease and the aforementioned comparables information, if the County disputes that the sub-lease is less than FMRV, the County shall have the right, upon notice to Lessee, to verify the FMRV under that sub-lease by appraisal, which shall be completed by an appraiser agreed upon by the County, and the cost of any such appraisal shall be shared equally between the Parties, or its right to do so shall be deemed waived. In the event an appraisal is not completed within the six (6) month period such period shall be extended up to an additional six (6) months, as long as the County is diligently pursuing the completion of the appraisal. If an appraisal reveals that the sub-lease is less than FMRV, Annual Rent shall be adjusted to reflect the FMRV. Any adjustment to Annual Rent as a result of the appraisal shall be retroactive to the Rent Commencement Date and the Parties shall undertake to promptly reconcile.

Notwithstanding the foregoing, with respect to any space for which the Town has issued a temporary certificate of occupancy ("TCO"), but which is not occupied and for which the Lessee is not receiving rent, Lessee shall, commencing as of the first (1st) anniversary of receipt of such TCO, pay the County Annual Rent for such space equal to fifty percent (50%) of the established and agreed upon percentages set forth in subsections (a) and (b) above of the FMRV for that use. In no event shall the Annual Rent payable hereunder be less than the Initial Rent.

Notwithstanding anything in this Lease to the contrary: (i) the Lessee shall not be required to charge any rent of any kind to the "Children's Living Science Center" and related parking that may be required by zoning for the Children's Living Science Center; all to be constructed as part of the Project for so long as it is a duly formed and existing not-for-profit organization organized within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, and therefore no Rent shall be payable by the Lessee with respect to such use; and (ii) for the first two years following the Rent Commencement Date, no Rent shall be payable by the Lessee with respect to any parking structures to be constructed on the Premises as part of the Project.

Beginning on the third anniversary of the Rent Commencement Date, the Lessee shall be required to pay as part of the Annual Rent three percent (3%) of any net revenues received by Lessee from public parking which are not part of Lessee's rental income under any sub-leases.

Section 3.2 General Provisions Regarding Payment of Rent.

Section 3.2.1 Offset, Abatement or Deduction. The Lessee shall pay all Initial Rent and Annual Rent to the County without notice and free of any offset, abatement or other deduction whatsoever, except as expressly provided in this Lease.

Section 3.2.2 Form and Place of Payment. All Rent shall be paid in the lawful money of the United States of America to the County at the County's address for notices or to such other Person or address as may have been identified in a notice given by the County to the Lessee.

Section 3.2.3 Late Payment. If any payment of Initial Rent or Annual Rent is not made within fifteen (15) days after the date due and payable under this Lease, such unpaid amount shall bear interest at the Default Rate.

Section 3.2.4 Additional Rent. In addition to Initial Rent and Annual Rent, the Lessee shall pay, as additional rent, without notice or demand, and without setoff, counterclaim, recoupment, abatement, diminution, deduction, reduction or defense, except as otherwise specifically set forth herein, when due and payable as provided in this Lease, all sums, charges and expenses, however characterized, that the Lessee is obligated to pay to the County or to any third party pursuant to any of the provisions of this Lease, including, without limitation, Impositions, any and all real estate taxes, assessments, water, gas, electric, and other utility charges, sewer rents and charges, duties, special district levies, taxes and/or assessments, license and permit fees, and fines, together with any interest or penalties lawfully imposed upon the late payment thereof, if such late payment is due to the fault of the Lessee, which, pursuant to present or future law or otherwise, during the Term, shall have been or shall be levied, charged, assessed,

imposed upon or become due and payable out of, or for, or have become a lien on the Premises or any part thereof ("Additional Rent"). In the event of any failure on the part of the Lessee to pay any Additional Rent, the County shall have all the rights and remedies provided for in this Lease or at law or in equity or otherwise (except as such legal or equitable remedies may be modified by the terms of this Lease) to enforce the collection of such Additional Rent.

Section 3.2.5 County Audit. The County shall have the right to audit the Lessee's books and records to confirm Lessee's Annual Gross Rental Income from the Premises and the Initial Rent, Annual Rent and Additional Rent payable by the Lessee; provided, however, that (i) the County must provide the Lessee with thirty (30) days' prior written notice of such an audit, (ii) the County may conduct such audit only once per year, and (iii) the County may conduct such audit no later than three (3) years after the end of the Lease Year being audited, unless mutually agreed to by the Parties.

Section 3.2.6 Dispute Resolution. The Parties agree to meet and confer and attempt to resolve any disputes arising from or relating to this Agreement. Any disputes that cannot be resolved through the foregoing process shall be submitted to mediation through a nationally recognized mediation service. For disputes under the provisions of this Agreement set forth below, the Parties shall select a mutually agreeable nationally recognized expert in the field specified below ("Third Party Expert"). The Parties shall share equally in the cost of the Third Party Expert.

Disputes arising from or relating to this Agreement that cannot be resolved through negotiation or mediation as set forth above shall be subject to the following dispute resolution process:

Section 3.1.2 relating to a dispute as to the calculation of Annual Gross Rental-Income, the Third Party Expert shall be a Certified Public Accountant.

Section 4.2(d) relating to a dispute as to construction of any Project Improvements, the Third Party Expert shall be a licensed engineer.

Section 4.2 1(d) (ii) relating to a dispute as to: (a) fair market value of the Infrastructure; (b) percentage of Infrastructure that serves the First Phase; and (c) percentage of Infrastructure to be allocated to any Future Phase, the Third Party Expert shall be a Certified Public Accountant.

Section 4.5 relating to a dispute as to whether a waiver should be granted because of impracticability of designing and constructing biotechnology/medical technology space to a LEED Silver certification, the Third Party Expert shall be a licensed architect.

If the Parties cannot agree on the selection of a Third Party Expert under any of the above provisions, either Party may request a judge of the New York State Supreme Court, Westchester County, to select the Third Party Expert.

All disputes other than as specified above, that are not resolved through negotiation or mediation, shall be subject to the exclusive jurisdiction of the federal or state courts in Westchester County having jurisdiction. .

ARTICLE IV

LAND USE APPROVALS; CONSTRUCTION OF THE PROJECT

Section 4.1 A. Land Use Approvals First Phase. This Lease and the Lessee's obligations hereunder, with the exception of Lessee's obligations to pursue Land Use Approvals, and Lessee's obligation to pay the Initial Rent in accordance with the terms of the Lease, during the period from Effective Date to Approval Date, are expressly contingent upon the Lessee's receipt, not later than twenty-four (24) months following the Effective Date, subject to Unavoidable Delays and extension as provided in Section 4.1.4, below (the "Approval Date"), of Land Use Approvals necessary to permit construction of the First Phase of the Project.

Lessee shall obtain such Land Use Approvals from the Town and other Governmental Agencies as are necessary to entitle the Lessee to develop and construct on the Premises the First Phase of the Project (including all necessary site work and utility and other infrastructure) in accordance with the Master Development Plan (as further defined in Section 4.1.2(b), below), prepared for submission to the Town and approved by the County in accordance with Section 4.1.2, below, and which in Lessee's sole discretion would not materially adversely affect the Lessee's ability to develop, construct, use and operate the Project in accordance with this Lease, and otherwise-satisfactory to the Lessee, all of which permits, approvals and other matters must be Final. Lessee shall notify the County in writing of any governmental approval, which in Lessee's sole discretion would materially adversely affect Lessee's ability to develop, construct, use and operate the Project in accordance with this Lease and is otherwise not satisfactory to Lessee within thirty (30) days of receipt of such approval.

B. Land Use Approvals Future Phases. Lessee shall obtain such Land Use Approvals from the Town and other Governmental Agencies as are necessary to entitle the Lessee to develop and construct on the Premises the Future Phases of the Project (including all necessary site work and utility and other infrastructure) in accordance with the Master Development Plan, prepared for submission to the Town and approved by the County in accordance with Section 4.1.2, below, and which in Lessee's sole discretion would not materially adversely affect the Lessee's ability to develop, construct, use and operate the Project in accordance with this Lease and otherwise satisfactory to Lessee in its sole discretion, all of which permits, approvals and other matters must be Final.

C. Additional Land Use Approval Provisions/Construction Approvals. Notwithstanding the foregoing, the Land Use Approvals for the First Phase and Future Phases

shall include permits and approvals from the Westchester County Health Department, Department of Environmental Facilities, and Department of Public Works and Transportation, for water and sanitary sewer improvements, and permits and approvals from Governmental Agencies necessary for the construction and/or installation of "off-site" improvements and infrastructure that benefit the Project, including, without limitation, road improvements under the jurisdiction of the State or the County.

Land Use Approvals shall not include building permits or any related non-discretionary site work and/or construction permits (hereinafter "Construction Approvals") from the Town or any other Governmental Agencies, and shall not include approvals required for the development of property owned by or under the control of the Lessee but not part of the Premises herein.

Section 4.1.1 Processing. From and after the Effective Date, the Lessee agrees to diligently, continuously and in good faith engage in the design and planning of the Project, and to submit applications for and seek the Land Use Approvals for the First Phase of the Project as well as Future Phases of the Project.

Notwithstanding anything to the contrary in this Lease, the Lessee shall not be obligated to accept Land Use Approvals and/or Construction Approvals for either the First Phase or Future Phases that are conditioned, restricted or limited in such manner that in Lessee's sole discretion would materially adversely affect the Lessee's ability to develop, construct, use and operate the Project in accordance with this Lease. However, Lessee shall be required to make good faith efforts to seek modifications of any approval(s), which in its sole discretion materially adversely affect the Lessee's ability to develop, construct, use and operate the Project in accordance with this Lease and is otherwise not satisfactory to Lessee in its sole discretion.

Section 4.1.2 Approval by the County.

(a) **Lease Concept Plan.** The Lessee acknowledges that a Concept Plan that was submitted in response to the RFQ, and based on discussions with the County, has been revised, updated and expanded upon based on the terms set forth herein and describes the Lessee's intended comprehensive plan for the entire site for which Lessee intends to seek Land Use Approvals ("Lease Concept Plan"). The Lease Concept Plan is attached hereto and made a part of this Agreement as Exhibit "B".

(b) **Master Development Plan.** Lessee shall prepare a Master Development Plan, as required by the Town, for the entirety of the proposed Project which includes the First Phase and all Future Phases (the "Master Development Plan"), as set forth in the Lessee's proposal in its response to the RFQ and the Lease Concept Plan. Prior to the submission to the Town of the Master Development Plan, and any supporting documentation such as proposed zoning amendments, renderings, site plans, project descriptions and environmental assessment forms, the Lessee shall submit such Master Development Plan and accompanying documentation to the

County Commissioner of Public Works and Transportation ("DPWT Commissioner") for approval, which approval shall not be unreasonably withheld, delayed or conditioned. The Master Development Plan shall comply with the County's "Leased Land Development Standards," a copy of which is annexed hereto and made a part hereof as Exhibit "D" of this Lease. The Leased Land Development Standards provide a framework for overall consistency in design and are necessary to maintain the character and smooth functioning of the Grasslands Reservation. Notwithstanding anything in this Lease to the contrary, this Lease is in all respects subject to and conditioned upon the approval by the Town of a Master Development Plan that is in all material respects the same as approved by the County.

(c) **Site Development Plan.** Prior to submission to the Town or any other Governmental Agency of any application for any Land Use Approval for the First Phase and any Future Phases, the Lessee shall submit a site development plan for which Land Use Approvals are sought (each a "Site Development Plan") to the DPWT Commissioner, for the County's design review and approval, which shall not be unreasonably withheld, delayed or conditioned, provided that:

(i) each Site Development Plan and any related applications for approval by the Town are materially consistent with the Master Development Plan that was approved by the DPWT Commissioner and comply with the County's "Leased Land Development Standards,"; and

(ii) any subsequent Site Development Plans, and related applications, for Future Phases of the Project are materially consistent with the Master Development Plan of the Project and comply with the Leased Land Development Standards. Notwithstanding any provision of this Lease, the Lessee shall not be obligated to construct as part of any phase of the Project any Project Improvements not mutually agreed upon by the County and the Lessee in accordance with the procedures set forth in this Lease, except for the 220,000 square feet of biotechnology/medical technology space which must developed by the Lessee during the First Phase of the Project and is deemed a material condition of this Lease.

Applications for the First Phase of the Project and the Site Development Plan for the First Phase of the Project shall be processed by the Lessee with the Town concurrently with the submission of the Master Development Plan.

The County's decision to approve or disapprove or provide comments to the Site Development Plan(s), shall be made within thirty (30) days after a Site Development Plan is delivered to the DPWT Commissioner. The DPWT Commissioner shall give the Lessee written notice of the County's determination. If the County provides comments or disapproves the submitted Site Development Plan, the County shall so notify the Lessee in writing, specifying comments in reasonable detail and/or in what respects the Site Development Plan is not acceptable, and the Lessee shall either (i) withdraw the proposed Site Development Plan, or (ii) revise the Site Development Plan in response to the County's comments and resubmit the revised Site Development Plan to the DPWT Commissioner for review and approval. Each review by the County under this Section shall be carried out within thirty (30) days following the date of delivery to the DPWT Commissioner of the proposed Site Development Plan. All costs and

expenses incurred by the County in any such review shall be borne by the Lessee. The provisions of this Section 4.1.2 relating to approval, rejection, and resubmission shall continue to apply until the proposed Site Development Plan has been approved by the County.

Section 4.1.3 Cooperation. From time to time, at the Lessee's request and at the Lessee's sole expense, the County shall, in its capacity as fee owner of the Premises, execute, deliver or file any applications and supporting materials for Land Use Approvals and Construction Approvals for any Phase as, pursuant to applicable Requirements of Governmental Agencies, must be filed or otherwise provided by the land owner in connection with the regulatory approval process. The Lessee shall provide the County with copies of such applications and supporting materials for review purposes within a reasonable amount of time prior to any request by the Lessee for the County to execute, deliver or file such applications and supporting materials.

Further, upon request, the County shall provide copies of the Local Law adopted by the Board of Legislators and the Resolution adopted by the Board of Acquisition and Contract authorizing this Lease as any Governmental Agency or other third party may require evidencing the right of the Lessee to seek the Land Use Approvals and Construction Approvals. To the extent further authorizations or approvals are required, the Westchester County Executive agrees to expeditiously submit requests for approval to the appropriate board, body or agency of the County, including but not limited to the Board of Legislators. All such applications, requests and authorizations to be provided by the County pursuant to this Section 4.1.3 shall be in form and substance reasonably acceptable to the County and shall not require the County to expend any funds not otherwise required pursuant to this Lease.

Section 4.1.4 Extension of the Approval Date for First Phase.

(a) If the Land Use Approvals for the First Phase have not been obtained by the Approval Date, and if the Lessee is working diligently and in good faith to secure the Land Use Approvals, then the Lessee may, by notice delivered to the County at least thirty (30) days prior to the Approval Date, extend the Approval Date for up to twelve (12) months (the "First Extension Period").

(b) If the Land Use Approvals for the First Phase have not been obtained by the end of the First Extension Period, and if the Lessee is working diligently and in good faith to secure the Land Use Approvals, then the Parties may, upon mutual consent at least thirty (30) days prior to the expiration of the First Extension Period, extend the Approval Date for up to an additional twelve (12) months from the date of such expiration (the "Second Extension Period"; the date of expiration of the Second Extension Period, the "Land Use Approvals Outside Date").

Section 4.1.5 Failure to Obtain Land Use Approvals for the First Phase of the Project.

If for any reason the Lessee is unable despite diligent, good faith efforts to obtain Land Use Approvals for the First Phase of the Project by the Land Use Approvals Outside Date,

the Lessee may, at the Lessee's sole election, on thirty (30) days' written notice given to the County, either terminate this Lease or waive the contingency in Section 4.1. Further, the Lessee may terminate this Lease if at any time prior to the Land Use Approvals Outside Date Lessee determines, in its sole but commercially reasonable judgment, that Lessee will be unable to obtain the Land Use Approvals for the First Phase of the Project by the Land Use Approvals Outside Date.

In the event the Lessee terminates this Lease pursuant to the foregoing, the Lessee shall provide the County with copies of such of the materials submitted to the Town in connection with the Land Use Approvals as the County may request, without representation or warranty of any kind regarding accuracy, completeness, or the right (if any) of the County to rely on or make use thereof. The County shall indemnify and hold harmless the Lessee from and against any liability or claim arising from any use of such materials by the County. This indemnification shall survive any termination of this Lease. The Lessee shall not, however, be obligated to provide the County with any market reports, feasibility studies, economic models, or proprietary information with respect to the Project, nor any information that is subject to an attorney-client or other applicable privilege.

Section 4.2 Construction of the Project for First Phase and Future Phases.

(a) The Lessee shall:

(i) commence construction of the First Phase of the Project by the First Phase Commencement Date which shall mean six (6) months after Land Use Approvals become Final, but not later than one (1) month from the issuance of the first building permit under this Lease; and

(ii) construct up to an additional 2,500,000 gross square feet, or in a lesser amount as approved by the Town, in accordance with the Master Development Plan, of any combination of Permitted Uses in one or more additional, future phases of the Project (each a "Future Phase"), each Future Phase shall consist of not less than 200,000 gross square feet of any such uses.

It is understood and agreed that upon submission of an application for Land Use Approvals for each Future Phase, Lessee will diligently pursue all necessary approvals for each Future Phase of the Project. Construction of a Future Phase of the Project shall commence as soon as practicable after Land Use Approvals for such Future Phase become Final. Once commenced, construction of a phase shall proceed with commercially reasonable diligence subject to Unavoidable Delays. All Project Improvements shall be constructed in a first class, good and workmanlike manner and in accordance with the applicable Land Use Approvals, Construction Approvals, Master Development Plan, Leased Land Development Standards and all applicable provisions of law.

(b) The Lessee covenants and agrees that the First Phase of the Project shall be Substantially Completed by the third (3rd) anniversary of the First Phase Commencement Date (the "First Phase Completion Date"). Notwithstanding the foregoing, the First Phase Completion Date shall be no later than five (5) years after any extensions permitted in Section 4.1.4; provided

however, if the First Phase of the Project is not Substantially Completed by the First Phase Completion Date, the time for completion may be extended by the Parties in writing, provided that construction of the First Phase of the Project is diligently prosecuted toward Substantial Completion by Lessee. The Lessee covenants and agrees that the next phase of the Project shall be Substantially Completed by the fifth (5th) anniversary of the First Phase Completion Date (unless extended by mutual agreement of the Parties, provided that construction of the First Phase of the Project is being diligently prosecuted), and each succeeding phase shall be Substantially Completed by the fifth (5th) anniversary of the date of Substantial Completion of the immediately preceding phase (each such date, an "Outside Completion Date"). Lessee's failure to Substantially Complete any Phase of the Project by the Outside Completion Date, unless the time for completion has been extended as set forth above, shall be a default under the Development Lease (as defined in Section 4.2.1(a) below) for that Phase and a default under Section 13.1 of this Lease, entitling the County to terminate that Development Lease (as defined in Section 4.2.1(a) below), and this Lease with respect to the remainder of the Premises not previously severed as set forth in this Section, and such remainder shall revert to the County. For purposes of this Section 4.2(b), the Director of Real Estate for the County shall be the individual authorized to grant such an extension.

Notwithstanding the foregoing, the Lessee acknowledges that completion of the Project within twenty-five (25) years after "Effective Date" is the aspirational goal of the Parties.

(c) Lessee shall not commence construction of any Future Phase unless and until the 220,000 square feet of biotechnology/medical technology space has been Substantially Completed. Violation of this provision shall, at the County's sole discretion acting by and through the County Executive, be deemed a default under Section 13.1. Notwithstanding the foregoing, Lessee may commence construction of additional biotechnology/medical technology space in a Future Phase prior to Substantial Completion of the First Phase of the Project upon receipt of written consent of the County Executive. Nothing herein shall interfere with the time frames required for substantial completion, or by consent to extend the time for substantial completion, of the 220,000 square feet of biotechnology/medical technology space required under the First Phase.

(d) During construction of any Project Improvements, the County may, from time to time, and at reasonable times upon reasonable prior notice, inspect such Project Improvements provided that conducting of such inspection shall not interfere with Lessee's construction activities. In the event that, during such construction or at any time prior to the issuance of a temporary certificate of occupancy, or certificate of completion as the case may be, the County or its architects or engineers shall reasonably determine the Project Improvements are not being constructed substantially in accordance with the relevant Site Development Plan and that such deviation from the Site Development Plan prevents the Project Improvements from complying with the Leased Land Development Standards, then the County shall give prompt notice in writing to Lessee, specifying in detail the particular deficiency or omission in which the County claims construction does not accord with the Site Development Plan. Lessee shall respond to the County within thirty (30) days either, (x) notifying the County that Lessee will remedy the deficiency within a reasonable time, or (y) stating with specificity why no deficiency exists and the reasons therefor. In the event of a dispute between the Parties concerning the construction of

any Project Improvements, the Parties shall comply with the provisions contained in Section 3.2.6.

Section 4.2.1 Development Leases for Each Phase of the Project. The Parties acknowledge that the Project will be developed and constructed over time in multiple phases and while the Parties have agreed herein to time frames in which these phases must occur the scope and components of each phase will be determined by market and economic conditions. The Parties therefore agree that, provided the Lessee is not then in default hereunder:

(a) Promptly following the First Phase Commencement Date, the Parties shall (i) amend this Lease to sever the portion of the Premises on which the First Phase of the Project is located (the "First Phase Development Site") from the remainder of the Premises and release the First Phase Development Site from the leasehold created hereby, and (ii) simultaneously enter into a new, separate lease (a "Development Lease") for the First Phase Development Site.

(b) Upon the County's receipt of any application for Land Use Approvals which is intended to be submitted to the Town or any Governmental Agency for any proposed Future Phase, the Parties shall (i) amend this Lease to sever the portion of the Premises on which that Future Phase is located (each a "Future Phase Development Site") from the remainder of the Premises and release such Future Phase Development Site from the leasehold created hereby, and (ii) simultaneously enter into one or more Development Leases for such Future Phase Development Sites; (collectively the First Phase Development Site and Future Phase Development Sites shall cover the entire Premises).

At the time this Lease is amended to sever any portion of the Premises, the Lessee shall submit to the County a title insurance search or certificate issued by any reputable title company licensed to do business in the State of New York showing the "status of title" as of the effective date of such Development Lease and, in the event that all or a portion of the Premises are encumbered by a Leasehold Mortgage or other lien, the Leasehold Mortgagee's consent to a lease modification or termination and release of lien as to the premises on which building have been previously constructed, in recordable form.

(c) Each Development Lease shall: (i) name as tenant thereunder the Lessee, or any of its successors or assigns; (ii) serve to release, from this Lease, that portion of the Premises demised under that Development Lease; (iii) constitute a separate and distinct obligation of the Lessee; (iv) contain the same terms, provisions, covenants, and agreements as are set forth herein, and (v) be co-terminous with this Lease, except that: (A) each Development Lease shall be accompanied by a survey showing the portion of the Premises to be demised under such Development Lease, together with a metes and bounds description thereof, copies of which shall be provided to the DPWT Commissioner and the cost of which shall be borne by the Lessee; (B) each Development Lease shall provide that the County shall cooperate with any efforts by the Lessee to cause the portion of the Premises demised under a Development Lease to be designated as a separate tax lot, the cost of which shall be borne by the Lessee; (C) a Leasehold Mortgage granted by Lessee under a Development Lease shall encumber only the portion of the Premises demised, and leasehold estate granted to Lessee, under such Development Lease; (D) the rent and additional rent payable under each Development Lease shall be substantially in accordance with

Article III of this Lease; and (E) each Development Lease shall contain such cross-easements, restrictions, covenants and agreements (including but not limited to, those relating to use, utilities, parking, ingress and egress) as shall be reasonably requested by Lessee, or any of its successors or assigns for the benefit of the premises to be demised under such Development Lease.

(d) Notwithstanding anything in this Lease or a Development Lease to the contrary:

(i) the Development Leases for Future Phases shall not be cross-defaulted, except that Lessee's failure to Substantially Complete a Future Phase by the applicable Outside Completion Date shall be a default under the Development Lease for that Future Phase and this Lease, entitling the County to terminate that Development Lease, and this Lease with respect to the remainder of the Premises not previously severed as set forth in this Section, and such remainder shall revert to the County; and

(ii) upon termination by the County of any Development Lease for the Lessee's failure to Substantially Complete any Future Phase, the County shall reimburse the Lessee, subject to appropriation, the fair market value of the Utilities and streets (public and/or private) ("Infrastructure") serving that uncompleted Future Phase and the undeveloped remainder of the Premises not previously severed as set forth in this Section, but not including any Infrastructure supporting off-site property owned by Lessee. The County shall only be required to reimburse the Lessee as set forth below for the proportionate fair market value of the Infrastructure for that Future Phase and the undeveloped remainder of the Premises not previously severed as set forth in this Section, but not including any Infrastructure supporting off-site property owned by Lessee. If the Parties are unable to agree on the fair market value of the Infrastructure, then the Dispute Resolution provision of Section 3.2.6 shall apply.

Upon issuance of a building permit for the First Phase, the Lessee and the DPWT Commissioner and Commissioner of the Department of Environmental Facilities ("DEF Commissioner") shall collectively determine the percentage of the Infrastructure that serves the First Phase. The Lessee shall provide the County with the Lessee's proposed percentage and any supporting documentation to substantiate the Lessee's basis for its calculation of such percentage. The County shall have thirty (30) days to comment and propose revisions to the Lessee's percentage. If the Parties are unable to arrive at a resolution of the percentage of the Infrastructure allocated to the First Phase, then the Dispute Resolution provision of Section 3.2.6 shall apply.

Thereafter, upon issuance of a building permit for any Future Phase, the Lessee and the DPWT Commissioner and DEF Commissioner shall collectively determine the percentage of the Infrastructure allocated to serve that particular Future Phase. The Lessee shall provide the County with the Lessee's proposed percentage and any supporting documentation to substantiate the Lessee's basis for its calculation of such percentage. The County shall have thirty (30) days to comment and propose revisions to the Lessee's percentage. If the Parties are unable to arrive at a resolution of what the percentage should be for that Future Phase, then the Dispute Resolution provision of Section 3.2.6 shall apply.

Notwithstanding anything to the contrary herein, the County shall only be obligated to reimburse the Lessee as stated above, if the County determines to proceed with the development of the Premises by the County or by any other developer, and if the County has reimbursed the Lessee as set forth above, the County shall have the unfettered right to use the Infrastructure; and

(iii) provided further that the Lessee shall grant to the County any and all access rights and/or easements to the property already developed as necessary in order to enjoy the use of such Infrastructure and also for access to the property that constitutes the remainder of the Premises not previously severed as set forth in this Section. Failure to enter into a future Development Lease for any reason does not relieve the Lessee from its obligations hereunder.

(e) Subject to the foregoing, the County and Lessee agree to include in each Development Lease such terms and provisions as are reasonably necessary to accomplish the intent of this Section 4.2.1.

(f) The County covenants and agrees that promptly upon request by Lessee therefor, it will execute, acknowledge and deliver such instruments as are reasonably requested by Lessee or any of its successors or assigns, to effectuate the provision of this Section 4.2.1, and provided that each of the Development Leases conforms with this Section 4.2.1, approval by the Board of Legislators and Board of Acquisition and Contract to amend this Lease and enter into new, separate Development Leases, shall not be required.

4.2.2 Easements. Consistent with the Site Development Plan, and with all related costs to be paid by the Lessee, upon request of the Lessee, County agrees to join in any grants of easements in, on-over or under property within its control as may be reasonably required to accommodate the development and construction of the Project Improvements including, without limitation, the construction and installation by Lessee of electric, telephone, gas, water, sewer and other public and private utilities useful or necessary to the proper economic development and operation of the Project (collectively, "Utilities"), with respect to such locations as the Lessee may reasonably request provided, however, that any such grant of easement shall be in form reasonably acceptable to the County and shall provide for the right to relocate the easement referred to in the grant to any other portion of the Premises reasonably suitable for such relocation, subject to the party requiring such relocation making payment to the applicable utility company of the actual costs and expenses incurred by the utility company in effecting such relocation. New utility service lines and cables shall be installed underground.

In addition, and subject to necessary legal approvals including but not limited to the approval of the County Board of Legislators, the County will, upon request of the Lessee, seek to modify or terminate such street and other rights-of-way as may be reasonably required to accommodate the development and construction of the Project Improvement.

Notwithstanding the foregoing or any contrary provision of this Lease, the County has not leased to the Lessee, and the Lessee shall have no rights in and to, the existing tunnel network at the Grasslands Reservation.

Further, Lessee acknowledges that this Lease is subject to any existing easement or utility agreements to which the County is a party at Grasslands Reservation. If any such existing agreements require an approval or waiver to permit the construction of any Project Improvement, the County will make commercially reasonable efforts to obtain the same.

The Lessee shall reimburse the County for any reasonable costs incurred by the County in connection with the carrying out of this Section 4.2.2 upon submission of an invoice and/or supporting documentation.

Section 4.2.3 Legal and Engineering Requirements. The Lessee shall comply with all Requirements of Governmental Agencies and all accepted engineering standards and requirements applicable to the development of the Project and the construction of the Project Improvements.

Section 4.3 Mechanic's Liens.

(a) The Lessee shall not suffer or permit or consent to the filing or to the continuation after filing, of any mechanic's liens or other similar liens against the Project Improvements or the Premises, or any portion thereof.

(b) The Lessee shall pay all costs incurred in connection with the construction, alteration, maintenance, operation and repair of the Project. If a lien or claim of lien is filed against all or any part of the Premises by any contractor, subcontractor, mechanic, laborer, materialman or any other Person whomsoever, other than arising from any act or action of the County, its agents, employees or independent contractors, then prior to the commencement of any proceeding to foreclose such lien, the Lessee shall cause the same to be discharged of record; provided, however, that the Lessee shall have the right to contest the amount or validity of any such lien or claim of lien by appropriate proceedings, but in such event, the Lessee shall promptly and fully bond such lien by a statutory bond to discharge such lien with a responsible surety company to prevent foreclosure against the Premises under such lien or claim of lien. The Lessee shall prosecute such proceedings with due diligence. The Lessee shall also defend the County, at the Lessee's expense, against any action, suit or proceeding which may be brought on or for the enforcement of any such lien and shall pay and satisfy and discharge any judgment entered in such action, suit or proceeding and save the County harmless from any liability, claim or damages resulting therefrom.

Section 4.4 Ownership of Drawings, Specifications and Documents. All architectural and engineering drawings, specifications and documents prepared in connection with the design, development and construction of the Project, and which Lessee has in its possession, shall be provided to the County to complete the County's files. If the Lessee does not have such documents, the Lessee shall use best efforts to obtain copies and provide same to the County.

Copies of all final plans, "as built" drawings (which shall be deemed to include final plans with field notations thereon) and equipment and building system operating and

maintenance manuals, all utilities above ground and underground, for any aspect of the Project, whether or not required to be submitted to the County as landlord for approval, shall be delivered to the County to complete the County's files.

Section 4.5 Sustainable Building Principles. The design and construction of the biotechnology/medical technology space for the First Phase and the Future Phases of the Project shall be capable of obtaining LEED Silver certification from the U.S. Green Building Council. In the event such standards are replaced or revised at a point in time after the Effective Date of this Lease, then an equivalent standard or level of certification that existed at the time of Site Development Plan approval will apply. The Lessee shall only be required to show that the biotechnology/medical technology space is capable of obtaining the LEED Silver certification, and not be required to actually obtain an official certification from the U.S. Green Building Council.

Should the Lessee determine that it is not practicable to design and construct the biotechnology/medical technology space to be capable of obtaining LEED Silver certification, then the Lessee may apply for a waiver from the above requirement. The application for a waiver shall be submitted at the time of the Site Development Plan submission to the DPWT Commissioner in Section 4.1.2(c). The waiver shall specify the portion of the Project affected and an explanation as to how the certification would not be practicable. The DPWT Commissioner may request additional documentation to substantiate the basis for a waiver. The DPWT Commissioner shall, within sixty (60) days of receipt of the application, subject to extension by mutual agreement of the Parties, submit the waiver request to the County Board of Acquisition and Contract along with the DPWT Commissioner's recommendation for approval or denial. In the event the Lessee's request for a waiver is denied by the County Board of Acquisition and Contract, the Lessee may follow the dispute resolution mechanism set forth in Section 3.2.6.

ARTICLE IV-A

COMMUNITY COLLEGE COLLABORATIVE EDUCATION PROGRAM

Section 4-A.1 Intent. The Parties recognize and understand that a mutual educational, programmatic, and professional relationship between the Parties and Westchester Community College advances the intent of the Parties to promote economic development, job creation, and professional training. The Parties agree to use good faith efforts and to take affirmative steps to encourage subtenants to implement a continuing education program with Westchester Community College, which includes certain elements as listed in Exhibit "D-1". This program shall be known as the "Community College Collaborative Education Program." The Parties will also endeavor to develop similar programs with other local colleges and universities.

ARTICLE V

USES AND RELATED COVENANTS

Section 5.1 Permitted Uses. The Lessee shall not use or allow the use of the Premises for speculation or any purpose other than the development, construction and operation of the Premises in accordance with the Land Use Approvals for the following uses: biotechnology, medical technology, research and development, medical office, professional and business office, hotel (including facilities to serve WCHCC a/k/a the Westchester Medical Center, patient families and visitors and out-patients), assisted living facilities, senior living community facilities, retail, restaurant, personal service uses, indoor recreation facilities, child day care centers, and related and supporting uses including a not-for-profit "Children's Living Science Center" and continuing education programs (collectively "Permitted Uses"). **In accordance with the restrictions in the grant of lease set forth in section 2.1 above, it is understood and agreed to by the Lessee that any Permitted Use must comply with the restrictive covenant terms of the Restated Lease agreement between the County and WCHCC and that if Lessee desires to undertake the development of assisted living facilities and/or senior living community facilities or any other use that is prohibited under Section 39.0 of the Restated Lease, then same shall not be permitted unless and until either: (a) WCHCC irrevocably waives such restrictions in writing; or (b) the Restated Lease is amended to authorize such prohibited use. Lessee acknowledges that any uses prohibited to be developed on the Premises under the Restated Lease shall not be considered "permitted" unless and until either (a) or (b) above occurs, and any required Land Use Approvals are obtained.** The phrase "irrevocably waives such restrictions in writing" shall mean a writing signed by an officer of WCHCC who has been duly authorized by WCHCC to execute such a document on behalf of WCHCC.

Section 5.2 Other Requirements. Nothing contained in this Article V shall be deemed to relieve the Lessee from compliance with the Zoning Ordinance or the Land Use Approvals and Construction Approvals for any phase of the Project. The Project shall be designed to comply with all applicable Leased Land Development Standards, subject to such modifications to accommodate the Project as may from time to time be approved by the DPWT Commissioner, which approval shall not be unreasonably withheld.

Section 5.3 Compliance with Laws. The Lessee shall obey, perform and comply with any and all Requirements of Governmental Agencies affecting the Premises, or the use or condition of the Premises, including the construction, operation, alteration or demolition of the Project Improvements, or in any other way affecting this Lease. The Lessee shall have the right to contest in good faith the validity of any such Requirements of Governmental Agencies by appropriate legal proceedings, unless such proceedings shall operate to cause the sale of the Premises or any part thereof, or the placing of any lien thereon or the imposition of fines or other civil or criminal liability prior to the final determination of such proceedings. The Lessee shall at its own expense obtain any and all licenses and permits necessary for the use and operation of the Project Improvements. The County, in its capacity as fee owner of the Premises, shall execute,

deliver or file any applications and supporting materials for such licenses and permits as set forth in Section 4.1.3 of this Lease.

Section 5.4 Maintenance. The Lessee shall, at Lessee's cost and expense, maintain the Premises and the Project Improvements in good, sound and safe condition and repair and sightly in appearance. Necessary repairs, maintenance and upkeep will be performed so as to preserve the attractive appearance, the physical integrity and the sanitary and safe condition of the Project Improvements. Notwithstanding the foregoing or anything to the contrary in this Lease, the County reserves all rights to enforce any and all safety, health and welfare and other laws and regulations, including any Requirements of Governmental Agencies.

Section 5.5 Vacant Parcels. Any portion of the Premises that has not been developed or which is not being disturbed for the construction of any portion of the Project, shall be considered vacant parcels. Such vacant parcels shall at all times be kept and maintained by the Lessee, in good, sound and safe condition and appearance and accordance with any and all applicable property maintenance laws and regulations of the County.

Section 5.6 Local participation.

Lessee agrees to take the following measures to encourage local participation during the Project:

- Encouraging the hiring of Westchester building trades by participating contractors;
- Establishment of regular activities to insure Westchester buildings trades gain information about upcoming job opportunities, including public postings at county and local municipal buildings, advertisements in local media publications,-etc.;
- Insuring that local Westchester building trades have access to bidding information by advising trade organizations of upcoming work;
- Insuring direct review by Lessee's executive staff whenever a Westchester building trade is not selected for work;
- Working with local colleges, including Westchester Community College and Pace University, to establish career training opportunities, including mentorship programs with trade contractors and professionals assigned to the project;
- Conducting job fairs in major Westchester population areas prior to the beginning of each phase of the project, those fairs to be conducted by an advocacy group selected by Westchester County;
- Establishing a yearly review format for contractors to report efforts toward hiring of Westchester building trades; and
- Insuring that appropriate notice and encouragement is given to area WMBE contractors by coordinating bid efforts with Westchester County workforce advocacy groups.

ARTICLE VI

IMPOSITIONS

Section 6.1 Impositions. Commencing as of the Effective Date, the Lessee shall pay or cause to be paid (except as set forth in Section 6.2. hereof), before any fine, penalty, interest or cost may be added thereto for the non-payment thereof, all taxes, payments-in-lieu-of-taxes, assessments, water and sewer rents, rates and charges for usage, vault license fees or rentals, levies, license and permit fees, duties, impositions and/or special district levies together with interest or penalties imposed upon late payment thereof, and other governmental charges, general and special, ordinary and extraordinary, foreseen and unforeseen, of any kind and nature whatsoever which at any time during the Term of this Lease or any Development Lease may be assessed, levied, confirmed, imposed upon, or grow or become due and payable out of or in respect of, or become a lien on, the Premises, or any part thereof or any improvements and appurtenances thereto (any and all of the foregoing being hereinafter referred to as an "Imposition" or "Impositions"); provided, however, that

(a) If, by law, any Imposition may at the option of the taxpayer be paid in installments, the Lessee may pay the same in such installments. The Lessee shall pay only such installments as shall become due during the Term of this Lease;

(b) All Impositions for the fiscal or tax years in which the Term of this Lease shall begin and end shall be apportioned so that the Lessee shall pay only those portions thereof which correspond with the portion of said years as are within the Term hereby demised; and

(c) Notwithstanding anything to the contrary in this Lease, the Lessee intends to create the Children's Living-Science Center as a not-for-profit enterprise exempt from real property taxation under applicable State law. The Lessee anticipates that there shall be no requirement to pay any real property taxes or payments-in-lieu-of-taxes with respect to this facility. However, payment of any real property taxes or payments-in-lieu-of-taxes imposed on this facility shall be the Lessee's responsibility. Nothing herein shall be construed to impose any obligation on the County on behalf of this facility.

The Lessee covenants and agrees that all other Permitted Uses on the Premises shall be subject to real property taxation, or payments-in-lieu-of taxes (but not both) in such amount(s) as shall be agreed to between the Lessee, the authority conferring the real property tax exemption, and the taxing jurisdictions, including the County. Lessee shall not create or lease, nor shall any of Lessee's sublessees create or lease, any portion of the Premises to a not-for-profit corporation where such arrangement would result in an exemption to the real property taxes. It is understood and agreed to by the Lessee that except for the Children's Living Science Center all leases and subleases shall be subject to real property taxes which Lessee shall be responsible to pay. Lessee shall be responsible for payment of all real property taxes and/or payment-in-lieu-of-taxes. Upon the failure of Lessee to make such payments as they become due, such amounts shall become Additional Rent hereunder and shall be paid to the County within ten (10) days of written demand therefor from the County.

Section 6.2 Tax Protests. The Lessee shall have the right to seek a reduction in the valuation of the Premises for tax purposes and to contest in good faith by appropriate proceedings, at the Lessee's expense, the amount or validity in whole or in part of any Imposition, and may defer payment thereof. The County shall not be required to join in any proceedings unless the provisions of any law, rule or regulation at the time in effect shall require that such proceedings be brought by or in the name of the County or any owner of the Premises, in which event the County will, subject to necessary legal approvals, join in such proceedings or permit the same to be brought in its name. The County shall not ultimately be subjected to any liability for the payment of any costs or expenses in connection with any such proceedings, and the Lessee shall indemnify and save harmless the County from any such costs and expenses.

ARTICLE VII

LEASEHOLD MORTGAGES

Section 7.1 Mortgages of Leasehold Estate.

(a) The Lessee shall have the right, from time to time during the Term, to encumber its leasehold estate hereunder by granting to an Institutional Lender(s) one or more Mortgages covering the estate and rights of, the Lessee in this Lease and in the Project Improvements, and the County shall execute such financing documents, which may include but is not limited to authorizations, letters and documents, relating to each Leasehold Mortgage (the "Financing Documents"), as long as the Financing Documents are consistent with the terms of this Article VII, and provided that the Financing Documents shall not impose any economic or financial liability, risk or exposure to the County and specifically that such Financing Documents do not have the effect of subordinating any right or interest of the County in or under this Lease, or in any proceeds thereof, or in the Premises or any portion thereof, or in the Project Improvements to the rights of any such Institutional Lender. In the event of any inconsistency relating to the rights of Leasehold Mortgagees between the provisions of this Article VII and other provisions of this Lease, then the provisions of this Article VII shall control. The County shall cooperate with all reasonable requests of Lessee and/or any Institutional Lender in connection with Lessee's financing of the Project.

(b) The Lessee shall not engage in any financing or any other transaction creating or purporting to create any mortgage or other encumbrance or lien covering the estate, interest or rights of the County in all or any part of the Premises, whether by express agreement or operation of law, or suffer any encumbrance or lien to be made on or attach to the County's estate, interest or rights in the Premises or any part thereof.

Section 7.2 The County's Notices of Default; Cure by Mortgagee. The County agrees to give to each Leasehold Mortgagee of which the Lessee shall have given the County notice as provided herein, at the address of such Leasehold Mortgagee as set forth in such notice, or at such other address as such Leasehold Mortgagee may subsequently designate in the manner provided in Article XXII of this Lease, a copy of each notice of an Event of Default ("Notice of Default") given by the County to the Lessee at the same time such Notice of Default shall be

given to the Lessee, and no such Notice of Default shall be deemed to have been duly given to the Lessee unless and until a copy thereof shall have been so given to such Leasehold Mortgagee.

Section 7.2.1 Cure by Mortgagee. After a Notice of Default shall have been given to the Lessee, each Leasehold Mortgagee shall, in the first instance, have the same time periods for cure and the same rights to cure, but not the obligation to cure, as are provided to the Lessee to remedy or cause to be remedied the Event(s) of Default which are the subject matter of such notice (it being understood that such period for cure shall run concurrently). The County agrees to accept performance by any Leasehold Mortgagee of any covenant, condition or agreement on the Lessee's part to be performed hereunder with the same force and effect as though performed by the Lessee, it being understood and agreed, however, that the right of any Leasehold Mortgagee to cure is subordinate to the Lessee's primary right to cure any default or Event of Default. The Lessee authorizes any Leasehold Mortgagee to take any such action at such Leasehold Mortgagee's option and the Leasehold Mortgagee is hereby authorized to enter on the Premises for such purpose. The County's giving of notice to each Leasehold Mortgagee under the provisions of this Section 7.2.1 shall not preclude the County from giving any subsequent Notice of Default to the Lessee which is required or permitted to be given pursuant to this Lease, provided, however, that upon giving any subsequent Notice of Default to the Lessee, the County shall simultaneously provide a copy of such notice to each Leasehold Mortgagee, as set forth above.

Section 7.2.2 Mortgagee's Additional Opportunity to Cure. Upon the expiration of the cure period set forth in the County's Notice of Default, in the event a cure has not been effected, the County shall give a second Notice of Default to each Leasehold Mortgagee (the "Mortgagee Notice of Default") which shall set forth the nature of the default or Event of Default not cured and shall state the period which each Leasehold Mortgagee has to cure such default which period, notwithstanding any other provisions in this Article VII or in any other provisions of this Lease, shall be the same period granted to the Lessee in the original Notice of Default (but shall be after the expiration of the initial cure period referred to in Section 7.2.1 above).

Section 7.3 Adjournment of Termination by the County. Notwithstanding anything to the contrary in this Lease, if an Event of Default shall occur and the Lessee and/or the Leasehold Mortgagee shall not have cured, the County shall have no right to terminate this Lease unless, simultaneously with the County's delivery to the Lessee of the Termination Notice provided in Section 13.2 below, the County shall submit to each Leasehold Mortgagee who shall become entitled to notice as provided in Section 7.1 above, a separate notice of termination (the "Mortgagee Notice of Termination"), which notice shall contain a statement of all then existing defaults and Events of Default and shall set forth as the date for the termination of this Lease (the "Termination Date") the Termination Date specified in Termination Notice delivered to the Lessee which shall be at least ninety (90) days after the date of the Mortgagee Notice of Termination. Each Leasehold Mortgagee shall in such circumstance have the right, exercisable by notice to the County given prior to the Termination Date (the "Adjournment Notice"), to adjourn the Termination Date, provided that any such Leasehold Mortgagee shall, in such Adjournment Notice, agree that it will, promptly after the date of the Adjournment Notice (the "Initial Cure Period"):

(a) Cure all defaults and Events of Default specified in such Mortgagee Notice of Termination (including, without limitation, all obligations to pay sums of money) to the extent they are capable of being cured by such Leasehold Mortgagee within the Initial Cure Period and diligently pursue efforts to cure any other default or Event of Default not capable of being cured within such Initial Cure Period;

(b) At such Leasehold Mortgagee's option, in good faith, acquire, or initiate and diligently pursue steps to acquire the Lessee's interest in this Lease by foreclosure of such Leasehold Mortgages or otherwise; and

(c) In the event such Leasehold Mortgagee determines to acquire the Lessee's interest, promptly upon obtaining possession of the Premises, commence to cure and diligently prosecute and complete the curing of all defaults and Events of Default specified in such Mortgagee Notice of Termination which were not capable of being cured within the Initial Cure Period.

Section 7.4 Revocation of Termination Notice. If, by the Termination Date (as extended by the Adjournment Notice) (i) the obligations of the Leasehold Mortgagee contained in any Adjournment Notice shall have been fully performed and satisfied, or, with respect to those that cannot be satisfied and fully performed by the Termination Date, the Leasehold Mortgagee is diligently pursuing efforts to perform such obligations), (ii) the Leasehold Mortgagee or approved Transferee (as hereinafter defined), if it shall have taken over possession of the Premises, shall have assumed and agreed in writing, for the benefit of the County, to perform all of the terms, covenants and conditions of this Lease to be observed and performed by the Lessee, or shall have executed a new lease in form and substance identical hereto except for such change in the identity of the Lessee, and (iii) all other obligations on the Lessee's part to be performed hereunder through such adjourned Termination Date shall have been performed and no further Event of Default shall have occurred hereunder which shall not have been cured within the applicable notice and/or grace period provided for herein, then and in such event the defaults and Events of Default set forth in the Mortgagee Notice of Termination shall be deemed to have been cured (or, in the case of a default such as failure to meet a time deadline which could not be cured by the Leasehold Mortgagees, shall be deemed to have been waived), the Termination Notice shall be deemed to have been revoked and be of no effect, and this Lease shall continue in effect for the balance of the Term. It is expressly understood and agreed that any Leasehold Mortgagee can cure any default or any Event of Default, and the County is obligated to accept such cure in accordance with the terms of this Lease.

Section 7.4.1 Effects of Cure or Failure to Cure. In the event of a cure, the County will execute and deliver to the Lessee and the Leasehold Mortgagee a certificate stating that such default or Event of Default has been cured and that this Lease remains in full force and effect. If the Leasehold Mortgagee shall not have complied with the requirements of Section 7.4, then this Lease and the Term and all rights of the Lessee, the Leasehold Mortgagee and all Persons claiming by, through or under them shall automatically expire and terminate on the Termination Date as if such date were the date herein definitely fixed for the expiration of the Term, and the Lessee and/or the Leasehold Mortgagee shall immediately quit and surrender to the County the Premises and the Project Improvements. Notwithstanding the foregoing or anything in this Article VII to the contrary, in the event such default or Event of Default is not capable of cure by

the adjourned Termination Date, the adjourned Termination Date will be further extended so long as the Lessee or the Leasehold Mortgagee is diligently pursuing a cure.

Section 7.5 Permitted Transferee. Except as otherwise set forth in Section 7.4 above and Section 7.5.2 below, the County shall have the right to reasonably approve (such approval to be subject to the limitations set forth in Section 11.4), in accordance with the provisions of Section 7.5.1 below, any purchaser of or successor to the Lessee's interest in this Lease, the Premises and the Project Improvements in any foreclosure proceeding, under any deed, assignment or other instrument delivered in lieu of such foreclosure (any such purchaser, successor, assignee or transferee other than a Leasehold Mortgagee being hereinafter referred to as a "Transferee"). Notwithstanding anything to the contrary in this Lease, a Transferee shall be subject to all of the terms, conditions and provisions of this Lease.

Section 7.5.1 The County's Approval. The Leasehold Mortgagee shall submit to the County, for its approval, the name of any proposed Transferee(s), together with such details of such proposed Transferee's character, experience and financial position, as well as of its principals, owners and affiliates, and such other information, as the County shall reasonably request and is available to Leasehold Mortgagee. The Leasehold Mortgagee shall use best efforts to obtain the requested information and do so in a timely fashion. The County shall advise such Leasehold Mortgagee of the County's approval or disapproval of each such proposed Transferee within thirty (30) days after the County's receipt of all of the requested information; if the County disapproves (according to the standards set forth in Section 11.2 hereof) a proposed Transferee submitted by the Leasehold Mortgagee, the County shall specify in a notice of disapproval given to the Leasehold Mortgagee the specific reasons for its disapproval, and the Leasehold Mortgagee shall have three (3) months from the date of such notice of disapproval within which to submit the name of one or more alternate proposed Transferees for each Transferee disapproved by the County, together with the background materials and information required above for the initial proposed Transferees. The County will then have an additional thirty (30) day period within which to approve or disapprove such alternate Transferee(s).

Section 7.5.2 Applicability to Mortgagee. The requirements of prior consent and approval by the County set forth in Section 7.5 and Section 7.5.1 above shall not apply to the foreclosure of, purchase of, assignment of or succession to the Lessee's interest in this Lease and the Premises by a Leasehold Mortgagee or its subsidiary or affiliate in connection with a default by the Lessee under the Financing Documents pertaining to the Leasehold Mortgage (the Leasehold Mortgagee shall deliver to the County a copy of its default notice to the Lessee, if any; provided that failure to do so shall not be an Event of Default under this Lease). Any further assignment of this Lease by the Leasehold Mortgagee or its nominee or designee shall require approval from the County to the extent required under Article XI.

Section 7.6 Amendments of Lease. In the event that a Leasehold Mortgagee shall acquire or succeed to the Lessee's interest in this Lease and the Premises pursuant to the foregoing provisions of this Article, such Leasehold Mortgagee shall not be bound by any modification or amendment of this Lease made prior to its acquisition of such interests and after

the date of the respective Leasehold Mortgage unless such Leasehold Mortgagee shall have consented in writing to such modification or amendment at (or after) the time it was made or at the time of such acquisition. The Parties agree, subject to necessary legal approvals, to make such amendments to this Lease as Leasehold Mortgagees may from time to time reasonably request, provided that no such amendment shall subject the County to any liability or obligation not otherwise provided for in this Lease or be materially inconsistent with any term or provision of this Lease.

Section 7.7 New Lease. Upon written request made by any Leasehold Mortgagee at any time after the acquisition of or succession to the Lessee's interest in this Lease by a Leasehold Mortgagee or any Transferee approved by the County pursuant to the foregoing provisions of this Article, the County shall, subject to necessary legal approvals, enter into a new lease of the Premises with such Leasehold Mortgagee or such approved Transferee for the remainder of the Term, upon all of the covenants, conditions, limitations and agreements herein contained, at which time (in the case of execution of a new lease with an approved Transferee) the Leasehold Mortgagee so transferring to such Transferee shall be relieved of all obligations under this Lease, provided that the new tenant or subtenant shall: (i) pay to the County, simultaneously with its execution and delivery of such new lease, all Rent due and owing under this Lease, as well as all reasonable expenses (including, without limitation, reasonable attorneys' fees and disbursements) incurred by the County in connection with the preparation of and the County's entry into such new lease; and (ii) simultaneously with its execution and delivery of such new lease, cause this Lease and the memorandum of this Lease and, as the County may reasonably request, any other recorded or unrecorded documents executed by and between the County and any tenant hereunder to be terminated or satisfied in fact and/or of record. If more than one Leasehold Mortgagee makes written request upon the County in accordance with the provisions of this Section, the new lease shall be executed with the Leasehold Mortgagee having the superior lien, as determined by a title-insurance company designated by the County, and the written request of any other Leasehold Mortgagee shall be void and of no force or effect.

Section 7.8 Required Mortgage Provisions. Each Leasehold Mortgage shall contain provisions substantially similar to the following: "This mortgage and the rights of the mortgagee hereunder, are limited to the Lessee's leasehold estate, and the fee interest owned by the County is not subordinate to such mortgage; this mortgage encumbers only the Lessee's interest in the leasehold estate. This mortgage does not encumber the County's fee title interest in the Premises or the interest of the County, as landlord, in such lease. The holder of this mortgage agrees from time to time within thirty (30) days after request therefor and without charge, to execute, acknowledge and deliver such instruments reasonably requested by the County under the lease hereby mortgaged to evidence the foregoing agreement, provided that any such instrument shall be in form and substance satisfactory to the holder of this mortgage."

Section 7.9 Lender Consortium. Anything to the contrary in Section 7.1 above notwithstanding, the Lessee shall have the right to make with a consortium of lenders ("Consortium") any Leasehold Mortgage permitted by this Article to be made with one or more Institutional Lenders, provided that:

(a) the individual lender selected to administer the loan for the Consortium shall be a Lead Lender;

(b) the lenders shall include one or more Institutional Lenders (including the Lead Lender);

(c) the Lessee shall have delivered to the County, if permitted by the lenders, a duly executed duplicate original of an agreement among the Lead Lender and all of the other lenders participating in the Consortium (all of which lenders, including the Lead Lender, are hereinafter collectively referred to as the "Participating Lenders"), appointing and authorizing the Lead Lender to take all action as agent, on behalf of all of the Participating Lenders, and to exercise any and all rights and remedies of the Participating Lenders under such Leasehold Mortgage and this Lease, including, without limitation, to give and receive all notices (including, without limitation, any and all Notices given or required to be given by the County under this Lease), reports, requests, consents and submissions to act as agent for service of process, to make advances and demands and to exercise discretion and all options, elections and remedies thereunder and hereunder; and

(d) the County shall be entitled to rely upon notices given and actions taken by the Lead Lender as notices from and actions by all of the Participating Lenders. Any failure by the Lead Lender to exercise any right or remedy or take any other action shall constitute a waiver by the Participating Lenders of the right to exercise any such right or remedy or to take any such action. the County shall not be liable to, or otherwise responsible for, any failure of the Lead Lender to act in accordance with the wishes of any or all of the other Participating Lenders or in accordance with any agreement between the Lead Lender and any one or more of the other Participating Lenders.

Section 7.11 Exclusion of Certain Conditions. Nothing in this Article VII shall require any Leasehold Mortgagee or its designee, as a condition to its exercise of any of its rights under this Article VII:

(a) to cure any default or Event of Default of the Lessee not reasonably susceptible of being cured by any person or entity other than the Lessee; or

(b) to cure or commence to cure any default or Event of Default consisting of the Lessee's failure to satisfy or discharge any lien, charge or encumbrance against the Lessee's interest in this Lease or the Premises which is junior in priority to the lien of the Leasehold Mortgage held by such Leasehold Mortgagee (provided that such junior lien is not a lien on the fee estate in the Premises).

Section 7.12 Effect of Transfer; Limitation of Liability. For purposes of this Lease, a transfer of this Lease by way of foreclosure or in lieu of foreclosure shall not constitute an assignment of this Lease requiring the County's consent nor shall it constitute an Event of Default. A Leasehold Mortgagee shall not be deemed to be an assignee or transferee of this Lease so as to require such Leasehold Mortgagee to assume the performance of any of the terms, covenants and conditions on the part of the Lessee to be performed hereunder. Notwithstanding

anything to the contrary in this Lease, the liability of any Leasehold Mortgagee, its successors and assigns, shall be limited in all respects to its interest in this Lease. Neither the Leasehold Mortgagee, its successors or assigns, nor any agents, partners, officers, trustees, directors, shareholder or principals (disclosed or undisclosed) of such Leasehold Mortgagee, shall have any personal liability hereunder and no judgment or decree that shall be enforceable beyond the interest of the Leasehold Mortgagee, or its successors or assigns, in the leasehold estate created under this Lease shall be sought or entered in any action or proceeding brought on account of or in connection with any default in the keeping, observance or performance of any covenant, agreement, term or condition of this Lease. The purchaser at any sale of this Lease in any proceedings for foreclosure of any Leasehold Mortgage, or the assignee or transferee of this Lease under any instrument of assignment or transfer in lieu of the foreclosure of any Leasehold Mortgage shall be deemed to be an assignee or transferee within the meaning of Article XI of this Lease and shall be deemed (i) to have agreed to perform all of the terms, covenants and conditions on the part of the Lessee to be performed hereunder which arise or accrue from and after the date of such purchase or transfer; and (ii) to cure all existing defaults of the Lessee under this Lease, other than those defaults which are not reasonably susceptible of being cured by any person or entity other than the Lessee, but the liability of any such purchaser or transferee shall be limited in all respects to its interest in this Lease, and neither such purchaser or transferee, its successors or assigns, nor any agents, partners, officers, directors, shareholders or principals (disclosed or undisclosed) of such purchaser or transferee, its successors or assigns shall have any personal liability hereunder and no judgment or decree that shall be enforceable beyond the interest of such purchaser or transferee in the leasehold estate created under this Lease shall be sought or entered in any action or proceeding brought on account of any default in the keeping, observance or performance of any covenant, agreement, term, provision or condition of this Lease.

—Section 7.13 – **Confirmatory Agreement**. The County shall, upon request, execute, acknowledge and deliver to each Leasehold Mortgagee an agreement, prepared at the sole cost and expense of the Lessee and in form reasonably satisfactory to such Leasehold Mortgagee and to the County, among the County, the Lessee and Leasehold Mortgagee, wherein each confirms and agrees to all of the provisions of this Article VII; provided, however, that by entering into such agreement, the County shall not be deemed to have waived any of its rights under this Lease, including any of its rights under this Article VII.

Section 7.14 Legal Proceedings between the County and the Lessee. The County shall give each Leasehold Mortgagee prompt notice of any legal proceedings between the County and the Lessee involving obligations under this Lease. The Leasehold Mortgagee shall have the right to intervene in any such proceedings and to be made a party to such proceedings; and the County and the Lessee do hereby consent to such intervention. In the event that the Leasehold Mortgagee shall not elect to intervene or become a party to any such proceedings, the Lessee shall give the Leasehold Mortgagee and every other Leasehold Mortgagee notice of, and a copy of any award or decision made in any such proceedings, which shall be binding upon all Leasehold Mortgagees.

Section 7.15 Notices. All notices shall be given in the manner described in Section 22.3 and shall in all respects be governed by the provisions of that Section.

Section 7.16 Mortgage Deemed to Have Agreed. Under the provisions of this Article VII, certain rights created hereunder are exercisable only by the Leasehold Mortgagee. By accepting a Leasehold Mortgage, each Leasehold Mortgagee shall be deemed to have consented and agreed to the provisions set forth in this Article VII.

Section 7.17 No Changes in Use of Premises. Without limitation of any other provision of this Article VII, it is agreed that nothing contained in this Article VII or in any other provision of this Lease shall be deemed or construed to permit or authorize any Leasehold Mortgagee or any successor thereto or any successor to the Lessee to devote the Premises or any part thereof to any uses, or to construct any improvements or facilities thereon, other than those Permitted Uses, or improvements or facilities, permitted in this Lease unless otherwise agreed to by the Parties, subject to necessary legal approvals.

Section 7.18 No Subordination. The County's interest in this Lease, as the same may be modified, amended or renewed, and the County's interest in the Premises shall not, under any circumstance, be or become subject or subordinate to any Leasehold Mortgage now or hereafter placed upon, or any other liens or encumbrances hereafter affecting this Lease or the Lessee's interest in this Lease or in the Premises pursuant hereto. The County agrees to execute and deliver a non-disturbance agreement in favor of Leasehold Mortgagees in form and substance reasonably satisfactory to the County Attorney and Leasehold Mortgagees pursuant to which the County agrees that so long as no Event of Default exists under this Lease, the rights of Leasehold Mortgagees shall not be disturbed.

ARTICLE VIII

INSURANCE

Section 8.1 Coverage. During the Term, Lessee agrees to provide and maintain the following insurance:

(a) Commercial general liability insurance against claims for personal injury or death, or property damage suffered by others occurring on or about the Premises or any improvement or equipment located thereon, such liability insurance to afford, with respect to any accident or occurrence, protection to the limits of not less than One Million Dollars (\$1,000,000) combined single limit for bodily injury and death and for property damage, together with contractual coverage (including but not limited to broad form contractual liability for the purposes of covering the indemnification provisions set forth in Article XX hereof) and completed operations, on the operations of all contractors and subcontractors, respectively. The County shall be named as an additional insured under such policies; upon issuance of a building permit for the First Phase of the Project the commercial general liability insurance limit noted above shall increase to Three Million Dollars (\$3,000,000.00);

(b) an umbrella policy with a minimum coverage of \$3,000,000, naming the County as additional insured, written on a "follow the form" basis, provided that every ten (10) years from the date of execution by all Parties of this Agreement, Lessee, on notice from the Lessor, shall

increase the policy minimum coverage to reflect the increase in CPI-U over the prior ten (10) year period; upon issuance of a building permit for the First Phase of the Project the umbrella policy coverage shall increase to Six Million Dollars (\$6,000,000.00)and

(c) Lessee will keep all buildings and improvements on the Premises insured against loss or damage by fire and customary extended coverage in a minimum amount equal to the full replacement value thereof. All policies of insurance required hereunder shall contain an endorsement that same may not be cancelled without thirty (30) days prior written notice to the County; evidence of such Property Insurance shall be provided to the County; and

(d) During the construction of the Project on the Premises, the "builder's risk" form of fire and extended coverage insurance shall be obtained; and

(e) During the course of any construction or renovations done on the Premises that involve structural modifications to building(s) already or previously constructed on the Premises, Lessee shall obtain in favor of the County an Owner's Protective Liability policy with a minimum coverage of \$1,000,000 per occurrence/ \$3,000,000 aggregate. Such policy shall be delivered to the County's Director of Risk Management at least ten (10) business days prior to the commencement of any construction or renovations on the Premises. Upon issuance of a building permit for the First Phase of the Project the Owner's Protective Liability policy coverage shall increase, if available, from \$1,000,000 to \$3,000,000 per occurrence and \$3,000,000 to \$9,000,000 aggregate; and

(f) Automobile liability and property damage insurance for all owned, non-owned and hired vehicles insuring against liability for bodily injury and death and for property damage to afford protection to the limits of One Million Dollars (\$1,000,000) combined single limit; such insurance shall, by its terms, be primary and noncontributory with respect to any other insurance carried by the County; and

(g) If the Lessee shall have employees then Lessee shall provide proof of Worker's compensation insurance (including \$500,000 employer's liability insurance) providing the statutory benefits required under applicable law and State Workers' Compensation Board form DB-120.1 is required for proof of compliance with the New York State Disability Benefits Law; and

(h) All policies of the Lessee shall be endorsed to contain the following clauses:

(a) Insurers shall have no right to recovery or subrogation against the County of Westchester (including its employees and other agents and agencies), it being the intention of the Parties that the insurance policies so affected shall protect both Parties and be primary coverage for any and all losses covered by the above-described insurance.

(b) The clause "other insurance provisions" in a policy in which the County of Westchester is named as an insured, shall not apply to the County of Westchester.

(c) The insurance companies issuing the policy or policies shall have no recourse against the County of Westchester (including its agents and agencies as aforesaid) for payment of any premiums or for assessments under any form of policy.

(d) Any and all deductibles in the above described insurance policies shall be assumed by and be for the account of, and at the sole risk of, the Lessee.

Section 8.2 General Requirements. The insurance required by Section 8.1 above shall be written by companies having a Best's rating of A-VII or above and a claims paying ability rating of AA or better by Standard & Poor's Rating Services or equivalent rating agency approved by the County in its reasonable discretion and which licensed and authorized to issue such policies in such amounts in the State of New York. Such insurance may be carried under blanket or umbrella policies that include other properties. Upon request, the Lessee shall deliver to the County certificates showing such insurance to be in full force and effect. Such certificates shall be endorsed to show the receipt by the issuer of the premiums therefor or shall be accompanied by other evidence satisfactory to the County of payment of such premiums. If the premium covers more than one (1) year and may be paid in installments, then only an annual installment must be paid in advance. The policies or certificates thereof shall provide that thirty (30) days prior to cancellation in the policy, notices of same shall be given to the Director of Risk Management of the County of Westchester for all of the following stated insurance policies. All notices shall name the Lessee and identify the Agreement.

If at any time any of the policies required herein shall be or become unsatisfactory to the County, as to form or substance, or if a company issuing any such policy shall be or become unsatisfactory to the County, the Lessee shall upon notice to that effect from the County, promptly obtain a new policy, submit the same to the Department of Risk Management of the County of Westchester for approval and submit a certificate thereof. Upon failure of the Lessee to furnish, deliver and maintain such insurance, the Agreement, at the election of the County, may be declared suspended, discontinued or terminated. Failure of the Lessee to take out, maintain, or the taking out or maintenance of any required insurance, shall not relieve the Lessee from any liability under the Agreement, nor shall the insurance requirements be construed to conflict with or otherwise limit the contractual obligations of the Lessee concerning indemnification. In the event the County has to take out and maintain replacement property insurance all property losses shall be made payable to and adjusted with the County.

In the event that claims, for which the County may be liable, in excess of the insured amounts provided herein are filed by reason of Lessee's negligent acts or omissions under the Agreement or by virtue of the provisions of the labor law or other statute or any other reason, the amount of excess of such claims or any portion thereof, may be withheld from payment due or to become due the Lessee until such time as the Lessee shall furnish such additional security covering such claims in form satisfactory to the County of Westchester.

Section 8.2.2 Payment of Loss. All policies of insurance required to be maintained by the Lessee under this Lease, except for liability insurance, shall provide for payment of loss to

the Lessee, and may be applied by the Lessee to such purposes as the Lessee deems appropriate, subject to any obligations of the Lessee with respect to application of insurance proceeds under this Lease, and subject to the requirements of any Leasehold Mortgage. All such policies of insurance shall provide for the adjustment of claims with the insurers under such policies by the Lessee.

Section 8.2.3 Renewal and Cancellation. Each policy of insurance required to be maintained by the Lessee under this Lease shall provide that it may not be canceled by the insurer for nonpayment of premiums or otherwise until at least ten (10) days after service of notice of the proposed cancellation upon the County.

Section 8.2.4 Subcontract requirements. The Lessee will ensure that its contracts with any and all third parties, each contractor, subcontractor and/or independent contractor (collectively, "contractor") that are engaged to perform any work, or otherwise enter upon or occupy any portion of any County lands, shall include a written requirement that said contractor shall procure and maintain insurance naming the County of Westchester as an additional insured as its interest may appear, and that such contractor shall, at its own cost and expense, procure and deliver to the County proof of the insurance coverages required by this Agreement, including copies of policies if requested by the County Director of Risk Management.

ARTICLE IX

DAMAGE OR DESTRUCTION

Section 9.1 Repair or Restoration. If at any time during the Term, all or any part of the Premises and/or Project Improvements shall be damaged or destroyed by fire or other casualty, then the Lessee shall promptly give written notice thereof to the County, and the Lessee shall, at the Lessee's sole cost and expense, and whether or not the insurance proceeds, if any, shall be sufficient for the purpose, restore, repair, replace, rebuild or alter the same as nearly as possible to its value immediately prior to such damage or destruction, with such changes or alterations as may be made at the Lessee's election. Such restorations, repairs, replacements, rebuilding or alterations (the "Restoration Work") shall be commenced within one hundred eighty (180) days from the date of occurrence of such damage or destruction, which time shall be extended by a time commensurate with any delays due to adjustment of insurance and preparation of plans and specifications and applications for any approvals from Governmental Agencies that may be required and shall thereafter be prosecuted with reasonable diligence subject to Unavoidable Delays.

Section 9.2 Insurance Proceeds: Deficits or Excess. The availability of insurance proceeds for Restoration Work is subject to the terms and conditions of Leasehold Mortgages. If the insurance proceeds received by the Lessee are insufficient to pay the entire cost of the Restoration Work, then the Lessee shall be responsible for the amount of any such deficiency. If the insurance proceeds received by and/or available to the Lessee shall exceed the entire cost of the Restoration Work, then such excess proceeds shall be the sole and absolute property of the Lessee, subject to the provisions of the Leasehold Mortgage.

Section 9.3 The County Not Obligated; Mutual Release. Under no circumstances shall the County be obligated to make any payment, disbursement or contribution towards or on account of the cost of the Restoration Work. To the extent any property insurance is not invalidated thereby, the County and the Lessee hereby release and waive any claims such party may have against the other party from any liability for any loss or damage to any or all property located on the Premises, including any resulting loss of rents or profits of each, and of any occupant of the Project Improvements claiming its right of occupancy by or through such releasing and waiving party, which loss or damage is of the type covered by the insurance required to be maintained by it under Article VIII, regardless of any negligence on the part of the released party which may have contributed to or caused such loss or damage, and on behalf of such party's insurance carrier, waives any right of subrogation that may arise therefrom. If any party is by law, statute or governmental regulation or for any other reason (including insurance company requirements) unable to obtain or otherwise fails to obtain a waiver of the right of subrogation for the benefit of each other party then, during any period of time when such waiver is unobtainable, or has not been obtained for any reason, said party shall be deemed not to have waived any right of subrogation of its insurance carrier against the other party, and during the same period of time the other party shall be deemed not to have waived the right of subrogation of its insurance carrier against the party who has been unable, or failed for any reason, to obtain such waiver.

ARTICLE X

CONDEMNATION

Section 10.1 General. If a Taking occurs at any time during the Term, then the provisions of this Article X shall apply to the condemnation proceedings and the distribution of any Condemnation-Awards for such Taking.

Section 10.2 Improvements. The Condemnation Award attributable to the fee title estate for the Premises shall belong entirely to the County. This provision shall govern whether or not separate awards are made to the County and the Lessee.

Section 10.3 Separate Awards by Court. The court in such condemnation proceedings shall, if not prohibited by law, be requested to make separate awards to the County and the Lessee. The provisions of Sections 10.4.2 and 10.4.3 concerning termination of the Term and receipt and payment of the award shall also apply to circumstances governed by this Section 10.3 and shall be taken into account by the court in rendering separate awards.

Section 10.4 Single Award by Court.

Section 10.4.1 General. If the court in such condemnation proceeding is prohibited by law from making separate Condemnation Awards to the County and the Lessee, or declines to do so, then the provisions of Section 10.2 and this Section 10.4 shall apply to the distribution of the Condemnation Award made by such court.

Section 10.4.2 Total Taking. If a Total Taking (other than a Temporary Taking) occurs, then Rent shall be prorated between the County and the Lessee as of the Date of Taking, and this Lease shall be terminated as of the Date of Taking. The following provisions shall apply to the allocation of any Condemnation Award for such Total Taking:

(a) All sums, including damages and interest, constituting the Condemnation Award shall be deposited promptly with a mutually agreeable escrow agent, and shall be distributed pursuant to the terms of this Section 10.4.2; and

(b) The Condemnation Award shall be distributed and disbursed in the following amounts and in the following order of priority: to the County, the sum equal to the fair market value, as of the Date of Taking, of the County's fee title interest to the Premises as encumbered by this Lease; and then, subject to the rights of Leasehold Mortgagees, the balance of the Condemnation Award to the Lessee.

Section 10.4.3 Partial Taking. If a Partial Taking occurs, then the Term shall not be reduced or affected in any way, this Lease shall remain in full force and effect for the portion of the Premises remaining after such Taking, and the Annual Rent payable under Article III of this Lease shall be proportionately reduced based upon the lot and floor area of the Premises and/or Project Improvements, respectively, so taken. The following provisions shall apply to the allocation of any Condemnation Award for such Partial Taking:

(a) All sums, including damages and interest, constituting the Condemnation Award shall be deposited promptly with a mutually agreeable escrow agent, and shall be distributed and disbursed pursuant to the terms of this Section 10.4.3;

(b) The Lessee shall receive an amount sufficient to restore the Premises and Project Improvements to an economically viable state as close as is practicable to the condition prior to the Taking;

(c) The remainder of the Condemnation Award shall be distributed and disbursed in the following amounts and in the following order of priority: to the County, a sum equal to the fair market value of the County's fee title interest in the Premises as encumbered by this Lease and adjusted based upon the lot and floor area of the Premises and/or Project Improvements, respectively, so taken; and then, subject to the rights of Leasehold Mortgagees, the balance of the Condemnation Award to the Lessee.

If the Condemnation Award received by the Lessee is insufficient to pay the entire cost of the Restoration Work, then the Lessee shall pay the amount of any such deficiency. Under no circumstances shall the County be obligated to make any payment, disbursement or contribution towards or on account of the cost of the Restoration Work.

Section 10.4.4 Temporary Taking. If a Temporary Taking occurs, then the Term shall not be reduced or affected in any way and the Lessee shall continue to pay the Rent, without reduction or abatement, in the manner and at the times specified in this Lease. Except only to the extent that the Lessee is prevented (either legally or as a practical matter) from so doing pursuant

to the terms of the order of the condemning authority, the Lessee shall continue to perform and observe all of the other covenants, agreements, terms and provisions of this Lease as though such Taking had not occurred. Upon any such Temporary Taking, the Lessee shall be entitled to receive the entire amount of any Condemnation Award made for such Temporary Taking whether such award is paid by way of damages, rent or otherwise.

Section 10.5 Condemnation Proceedings. The Lessee, the County and any Leasehold Mortgagee shall each have the right, at its own expense, to appear in any condemnation proceeding and to participate in any and all negotiations, hearings, trials and appeals in such proceeding.

Section 10.6 Notice of Condemnation. If the County or the Lessee receives notification of any proposed or pending condemnation proceeding affecting the Premises, then the party receiving such notification shall promptly give notice to the other party, and to each Leasehold Mortgagee.

Section 10.7 Condemnation Settlement. The County shall not settle or compromise any taking proceeding without the prior consent of the Lessee, not to be unreasonably withheld, conditioned or delayed.

ARTICLE XI

ASSIGNMENT AND SUBLETTING

Section 11.1 Representations as to Redevelopment. The Lessee represents and agrees that its undertakings pursuant to this Lease are for the purpose of redevelopment of the Premises and not for speculation in land holding. The Lessee further acknowledges and agrees that, in view of the importance of the redevelopment of the Premises to the County, the qualifications and identity of the Lessee and John J. Fareri, its principal (the "Principal") are essential to the County.

Section 11.2 Prohibition Against Transfers. Except for any transfer authorized by this Lease (including, but not limited to, permitted assignments and/or transfers pursuant to Section 11.4 and 11.5 of this Agreement) and then only in accordance with the terms and conditions of this Lease, the Lessee represents and agrees that prior to the First Phase Completion Date, and subject to the prior written approval of the County, which approval may be granted or withheld in the sole discretion of the County, but not unreasonably delayed or conditioned:

(a) there shall be no transfer by the Principal of his controlling interest in this Lease; provided, however, upon written notice to the County, the Principal may transfer all or any portion of the Principal's interests in the Lessee to an immediate family member or members, or to a family limited partnership either directly while living, or by will, through intestacy or by trust; provided in all such cases that there shall be no transfer of the conduct or control of the business and management of the Project by the Principal. Notwithstanding anything in this Lease

to the contrary, any minority interest in any form of ownership of the Lessee may be freely transferred either with or without receiving consideration therefor at any time and upon ten (10) days' notice to the County; provided in all such cases that there is no transfer of the conduct or control of the business and management of the Project by the Principal. For purposes of this Section 11.2, "immediate family member(s)" shall mean the Principal's spouse, children, grandchildren, parents, brothers or sisters and any interest so transferred shall be transferred subject to and conditioned upon all of the terms, covenants, and provisions of this Lease;

(b) nor shall there be any transfer of responsibility or authority for the conduct and control of the business and the management of the affairs of the Lessee by the Principal;

(c) nor shall the Lessee's interest in this Lease or the Project be transferred to a partnership unless: (i) the Lessee or the Principal are the general partners whether the partnership is a limited partnership or a general partnership; (ii) if the transferee is a general partnership, the Lessee and/or the Principal own a minimum of fifty (50%) of the partnership interests of the transferee, or if the partnership is a limited partnership, the Lessee or the Principal (or a corporation or limited liability company in which a Principal is the majority shareholder and director or managing member) is the general partner and the limited partners are immediate family members of the Principal only; and (iii) in all cases, the Lessee or the Principal (or a corporation or limited liability company in which a Principal is the majority shareholder and director or managing member) maintains and exercises control over the business and management of the Project;

(d) nor shall the Lessee's interest in this Lease or the Project be transferred to (i) a corporation unless the Lessee and/or the Principal are the majority shareholders and directors of the transferee corporation, or (ii) a limited liability company unless the Lessee and/or the Principal are the managing members;

(e) nor shall there be any other similarly significant change in the ownership (which is inconsistent with the aforesaid provisions requiring control of the Lessee by a Principal) of the Lessee or any permitted successor entity or in the relative distribution of the ownership interests thereof, or with respect to the identity of the parties in control of the Lessee or the degree thereof, by any other method or means whether by increased capitalization, merger with another entity, issuance of additional or new partnership or membership interests, or stock, or classification of partnership or membership interests or stock, or otherwise; and

(f) there shall not be any voluntary dissolution, or merger or consolidation with any other entity, except for a merger or consolidation with an entity in accordance with subsections (c), (d) and (e) above; provided, however, that prior to the First Phase Completion Date, the Lessee or a Principal may enter into any one or more executory contracts for any transfers of interests in the Premises, the Project and/or this Lease upon the First Phase Completion Date.

Section 11.3 Prohibition Against Transfer of the Project and Assignment of Lease.

(a) The Lessee represents and agrees for itself and its successors and/or assigns that,

subject to and except as otherwise provided in Section 11.2, and except for (i) any permitted transfer in connection with a Leasehold Mortgage or to a Transferee in accordance with Article VII of this Lease, and/or (ii) permitted assignments and/or transfers pursuant to Section 11.4 of this Lease, until the First Phase Completion Date, the Lessee has not made or created, and that it will not prior to the First Phase Completion Date, make or create, or suffer to be made or created, any total or partial sale, assignment, conveyance, lease or sublease or any trust or power, or transfer in any other mode or form of or with respect to this Lease or the Project, or any contract, option or agreement to do any of the foregoing, without the prior express written approval of the County, which consent may be granted or withheld in the County's sole discretion, but not unreasonably delayed or conditioned.

(b) The County shall be entitled to require, except as otherwise provided in this Lease, as conditions to any approval required pursuant to Sections 11.2 or 11.3 that:

(1) any proposed transferee shall have the qualifications and financial ability, as reasonably determined by the County, necessary and adequate to fulfill the obligations undertaken in this Lease by the Lessee with respect to the Project (or, if the transfer relates to a portion/phase of the Project, then such obligations to the extent that they relate to such portion and/or phase) and in addition any proposed transferee shall, using a financial stress score from Dun & Bradstreet (or similar rating agency) demonstrate a low risk for the business; and

(2) any proposed transferee, by instrument in writing satisfactory to the County and in form recordable in the Westchester County Clerk's Office, shall, for itself and its successors and assigns, and expressly for the benefit of the County, have expressly assumed all of the obligations of the Lessee under this Lease with respect to the portion of the Premises to be conveyed and agreed to be subject to all the conditions and restrictions to which the Lessee is subject with respect to the Premises; provided, however, that the fact that any transferee of, or any other successor in interest whatsoever to, the Premises (except a Leasehold Mortgagee or a Transferee), shall not have, for whatever the reason, assumed such obligations or so agreed, shall not (unless and only to the extent otherwise specifically provided in this Lease, or agreed to in writing by the County) relieve or except such transferee or successor of or from such obligations, conditions or restrictions, or deprive or limit the County of or with respect to any rights or remedies or controls with respect to the Premises or the construction of the Project; it being the intent of this provision, together with other provisions of this Lease, that (to the fullest extent permitted by law and equity and excepting only in the manner and to the extent specifically provided otherwise in this Lease) no transfer of, or change with respect to, ownership in the Premises or any interest therein, whether voluntary or involuntary, shall operate, legally or practically, to deprive or limit the County of or with respect to any rights or remedies or controls provided in or resulting from this Lease with respect to the Premises and the construction of the Project that the County would have had, had there been no such transfer or change.

Section 11.4 Permitted Assignments and Transfers. Notwithstanding anything to the contrary in this Lease, and subject to Section 11.2 and 11.3, the Lessee may upon written notice to the County but without any consent or approval of the County: (i) from time to time assign or transfer any or all of its interests under this Lease or in and to the Project and/or the Premises to

any Affiliate as defined below, and from and after any such assignment, such entity shall be deemed to be the Lessee under this Lease; and (ii) from time to time assign and/or pledge its interests under this Lease and/or in and to the Project, and its membership interests therein, to an Institutional Lender in connection with "mezzanine" or other financing. For the purposes of this Lease, "Affiliate" shall mean an entity which directly or indirectly through one or more intermediaries controls, or is under common control with, or is controlled by, the Lessee or the Principal; the term "control" (including the related terms "controlled by" and "under common control with") means: (i) the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of an entity, whether through the ownership of voting securities, by contract or otherwise; and (ii) the ownership, either directly or indirectly, of at least fifty percent (50%) of the voting stock or other equity interest of such entity.

Notwithstanding the above no transfer or assignment of this Lease shall be permitted while any Project Improvements are under construction until a temporary certificate of occupancy has been issued for the entire Project Improvement, as applicable, unless Lessee shall have guaranteed the completion of construction or the assignee has delivered to the County a bond in form reasonably satisfactory to the County, having as surety a surety company authorized to do business in New York and of recognized responsibility, in an amount equal to the estimated cost of the Project Improvements as estimated by Lessee's architect or general contractor and approved as to amount by any engineer of the County, in their respective reasonable judgments. In the event of a dispute as to the amount of the bond, it is understood and agreed that the County Commissioner of Finance shall determine the value of such bond. The Lessee shall accept such reasonable and good faith determination as to the value of the bond as final.

Section 11.5 Permitted Subletting. The Lessee shall have the right with notice to the County to sublease any portion of the Premises (including with respect to any phase, or portion of phase, of the Project) in the ordinary course of its business and the development, construction, use, occupancy and operation of the Project. All subleases covering any portion of the Premises shall be subject and subordinate to this Lease and the rights of the County under this Lease, and the sublease instruments shall so provide. Notwithstanding the terms of any sublease, the County may elect, upon written notice to any subtenant delivered within thirty (30) days after the termination of this Lease, to require any such subtenant to attorn to the County such that, notwithstanding the termination of this Lease, such sublease shall continue for the duration of its term and extensions of its term as a direct lease between the County and such subtenant; provided, however, that:

(a) the County shall not be responsible to the subtenant in question for any security deposits (unless the security deposits have been transferred to the County) paid under its sublease nor for any rental that is paid more than thirty (30) days in advance of the due date under the terms of such sublease;

(b) the County shall not be liable for any act or omission of the Lessee or be subject to any offsets or defenses that such subtenant may have against the Lessee.

(c) the County shall provide to any subtenant requesting the same an attornment and non-disturbance agreement reasonably satisfactory to such subtenant, pursuant to which the County

agrees not to terminate the sublease (if subtenant is not in default thereunder) and such sublease shall continue as a direct lease with County with the same force and effect as if the County had entered into such sublease with the subtenant.

ARTICLE XII

RIGHT OF FIRST OFFER

Section 12.1 Right of First Offer. The County's decision to sell fee title to any portion of the Premises (a "Proposed Fee Sale") shall be subject to the Lessee's right of first offer (the "Right of First Offer") to purchase the fee title to the Premises. The Lessee's Right of First Offer is subject and subordinate to any right of first refusal to which the County is subject under any applicable law including but not limited to Laws of Westchester County Section 209.101(8)(b) and also subject and subordinate to the WCHCC's right of first refusal under the Restated Lease, and is exercisable by the Lessee only if the Lessee is not in default under this Lease beyond any applicable notice and/or grace period both at the time that the County is obligated to give an Offer Notice (as hereinafter defined) and on the date of closing of the Proposed Fee Sale. The Right of First Offer will be exercised in accordance with, and subject to, the following terms and conditions:

(a) The County shall notify the Lessee in writing of a Proposed Fee Sale (the "Offer Notice"). The County's Offer Notice for a Proposed Fee Sale shall set forth: (i) the proposed purchase price for the fee title to the portion of the Premises proposed to be sold; (ii) other material terms and conditions of the Proposed Fee Sale; and (iii) the closing date of the transfer.

(b) Within fifteen (15) business days after the Lessee receives an Offer Notice, the Lessee shall exercise the Right of First Offer-by-written notice-to the County, or lose the Right of First Offer with respect to that Offer Notice irretrievably. If the Lessee exercises the Right of First Offer, then the sale to the Lessee of the fee title to the subject portion of the Premises shall be on the terms and conditions set forth in the Offer Notice.

(c) If such a Right of First Offer for a Proposed Sale is duly exercised by the Lessee pursuant to the terms of this Section 12.1, the parties agree to promptly enter into a purchase and sale contract on the terms and conditions set forth in the Offer Notice and other customary terms and conditions, which may include a requirement that the Lessee deliver to the County's counsel, to hold in escrow as escrow agent, a deposit equal to ten percent (10%) of the purchase price.

(d) The Lessee shall have only one Right of First Offer with respect to an Offer Notice. If The Lessee (i) does not exercise the Right of First Offer strictly in accordance with this Section, time being of the essence, or (ii) exercises a Right of First Offer but thereafter fails to timely complete the purchase, the Right of First Offer will cease to exist and the County shall be free to sell the fee title to the subject portion of the Premises to any third party on such terms as the County may determine and without any restrictions by reason of this Lease or otherwise.

(e) The Lessee cannot assign its Right of First Offer to any subtenant of the Premises, or to any assignee of the Lease, or to any other Person.

(f) The Lessee's Right of First Offer shall expressly apply to any sale, lease or any other transfer of any portion of the Premises to any third party, and any transaction whereby the County contributes all or any portion of the Premises, or the County's interest in either this Lease or the Premises, to a partnership, corporation, limited liability company, trust or other entity, in exchange for an interest in such entity.

ARTICLE XIII

EVENTS OF DEFAULT BY THE LESSEE AND THE COUNTY'S REMEDIES

Section 13.1 Events of Default by the Lessee. The occurrence and continuance of any of the following events, acts or circumstances may constitute a default by the Lessee (herein sometimes called "Events of Default"):

(a) if default shall be made in the due and punctual payment of any Rent or Additional Rent or other sums payable under this Lease, when and as the same shall become due and payable, and such default shall continue for a period of thirty (30) days after days after the County gives Notice of Default to the Lessee specifying the amount due; or

(b) if the Lessee fails to develop approximately 220,000 square feet of biotechnology/medical technology space pursuant to Section 2.1 above during the First Phase of the Project in accordance with the purpose of the County's March 1, 2012 RFQ, the County Executive may, in his/her sole discretion, declare the Lessee in default; or

(c) if Lessee fails to: (i) Substantially Complete, unless mutually extended as set forth in Section 4.2, the First Phase of the Project by the First Phase Completion Date; and/or (ii) Substantially Complete, unless mutually extended as set forth in Section 4.2 any Future Phase of the Project by the Outside Completion Date for such phase, the County Executive may, in his/her sole discretion, declare the Lessee in default; or

(d) if default shall be made by the Lessee in the performance or compliance with any of the agreements, terms, covenants or conditions in this Lease provided other than those referred to in the foregoing subsections (a) or (b) of this Section for a period of sixty (60) days after Notice of Default from the County to the Lessee specifying the items in default, or in the case of a default which cannot with due diligence be cured within said sixty (60) day period, the Lessee fails within such sixty (60) day period to commence to cure the same and thereafter to diligently and continuously prosecute such cure to completion (it being intended in connection with a default not susceptible of being cured with due diligence within such sixty (60) day period that the Lessee's time to cure the same shall be extended for such period as may be necessary to complete the same with all due diligence); or

(e) The admission in writing by the Lessee of its inability to pay its debts generally as they become due, or the making by the Lessee of a general assignment for the benefit of creditors, or the commencement by the Lessee or any such member of any case, proceeding or other action seeking reorganization, arrangement, adjustment, liquidation, dissolution or composition of the Lessee, or its debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors, or seeking appointment of a receiver, trustee, custodian or other similar official for the Lessee, for the Project or the Premises and/or any substantial parts thereof, or for all or any substantial part of its property or assets; or

(f) The commencement of any case, proceeding or other action against the Lessee seeking to have an order for relief entered against the Lessee as debtor, or seeking reorganization, arrangement, adjustment, liquidation, dissolution or composition of the Lessee or its debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors, or seeking appointment of a receiver, trustee, custodian or other similar official for the Lessee, for the Premises and/or any parts thereof, or for all or any substantial part of the Lessee's property or assets, and such case, proceeding or other action (i) results in the entry of an order for relief against the Lessee or in the appointment of a receiver, trustee, custodian or official for the Project or the Premises which is not stayed within sixty (60) business days after entry thereof, or (ii) is not dismissed (or otherwise not vacated) within ninety (90) days; or

(g) The levying or filing against the Premises or the Project Improvements or any part thereof, of any execution, warrant, attachment, garnishment or other similar process, and such processes shall not be stayed, vacated, secured or discharged within ninety (90) days after the same shall have been levied or filed or such longer period as may be reasonably required provided a surety company bond has been posted.

—**Section 13.2 Remedies of the County.** Whenever any Event of Default by the Lessee shall exist, the County may take any one or more of the following remedial steps (subject to the provisions of Article VII):

(a) The County may sublease the Premises in its entirety or in parts for the account of the Lessee or operate the Premises, and collect rents from the Lessee's subtenants (reserving, however, within the County's reasonable judgment, the right to determine the method of collection and the extent to which enforcement of collection of delinquent rents shall be prosecuted, and the County shall not be accountable for money other than money actually received by the County from the Premises), and in this connection the Lessee authorize the County upon such entry to take over and assume the management, operation and maintenance of the Premises and in general to perform all actions necessary in connection with such management, operation and maintenance in the same manner and to the same extent as the Lessee might so act, using the County's reasonable, good faith efforts to operate the Premises for the account of the Lessee.

(b) The County may terminate this Lease upon at least thirty (30) days' written notice to the Lessee (the "Termination Notice"), take possession of the Premises and (by summary proceedings or otherwise) exclude the Lessee from possession thereof (using such force for that

purpose as may be necessary without being liable to indictment, prosecution or damages therefor) and/or dispossess the Lessee.

(c) The County may take any and all actions at law or in equity to collect the Rent then due and thereafter to become due or to enforce performance and observance of any obligation, agreement or covenant of the Lessee under this Lease, and in connection with either, to recover any or all costs, including reasonable attorneys' fees, to the County for the Lessee's violation or breach of this Lease.

(d) If the County shall terminate the Lease, the County may (i) complete construction of all Project Improvements and may repair and alter the Premises and the Project Improvements in such manner as the County may deem necessary or advisable, and/or (ii) let or relet the Premises and/or the Project Improvements, or any parts thereof, for the whole or any part of the remainder of the Term or for a longer period, in the County's name or as agent of the Lessee, and/or (iii) sell or transfer the same, as a whole or in parts, to any Person or Persons for additional development, individual occupancy or otherwise, and/or (iv) possess, operate and manage the Project Improvements and Premises and collect rent from the Lessee's former subtenants, reserving, however, within the County's reasonable judgment, the right to determine the method of collection and the extent to which enforcement of collection of delinquent rents shall be prosecuted, without, in the event of the County taking any action described in (i) and/or (ii) and/or (iii) and/or (iv) above, relieving the Lessee of any liability under this Lease or otherwise affecting any such liability; and out of any rent and other sums collected or received as a result of such reletting or sale the County shall: (i) first, pay to itself the cost and expense of terminating this Lease; re-entering, retaking, repossessing, completing construction of the Project Improvements and repairing or altering the Project Improvements and/or the Premises, or any parts thereof, and the cost and expense of removing all Persons and property therefrom, including in such costs brokerage commissions, legal expenses and reasonable attorneys' fees and disbursements, (ii) second, pay to itself the cost and expense sustained in securing any tenant(s) and other occupants and/or purchasers, including in such costs brokerage commissions, legal expenses and reasonable attorneys' fees and disbursements and other expenses of preparing the Project Improvements and/or the Premises for reletting or sale, as the case may be, and, if the County shall construct, repair, maintain and/or operate the Project Improvements and/or the Premises, or any parts thereof, the cost and expense of constructing, repairing, operating and/or maintaining the same, and (iii) third, pay to itself any balance remaining on account of the liability of the Lessee to the County. Thereafter the County shall pay the balance, if any, to the Leasehold Mortgagee (or, if there be more than one, Leasehold Mortgagee, to the Leasehold Mortgagees in order of lien priority) to the extent of the outstanding balance of such Leasehold Mortgage, and the remainder to the Lessee.

Section 13.3 Rights of Leasehold Mortgagees. Notwithstanding the provisions of Section 13.2 above, the County's right to terminate this Lease or exercise other remedies by reason of an Event of Default on the part of the Lessee shall be subject to the rights of the Leasehold Mortgagee to receive, prior to any exercise of such right of termination, the County's written Notice of Default and to the rights of such Leasehold Mortgagees set forth in Article VII hereof.

Section 13.4 No Remedy Exclusive. No remedy conferred upon or reserved to the County in this Lease 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 Lease or now or hereafter existing at law or in equity or by statute.

Section 13.5 Agreement to Pay Attorneys' Fees and Expenses. If an Event of Default by the Lessee occurs under this Lease, or if the Lessee holds over or continues possession after the termination or expiration of the Term, and the County incurs attorneys fees or incurs other expenses in connection with such Event of Default, or holding over or continuation of possession, then the Lessee shall pay the reasonable fees of such attorneys actually incurred by the County (whether the attorneys are in-house attorneys or hired as outside counsel) and such other reasonable expenses as are actually incurred by the County, to the County on demand.

Section 13.6 Holding Over. The Lessee shall surrender possession of the Premises to the County upon the termination or expiration of the Term. The County may thereupon enter upon, reenter, possess and repossess the Premises, dispossess and remove the Lessee and have, hold and enjoy the Premises and the right to receive all rental and other income from the Premises, free of any right, title, estate, interest or claim of the Lessee. If the Lessee refuses to surrender possession and instead holds over, then the Lessee shall be only a tenant at sufferance and not a tenant at will, upon all of the terms and conditions of this Lease, except that the Lessee shall pay Annual Rent in an amount equal to 120% of the Annual Rent for the immediately preceding Lease Year. There shall be no renewal or extension of this Lease by operation of law.

Section 13.7 The County's Performance of the Lessee's Obligations. If the Lessee has failed to perform an obligation under this Lease and if an Event of Default has resulted from such failure to perform, then in addition to the other rights of the County under this Lease, the County shall, upon reasonable prior notice to the Lessee and the Leasehold Mortgagee, have the right, but not the obligation, to perform such obligation. Upon receipt of notice demanding same, the Lessee shall reimburse the County for the reasonable cost, documented to the Lessee's reasonable satisfaction, of any such performance by the County plus interest thereon at the Default Rate from the date of such notice until the date of repayment by the Lessee. The amount of such reimbursement shall be deemed Additional Rent.

Section 13.8 Waiver. To the extent not prohibited by law, the Lessee hereby waives and release all rights now or hereafter conferred by law or otherwise which would have the effect of limiting or modifying any of the provisions of this Section 13. The Lessee shall execute, acknowledge and deliver any instruments which the County may reasonably request, whether before or after the occurrence of an Event of Default, evidencing such waiver or release.

Section 13.9 Suits by the County. Any suit or suits for the recovery of a sum equal to any installment or installments of Initial Rent, Annual Rent, Additional Rent, or any other sums or charges payable hereunder, or other sums payable by the Lessee to the County pursuant to this Section 13, may be brought by the County from time to time at the County's election to the extent that such amounts are then due, and nothing herein contained shall be deemed to require the County to await the date whereon this Lease or the Term would have expired or any payment

hereunder would have been due had there been no Event of Default by the Lessee and termination.

Section 13.10 No Waiver by the County. Unless otherwise agreed to by the County and except as otherwise provided by law, no receipt of monies by the County from the Lessee after the termination of this Lease, or after the giving of any Termination Notice, shall reinstate, continue or extend the Term or affect any notice theretofore given to the Lessee, or operate as a waiver of the right of the County to enforce the payment of Initial Rent, Annual Rent, Additional Rent, any other sums or charges, and/or damages payable by the Lessee hereunder or thereafter falling due, or operate as a waiver of the right of the County to recover possession of the Premises by proper remedy, except as herein otherwise expressly provided, it being agreed that after the service of notice to terminate this Lease or the commencement of any suit or summary proceedings, or after a final order of judgment for the possession of the Premises, the County may demand, receive and collect any monies due or thereafter falling due without in any manner affecting such notice, proceeding, order, suit or judgment, all such monies collected being deemed payments on account of the use and occupation of the Premises, or, at the election of the County, on account of the Lessee's liability hereunder.

Section 13.11 No Consequential Damages. Notwithstanding anything in this Lease to the contrary, the Lessee shall not be liable to the County for any consequential damages arising or resulting from an Event of Default by the Lessee.

ARTICLE XIV

EVENTS OF DEFAULT BY THE COUNTY AND THE LESSEE'S REMEDIES

Section 14.1 Events of Default by the County. It shall be an Event of Default by the County if the County shall default in the performance or compliance with any of the agreements, terms, covenants or conditions in this Lease provided for a period of sixty (60) days after notice from the Lessee to the County specifying the items in default, or in the case of a default which cannot with due diligence be cured within said sixty (60) day period, the County fails within such sixty (60) day period to commence to cure the same and thereafter to diligently and continuously prosecute such cure to completion (it being intended in connection with a default not susceptible of being cured with due diligence within such sixty (60) day period that the County's time to cure the same shall be extended for such period as may be necessary to complete the same with all due diligence).

Section 14.2 Remedies. Whenever any Event of Default by the County shall exist, the Lessee may take any and all actions at law or in equity to collect the amount then due or to enforce performance and observance of any obligation, agreement or covenant of the County under this Lease.

Section 14.3 No Remedy Exclusive. No remedy conferred upon or reserved to the Lessee in this Lease 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 Lease or now or hereafter existing at law or in equity or by statute.

Section 14.4 The Lessee's Performance of the County's Obligations. If an Event of Default by the County shall occur, then in addition to the other rights of the Lessee under this Lease, the Lessee shall have the right, but not the obligation, to perform the obligation the County has failed to perform. Upon receipt of notice demanding same, the County shall reimburse the Lessee for the reasonable cost, documented to the County's reasonable satisfaction, of any such performance by the Lessee plus interest thereon at the Default Rate from the date of such notice until the date of repayment by the County.

Section 14.4 No Consequential Damages. Notwithstanding anything in this Lease to the contrary, the County shall not be liable to the Lessee for any consequential damages arising or resulting from an Event of Default by the County.

ARTICLE XV

PRIORITY OF LEASEHOLD

Section 15.1 The County shall not subject its fee ownership of the Premises to any mortgage, lien or encumbrance, without prior written notice to the Lessee and the Leasehold Mortgagees and the written consent of the Lessee and Leasehold Mortgagees. Nothing in this Lease shall be deemed to require the subordination of the County's fee ownership of the Premises to the lien of any Leasehold Mortgage.

ARTICLE XVI

REPRESENTATIONS

Section 16.1 Representations of the Lessee. To induce the County to enter into this Lease, the Lessee hereby represents and warrants, with full knowledge that the County shall rely on such representations and warranties, that the Lessee is a limited liability company duly formed and validly existing under the laws of the State of New York, and has full power and authority to consummate the transactions to which it is a party as contemplated herein, and all action for which it is responsible under this Lease; that the Lessee is not a party to any agreement, not heretofore disclosed to and approved by the County, containing terms or conditions in any way restricting or subjecting to conditions subsequent or precedent, or subjecting to approval, consent or control by any person who or which is not a member or officer of the Lessee, limiting directly or indirectly the ability of the Lessee to exercise management discretion and control over the affairs and business of the Lessee in connection with this Lease, or any matter or transaction related to any of the Lease or the Premises or the development thereof; and that the Lessee hereby represents and warrants that: (i) John J. Fareri is the only manager of the Lessee, and he exercises

effective, day-to-day control and management over the Lessee and over all activities for which the Lessee is responsible under this Lease; (ii) neither the Lessee, nor any person or entity having an ownership interest in the Lessee, nor any manager of Lessee, is a party to any agreement (including without limitation any Operating Agreement of the Lessee), not heretofore disclosed to and approved by the County, containing terms or conditions in any way restricting or subjecting to conditions subsequent or precedent, or subjecting to approval, consent or control by any person who or which is not a manager (including without limitation any creditor of or investor in the Lessee or any of its managers), limiting directly or indirectly the ability of the above-named managers of the Lessee to exercise management discretion and control over the affairs and business of the Lessee in connection with this Lease, the Financing Documents, or any matter or transaction related to any of the foregoing or agreements or documents or to the performance or implementation thereof; (iii) this Lease has been duly authorized by all necessary action on the part of the Lessee and has been duly exercised and delivered by the Lessee; (iv) neither the execution and delivery hereof, nor compliance with the terms and provisions hereof (a) requires the approval and consent of any Governmental Agency or any other entity or person, except such as have been duly obtained, or (b) contravenes any existing law, judgment, governmental rule, regulation or other applicable to or binding on the Lessee (except, and to the extent, that any of the same are to be modified through governmental action as herein contemplated), or (c) contravenes or results in any breach of or, except as contemplated by this Lease, results in the creation of any lien or encumbrance upon any property of the Lessee under any indenture, mortgage, deed of trust, bank loan or credit agreement, applicable ordinances, resolutions or any other agreement or instrument to which the Lessee is a party, specifically including any covenants of any bonds, notes, or other forms of indebtedness of the Lessee outstanding on the date hereof; and (v) this Lease constitute a legal, valid and binding obligation of the Lessee enforceable against the Lessee in accordance with the terms hereof.

Section 16.2—Representations of the County. To induce the Lessee to enter into this Lease, the County hereby represents and warrants, with full knowledge that the Lessee shall rely on such representations and warranties, that: (i) the County has full power and authority to consummate the transactions contemplated hereby; (ii) this Lease has been duly authorized by all necessary action on the part of the County and has been duly executed and delivered by the County; (iii) neither the execution and delivery hereof, nor compliance with the terms and provisions hereof (a) requires the approval and consent of any other Governmental Agency or any other entity or person, except such as have been duly obtained; (b) contravenes any existing law, judgment, governmental rule, regulation or order applicable to or binding on the County, or (c) contravenes or results in any breach of or, except as contemplated by this Lease, results in the creation of any lien or encumbrance upon any property of the County under any indenture, mortgage, deed of trust, bank loan or credit agreement, applicable ordinances, resolutions or, on the date of this Lease, any other lease or instrument to which the County is a party, specifically including any covenants of any bonds, notes or other forms of indebtedness of the County outstanding on the date hereof; and (iv) this Lease constitutes a legal, valid and binding obligation of the County, enforceable against the County in accordance with the terms hereof.

Section 16.3 No Other Representations. Each of the Parties to this Lease acknowledges to the other that, except as otherwise specifically provided herein, (i) no representations, statement or warranties, express or implied, have been made by, or on behalf of,

any such party with respect to such party or with respect to the Premises, or with respect to the transactions contemplated by this Lease, and (ii) it has not relied on any such representations, statements or warranties.

ARTICLE XVII

TITLE TO IMPROVEMENTS; SURRENDER

Section 17.1 Title to Project Improvements. Title to the Project Improvements and any alteration, changes or additions thereto, shall be and remain in the Lessee during the Term of this Lease. During the Term of this Lease, the Lessee shall be entitled, for all taxation purposes, to claim depreciation and tax credits and deductions on the Project Improvements. The County represents that it owns, and shall retain, fee title to the Premises.

Section 17.2 Surrender at End of Term. On the last day of the Term or upon any earlier termination of this Lease for any reason (other than the purchase by the Lessee of any portion of the Premises), or upon re-entry by the County pursuant to the provisions of this Lease, title to all Project Improvements shall vest in the County, the Lessee shall well and truly surrender and deliver up to the County the Premises and the Project Improvements, without any payment or allowance whatever by the County, in good order, condition and repair, reasonable wear and tear excepted, free and clear of any Leasehold Mortgage and all lettings, occupancies, liens and encumbrances other than the Permitted Title Exceptions and such other liens and encumbrances as shall have been created by the County or to which the County shall have expressly consented in writing.

Section 17.3 Written Confirmation. The Lessee shall, upon demand, execute, acknowledge and deliver to the County a written instrument in recordable form confirming the date of expiration or termination of this Lease, together with instruments in recordable form evidencing the cancellation or expiration of any memorandum of this Lease and/or any other recorded documents executed by and between the County and the Lessee applicable hereto.

Section 17.4 Personal Property. Any personal property owned by the Lessee which shall remain on the Premises shall, after termination of this Lease and the removal of the Lessee from the Premises, become a part of the Project Improvements and be deemed to have been abandoned by the Lessee, and may be retained by the County as its property or be disposed of without accountability in any manner as the County may see fit. The County shall not be responsible for any loss or damage occurring to any such property.

Section 17.5 Survival. The provisions of this Article XVII shall survive the expiration or earlier termination of this Lease.

ARTICLE XVIII

LIMITATION OF LIABILITY

Section 18.1 Liability of the County. Notwithstanding anything to the contrary in this Lease, the Lessee agrees that the obligations of the County under or with respect to any of the terms, covenants and conditions of this Lease and any agreement or instrument to be executed pursuant to this Lease shall not constitute personal obligations of the County, or its elected or appointed officials, officers, employees, agents, or representatives or of the members of any board, council, commission, office, agency or consultant of the County, and shall not create or involve any claim against, or personal liability on the part of, them or any of them, and the Lessee and all Persons claiming by or under the Lessee shall look solely to the County's interest in the Premises for the enforcement of any remedy or the satisfaction of any obligation or liability of the County and will not enforce any remedy or execute or collect any judgment out of or against any other assets or properties of the County.

Section 18.2 Liability of the Lessee. Notwithstanding anything to the contrary in this Lease, the County agrees that the obligations of the Lessee under or with respect to any of the terms, covenants and conditions of this Lease and any agreement or instrument to be executed pursuant to this Lease shall not constitute personal obligations of the Principal, or any members, partners, directors, officers, employees, agents, or representatives of the Lessee, and shall not create or involve any claim against, or personal liability on the part of, them or any of them, and the County and all Persons claiming by or under the County shall look solely to the Lessee's interest in the Premises for the enforcement of any remedy or the satisfaction of any obligation or liability of the Lessee and will not enforce any remedy or execute or collect any judgment out of or against any other assets or properties of the Lessee.

Section 18.3 Survival. The provisions of this Article XVIII shall survive the expiration or sooner termination of this Lease.

ARTICLE XIX

INDEMNIFICATION

Section 19.1 Indemnification of the County and Others. The Lessee shall not do or permit any act or thing to be done upon the Premises which may subject the County to any liability or responsibility for injury, damage to persons or property, or to any liability by reason of any violation of law, and shall exercise such control over the Premises as may be necessary or advisable so as to fully protect the County against any such liability. The Lessee agrees that the Lessee shall, to the fullest extent permitted by law, except to the extent that the events giving rise to claims for indemnification shall have resulted from the acts or omissions of the "Indemnitees" (as hereinafter defined), indemnify and save harmless the County and its officers, elected or appointed officials, directors, employees, agents and representatives (all of the foregoing being herein referred to collectively as the "Indemnitees"), from and against any and all liabilities, suits, obligations, fines, damages, penalties, claims, costs, charges and expenses, including, without

limitation, reasonable engineers', architects' and attorneys' fees and disbursements, which may be imposed upon or incurred by or asserted against any of the Indemnitees at any time by reason of any of the following:

(a) Construction of the Project Improvements or any other work or thing done in, on or about the Premises or any parts thereof, including but not limited to utilities;

(b) Any use, non-use, possession, occupation, alteration, repair, condition, operation, maintenance or management of the Premises, or any parts thereof or of any street, alley, sidewalk, curb, vault, passageway or space comprising a part thereof or adjacent thereto;

(c) Any act or failure to act on the part of the Lessee or its agents, contractors, subcontractors, servants, employees, licensees or invitees;

(d) Any accident, injury (including death at any time resulting therefrom) or damage to any Person or property occurring in, on or about the Premises or any parts thereof or in, on or about any street, alley, sidewalk, curb, vault, passageway, or space comprising a part thereof adjacent thereto;

(e) Any failure on the part of the Lessee to comply with all laws and Requirements of Governmental Agencies, and the covenants, agreements terms and conditions contained in this Lease on its part to be performed or complied with (including, without limitation, the Lessee's obligations under Article IV hereof);

(f) Any failure of the Lessee to keep, observe and perform any of the terms, covenants, agreements, provisions, conditions or limitations contained in the Financing Documents or other contracts and agreements affecting the Premises on the Lessee's part to be kept, observed or performed by the Lessee; and

(g) Any claim for brokerage commissions, fees or other compensation by any Person who shall allege to have acted or dealt with the Lessee in connection with any of the transactions contemplated hereby.

Section 19.2 Not Affected by Status of Insurance. The obligations of the Lessee under this Article XIX shall not be affected in any way by the absence in any case of covering insurance or by the failure or refusal of any insurance carrier to perform any obligation on its part under insurance policies affecting the Premises or any parts thereof.

Section 19.3 Defense of Claims. If any claim, action or proceeding is made or brought against any of the Indemnitees by reason of any event to which reference is made in Section 19.1, then, upon demand by the County, the Lessee, without cost or expense to the County or any of the other Indemnitees, shall resist or defend such claim, action or proceeding in such Indemnitee's name, if necessary, with attorneys for the Lessee's insurance carrier (if such claim, action or proceeding is covered by insurance), otherwise with such attorneys as the County shall approve, which approval shall not be unreasonably withheld or delayed. Notwithstanding the foregoing, the County and any of the other Indemnitees may engage their own attorneys at the

Lessee's expense, to defend it or to assist in its defense if the County shall reasonably determine that the attorneys selected by the Lessee cannot represent both the County and the Lessee in connection with the defense of any such claim, action, or proceeding. In such event, the County agrees that it will not settle or compromise any such claim, action or proceeding without the approval of the Lessee, which approval shall not be unreasonably conditioned, withheld or delayed.

Section 19.4 Survival. The provisions of this Article XIX shall survive the expiration of this Lease or date of sooner termination of this Lease.

ARTICLE XX

MISCELLANEOUS GENERAL PROVISIONS

Section 20.1 Rules of Interpretation.

(a) This Lease shall be deemed to be executed in The County of Westchester and shall be governed by and interpreted and construed under the laws of the State of New York. The Parties agree that the forum for any action under this Lease shall be in a Federal or State court located in the County of Westchester, State of New York.

(b) Unless expressly provided otherwise in this Lease, each reference in this Lease to a particular Article, Section, subsection, paragraph or clause shall be to such Article, Section, subsection, paragraph or clause of this Lease. Headings of Articles and Sections are inserted only for convenience and are not, and shall not be deemed, a limitation on the scope of the particular Articles, Sections or subsections to which they refer.

(c) In this Lease, whenever general words or terms are followed by the word "including" (or another form of the word "include") and words of particular and specific meaning, the general words shall be construed in their widest extent to mean "including, without limitation", and shall not be limited to persons or things of the same general kind or class as those specifically mentioned in the words of particular and specific meaning.

(d) No provision of this Lease shall be construed against or interpreted to the disadvantage of either the County or the Lessee by any court or other governmental or judicial authority by reason of such party having or being deemed to have drafted, structured or dictated such provision.

(e) Each exhibit referred to in this Lease is attached to and incorporated by reference in this Lease.

Section 20.2 Negation of Partnership. Nothing in this Lease shall be construed to render or constitute the County in any way or for any purpose a partner, joint venturer or associate in any relationship with the Lessee, nor shall this Lease be construed to authorize either party to act as agent for the other party except as expressly provided in this Lease.

Section 20.3 **Notices.** Any notices, requests, demands or other communications required or permitted to be given hereunder shall be in writing and shall be delivered by nationally recognized overnight courier (including Federal Express and other such services), hand or mailed by United States certified mail, return receipt requested, postage prepaid and addressed to each party at its address as set forth below:

If to the County:

Westchester County Executive
Michaelian Office Building
148 Martine Avenue, 9th Floor
White Plains, New York 10601

Chair
County Board of Legislators
Michaelian Office Building, 8th Floor
148 Martine Avenue
White Plains, NY 10601

With a Copy to:

Westchester County Attorney
Michaelian Office Building
148 Martine Avenue, 6th Floor
White Plains, NY 10601

and

Clerk
County Board of Legislators
Michaelian Office Building, 8th Floor
148 Martine Avenue
White Plains, NY 10601

If to the Lessee:

Fareri Associates, LP
2 Dearfield Drive, Suite 3
Greenwich, CT 06831
Attn: John Fareri

With a copy to:

Fareri Associates, LP
2 Dearfield Drive, Suite 3
Greenwich, CT 06831

Attn: Julie Fareri, Esq.

and

Blanchard & Wilson, LLP
235 Main Street, Suite 330
White Plains, New York 10601
Attn: Kristen K. Wilson, Esq., Mark W. Blanchard, Esq.

With a copy to: leasehold mortgagee as required by Article VII

Any notice, request, or other communication shall be considered given on the date of such hand or courier delivery or deposit in the United States mail, and shall be considered given on the date of hand or courier delivery or on the third (3rd) day following deposit in the United States mail as provided above. Rejection or other refusal to accept or inability to deliver because of changed address of which no notice was given shall be deemed to be receipt of the notice, request or other communication. By giving at least five (5) days' prior written notice, either party may from time to time and at any time change its mailing address for purposes of this Lease. Any notice, request or other communication required or permitted to be given by any party may be given by such party's legal counsel.

Section 20.4 Brokerage Fees and Commissions. The County and the Lessee represent and warrant, each to the other, that they have not discussed this Lease or its subject matter with any real estate broker, agent or salesman so as to create any legal right in any-such broker, agent or salesman to claim a real estate commission or similar fee with respect to the transactions contemplated by this Lease. The County and the Lessee indemnify each other against and agree to hold each other harmless from any and all claims (including court costs and reasonable attorneys' fees incurred in connection with any such claims) for any real estate commissions or similar fees arising out of or in any way connected with any claimed agency relationship with the indemnitor and relating to any of the transactions contemplated by this Lease.

Section 20.5 Waiver. The failure of either the County or the Lessee to insist upon strict performance of any of the terms or provisions of this Lease or to exercise any option, right or remedy contained in this Lease, shall not be construed as a waiver or as a relinquishment for the future of such term, provision, option, right or remedy. No waiver by either the County or the Lessee of any term or provision of this Lease shall be deemed to have been made unless expressed in writing and signed by such party.

Section 20.6 Estoppel Certificates. Each party shall, without charge, at any time and from time to time, within twenty (20) business days after request by the other party or a Leasehold Mortgagee, certify, to any person identified by the requesting party, by written instrument, duly executed, acknowledged and delivered, to the effect that this Lease is unmodified and in full force and effect (or if there shall have been modifications that the same is in full force and effect as modified and stating the modifications) and the dates to which the Rent and other charges, if any, have been paid, the date of expiration of the Term, the Rent then payable under this Lease, and stating whether or not an Event of Default by the other party has

occurred and is continuing as of the date of the certificate and, if so, specifying each such Event of Default.

Section 20.7 **Amendments.** This Lease and its provisions may be changed, waived, discharged or terminated only by an instrument in writing signed by the party against whom enforcement of the change, waiver, discharge or termination is sought, subject to all necessary legal approvals.

Section 20.8 **Memorandum.** The Parties hereto shall execute a memorandum of lease setting forth the principal terms of this Lease, and otherwise in form and content reasonably acceptable to both Parties, which shall be recorded by the Lessee at its expense in the Westchester County Clerk's Office, Land Records Division, and in such other location as may from time to time be provided by law as the proper place for recordation of a memorandum of this Lease.

Section 20.9 **Counterparts.** This Lease may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall comprise but a single document.

Section 20.10 **Binding Effect.** This Lease shall inure to the benefit of and be binding on the County and the Lessee and their respective legal representatives, successors and assigns.

Section 20.11 **Date for Performance.** If the time, period or date by which any right, option, election, act or notice provided under this Lease must be exercised, performed or given, expires or occurs on a Saturday, Sunday or legal or bank holiday, then such time period or date shall be automatically extended through the close of business on the next regularly scheduled business day.

Section 20.12 **Gender, Etc.** As used in this Lease, the masculine shall include the feminine and neuter, the singular shall include the plural, and the plural shall include the singular as the context may require.

Section 20.13 **No Third Party Beneficiaries.** Nothing contained in this Lease shall be construed to confer upon any person other than the Parties hereto, any rights, remedies, privileges, benefits or causes of action to any extent whatsoever.

Section 20.14 **Further Assurances.** Each party hereto shall do all acts and things and make, execute and deliver such written instruments as shall from time to time be reasonably required to carry out the terms and provisions of this Lease.

Section 20.15 **Separability.** Unenforceability for any reason of any provision of this Lease shall not limit or impair the operation or validity of any other provision of this Lease and if any term or provision of this Lease or the application thereof to any person or circumstance shall for any reason and to any extent be invalid or unenforceable, the remainder of this Lease, or the application of such term or provision to persons or circumstances to which it is valid or

enforceable, shall not be limited, impaired or otherwise affected thereby, and each term and provision of this Lease shall be valid and enforced to the extent permitted by law.

Section 20.16 **Entire Agreement.** This Lease, together with the exhibits hereto, contains all of the promises, agreements, conditions, inducements and understandings between the County and the Lessee concerning the matters addressed in this Lease, and there are no promises, agreements, conditions, inducements or understandings, oral or written, expressed or implied, between them other than as expressly set forth herein and therein.

Section 20.17 **Approval by Board of Legislators.** This Lease has been approved by the Board of Legislators of the County of Westchester on the 3rd day of April, 2017 by Local Law No. 7-2017 and by the County Board of Acquisition and Contract by Resolution approved on the 30th day of November, 2017. The Local Law and Resolution are both attached hereto and made a part hereof as Exhibit "E".

Section 20.18 **Effectiveness.** This Lease shall not be binding or effective until it has been fully executed by both Parties hereto and has been approved by the County Board of Legislators and the Board of Acquisition and Contract. This Lease shall not be enforceable until approved by the Office of the County Attorney.

IN WITNESS WHEREOF, the Parties hereto have duly executed this Lease as of the day and year first above written.

THE COUNTY OF WESTCHESTER

By: 
Title: County Executive


FARERI ASSOCIATES, LP

By: 
Title: General Partner

Authorized by the County Board of Legislators by Local Law No 7- 2017 on the 3rd day of April, 2017.

Approved by the Westchester County Board of Acquisition and Contract on the 30th day of November, 2017.

Approved as to form and manner of execution

 1/10/19
Assistant Chief Deputy County Attorney
County of Westchester
a/CXX/North 60/North. 60 Lease 1.9.19.doc

UNIFORM ACKNOWLEDGMENT

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

On the 10th day of January in the year 2019 before me, the undersigned, personally appeared John Faneri, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

Date: January 10, 2019

John M. Minnana
Notary Public

JOHN M. MINNANA
NOTARY PUBLIC, STATE OF NEW YORK
Qualified in Westchester County
Commission Expires 12/31/2012

JOHN M. MINNANA
NOTARY PUBLIC, STATE OF NEW YORK
No. 02N081
Qualified in Westchester County
Commission Expires 12/31/2012

2020

EXHIBIT "A"

All that certain plot, piece or parcel of land situate in the Town of Mt. Pleasant, County of Westchester, State of New York, more particularly described as follows:

Commencing at the point on the westerly side of Bradhurst Avenue, where prior to the taking for the lands of the Sprain Brook Parkway, it was formerly intersected by the southerly side of Stevens Avenue;

Thence South $89^{\circ}38'38''$ West, 318.24 feet;

Thence North $88^{\circ}31'37''$ West, 163.00 feet to the southerly bounds of Stevens Avenue to the point and place of beginning;

Thence South $89^{\circ}25'53''$ West, 225.18 feet along the southerly bounds of Stevens Avenue;

Thence North $89^{\circ}22'02''$ West, 340.87 feet along the southerly bounds of Stevens Avenue;

Thence North $80^{\circ}34'12''$ West, 19.40 feet along the southerly bounds of Stevens Avenue;

Thence South $81^{\circ}59'03''$ West, 42.22 feet along the southerly bounds of Stevens Avenue;

Thence North $85^{\circ}54'17''$ West, 92.55 feet along the southerly bounds of Stevens Avenue;

Thence South $85^{\circ}38'13''$ West, 47.03 feet along the southerly bounds of Stevens Avenue;

Thence North $87^{\circ}34'52''$ West, 159.31 feet along the southerly bounds of Stevens Avenue;

Thence North $3^{\circ}42'54''$ West, 44.60 feet along the southerly bounds of Stevens Avenue;

Thence North $45^{\circ}33'59''$ West, 79.19 feet along the southerly bounds of Stevens Avenue;

Thence North $82^{\circ}16'39''$ West, 54.47 feet along the southerly bounds of Stevens Avenue;

Thence North $59^{\circ}22'29''$ West, 36.39 feet along the southerly bounds of Stevens Avenue;

Thence North $40^{\circ}40'29''$ West, 29.57 feet along the southerly bounds of Stevens Avenue;

Thence North $7^{\circ}38'49''$ West, 50.33 feet along the southerly bounds of Stevens Avenue;

Thence North $40^{\circ}30'09''$ West, 57.07 feet along the southerly bounds of Stevens Avenue;

Thence North $32^{\circ}51'19''$ West, 127.15 feet along the southerly bounds of Stevens Avenue;

Thence North $66^{\circ}58'59''$ West, 26.60 feet;

Thence South $89^{\circ}49'21''$ West, 48.03 feet;

Thence South $49^{\circ}34'01''$ West, 286.39 feet along the southerly bounds of Old Saw Mill River Road South;

Thence South $45^{\circ}58'21''$ West, 190.67 feet along the southerly bounds of Old Saw Mill River Road South;

Thence South $25^{\circ}52'52''$ East, 158.42 feet along the lands now or formerly of 81 Holly Hill Lane LLC;

Thence South $19^{\circ}39'49''$ East, 195.08 feet along the lands now or formerly of 81 Holly Hill Lane LLC;

Thence South $19^{\circ}21'39''$ East, 199.09 feet along the lands now or formerly of 81 Holly Hill Lane LLC;

Thence South $09^{\circ}08'29''$ East, 488.39 feet along the lands now or formerly of 81 Holly Hill Lane LLC;

Thence South $14^{\circ}15'09''$ East, 57.49 feet along the lands now or formerly of 81 Holly Hill Lane LLC;

Thence South $07^{\circ}51'49''$ East, 252.72 feet along the lands now or formerly of 81 Holly Hill Lane LLC;

Thence South $89^{\circ}52'51''$ West, 36.32 feet along the lands now or formerly of 81 Holly Hill Lane LLC;

Thence South $4^{\circ}41'59''$ East, 689.88 feet along the lands now or formerly of 81 Holly Hill Lane LLC;

Thence South $82^{\circ}16'41''$ East, 52.35 feet;

Thence on a curve to the right with an arc length of 46.08 feet, a radius of 1199.00 feet, a delta angle of $2^{\circ}12'07''$, and a chord-bearing of North $42^{\circ}49'57''$ East, 46.08 feet;

Thence North $43^{\circ}56'01''$ East, 31.05 feet;

Thence on a curve to the right with an arc length of 685.05 feet, a radius of 868.00 feet, a delta angle of $45^{\circ}13'10''$ and a chord bearing North $66^{\circ}32'36''$ East, 667.41 feet;

Thence $89^{\circ}09'11''$ East, 551.93 feet;

Thence North $12^{\circ}05'08''$ West, 62.53 feet along the lands now or formerly of the New York State Department of Transportation;

Thence North $80^{\circ}42'19''$ East, 111.46 feet along the lands now or formerly of the New York State Department of Transportation;

Thence North $8^{\circ}11'27''$ West, 440.53 feet along the lands now or formerly of the New York State Department of Transportation;

Thence North $3^{\circ}30'01''$ East, 410.42 feet along the lands now or formerly of the New York State Department of Transportation;

Thence North $22^{\circ}05'13''$ East, 112.70 feet along the lands now or formerly of the New York State Department of Transportation;

Thence along the lands now or formerly of the New York State Department of Transportation on a curve to the right with an arc length of 80.73 feet, a radius of 4236.23 feet, a delta angle of $1^{\circ}05'30''$ and a chord bearing North $7^{\circ}43'15''$ East, 80.72 feet;

Thence along the lands now or formerly of the New York State Department of Transportation on a curve to the right with an arc length of 69.04 feet, a radius of 3123.00 feet, a delta angle of $1^{\circ}16'00''$ and a chord bearing North $8^{\circ}54'00''$ East, 69.04 feet;

Thence North $9^{\circ}32'00''$ East, 229.60 feet along the lands now or formerly of the New York State Department of Transportation;

Thence North $1^{\circ}46'10''$ East, 162.75 feet along the lands now or formerly of the New York State Department of Transportation;

Thence North $88^{\circ}13'05''$ West, 100.00 feet;

Thence North $1^{\circ}46'55''$ East, 46.00 feet;

Thence North $87^{\circ}23'21''$ West, 54.19 feet to the point and place of beginning.

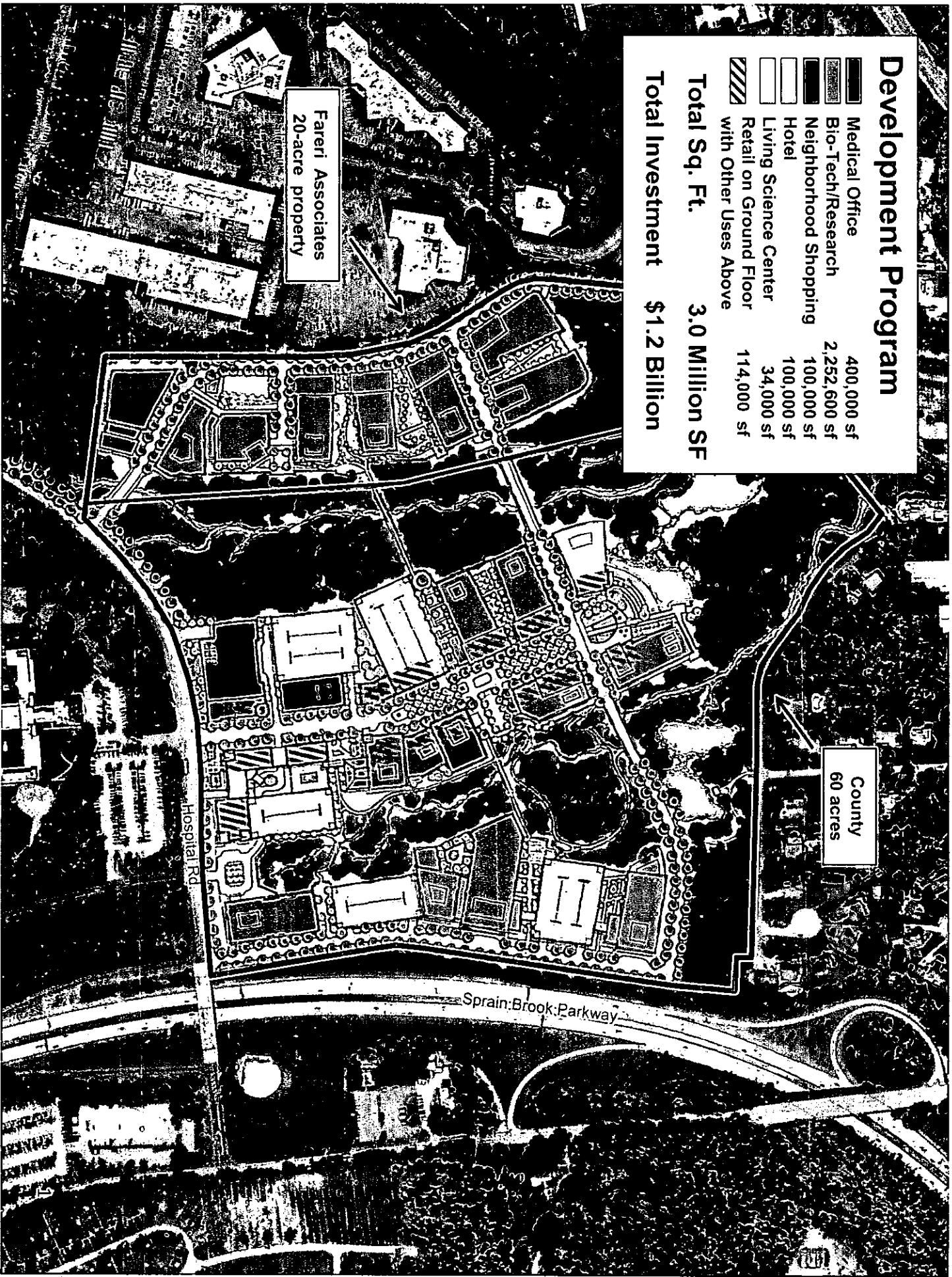
Containing 2,621,753.01 square feet or 60.19 Acres more or less.

Alan Gassman L.S.
Senior Surveyor
WCDPW + Transportation








Exhibit "B"

Lease Concept Plan

Attached starting on next page



Development Program

	Medical Office	400,000 sf
	Bio-Tech/Research	2,252,600 sf
	Neighborhood Shopping	100,000 sf
	Hotel	100,000 sf
	Living Science Center	34,000 sf
	Retail on Ground Floor	114,000 sf
	With Other Uses Above	

Total Sq. Ft. 3.0 Million SF

Total Investment \$1.2 Billion





Fareli Associates
20-acre property

County
60 acres

Hospital Rd

Sprain Brook Parkway

Program - Phase 1

	Medical Office	100,000 sf
	Bio-Tech/Research	220,000 sf
	Hotel	100,000 sf
	Neighborhood Shopping & Retail on Ground Floor with Other Uses Above	80,000 sf

Total Sq. Ft. 500,000 SF

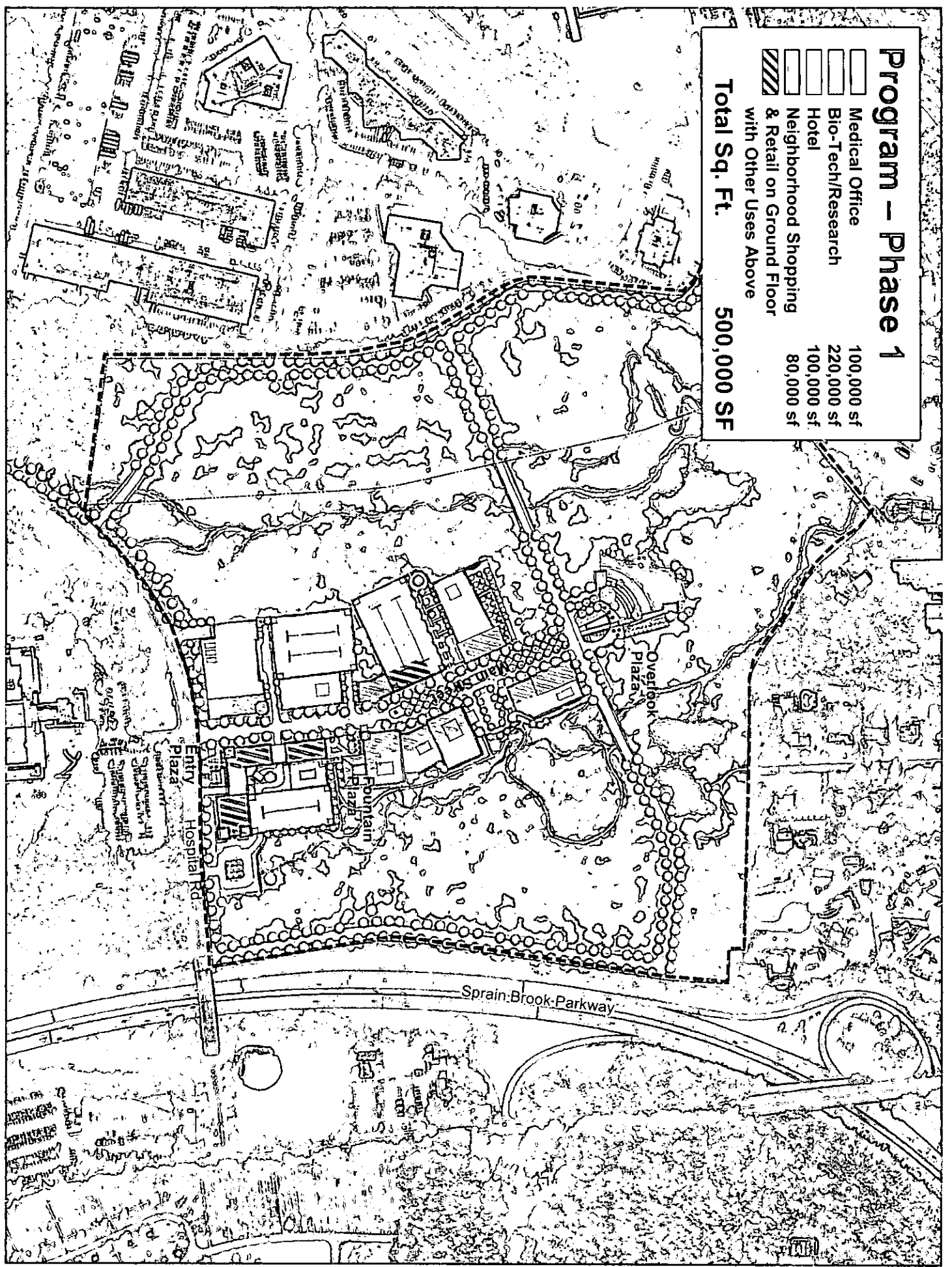


Exhibit "C"

**Permitted Title Exceptions
Attached starting on next page**

OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY

521 Fifth Avenue, New York, NY 10175

(212) 599-1300

OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY

TITLE NO. WES- 249533- L

SCHEDULE B

Hereinafter set forth are additional matters which will appear in our policy as exceptions from coverage unless disposed of to our satisfaction prior to the closing or delivery of the policy.

DISPOSITION

1. Rights of tenants or persons in possession, if any.
2. Taxes, tax liens, tax sales, water rates, sewer rents and assessments set forth herein.
3. Mortgages returned herewith and set forth herein. (None)
- 4a. Any state of facts an accurate survey and/or survey inspection of the premises would show.
- 4b. The description contained in Schedule A is not insured without a survey to be made and submitted to the company.
5. A portion of the premises as described in Schedule A appears to be within a wetlands area. These areas are subject to the Freshwater Wetlands Act of the State of New York. Underground encroachments and easements, if any, including pipes and drains and such rights as may exist for entry upon said premises to maintain and repair the same.
7. Rights, if any, of any electric or telephone company to maintain guy wires extending from the premises described in Schedule A to poles located on the roads upon which said premises abut.
8. As to any brooks, streams, ponds or other bodies of water located within or on the premises herein, policy excepts riparian rights of others to use same.
9. Terms, covenants, conditions and agreements contained in a lease made by and between The County of Westchester, as Lessor, and Fareri Associates, L.P., as Lessee, a memorandum of which dated _____ was recorded on _____ as Control No. _____.
10. A copy of the aforementioned lease and any amendments thereto must be submitted to this Company for consideration prior to closing.
11. The original of the lease to be insured or a memorandum thereof must be recorded.
12. A duly acknowledged estoppel certificate is required from the landlord certifying that the lease is in full force and effect and that there is no existing default by the tenant in respect of any of the terms, covenants, conditions and agreements contained in said lease.
13. Proof required that:
 - i. All necessary statutory, legislative and administrative requirements of the County of Westchester, including but not limited to the approval of the County Board of Legislators, to enter into the proposed lease have been complied with, and;

OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY

521 Fifth Avenue, New York, NY 10175

(212) 599-1300

ii. That all necessary approvals by the County of Westchester to enter into the proposed lease have been requested and granted.

14. Proof that no portion of the premises is a part of a municipal parkland and that no portion of the premises is subject to the public trust doctrine of the State of New York.

NOTE: As to Exceptions 13 and 14 above, for the purposes of the issuance of a policy of title insurance, the Company is relying upon the representations made by the County of Westchester as set forth in Section 16.2 of the proposed lease agreement made by and between The County of Westchester, as Lessor, and Fareri Associates, L.P., as Lessee, that all necessary statutory, legislative and administrative requirements and approvals required by the County of Westchester to enter into the proposed lease have been met.

Additionally, the Company requires an opinion letter from the County Attorney of the County of Westchester that all necessary statutory, legislative and administrative requirements and approvals required by the County of Westchester to enter into the proposed lease have been met.

15. Judgment and lien searches (Westchester County) against **The County of Westchester**, the certified fee owner, show the following returns:
- A) Numerous judgments against Westchester County of to be disposed of. (See attached)
16. Federal Tax Lien searches against the name, **The County of Westchester**, the name of the certified fee owner, completed in the Westchester County Clerk's Office disclosed no returns.
17. Uniform Commercial Code Financing Statement searches against the real property described on Schedule A disclosed no returns.
18. Judgment and lien searches (Westchester County) against **Fareri Associates L.P.**, the proposed lessee, show the following returns:
19. Federal Tax Lien searches against the name, **Fareri Associates L.P.**, the name of the proposed lessee, completed in the Westchester County Clerk's Office disclosed no returns.
20. A bankruptcy search was completed in the Office of the Clerk of the United States Bankruptcy Court of the Eastern and Southern Districts of New York, against the name, **Fareri Associates L.P.**, which disclosed no returns.
21. For Information Only: Uniform Commercial Code Financing Statement searches against the name, **Fareri Associates L.P.**, the certified owner, completed in the New York State Secretary of State's Office (as of 7/7/2017) disclosed the following return:
- A) Secured Party: Webster Bank, National Association Filed: 2/4/2008
Debtor: Fareri Associates L.P. File No: 200802040097077
401 Columbus Avenue Co., LLC

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- i. 401 Columbus Avenue Co. LLC was released by UCC-3 filed 12/22/2008 as File No. 200812220841671.
- ii. Continued by UCC-3 filed 11/28/2012 as File No. 201211280664927.

(See copy annexed)

22. Re Fareri Associates, L. P.

- a) Proof is required of the filing of the Certificate of Limited Partnership pursuant to Partnership Law Section 91 or Section 121-206, whichever applies.
- b) Proof is required of compliance with the publication requirements set forth in Partnership Law Section 91 or Section 121-201, whichever applies.
- c) Consent of the general and limited partners as may be required by the Partnership Agreement and Partnership Law Section 98 or Section 121-403, whichever applies.

23. Premises are not located within a municipal water district. Company is unable to search the records for open water and sewer charges, assessments or hook-up fees. Final water and sewer bills to be presented at closing.

24. With respect to this transaction, the following exceptions must be disposed.

- A) Due to Section 253-b of the Tax Law and Part 404 of Title 20 of the Official Compilation of Codes, Rules and Regulations of the State of New York, the Company will require, in order to record the insured deed, that the requisite Section 253-b of the Tax Law certification be duly executed and submitted at closing along with payment of the appropriate mortgage tax if any, where exemption is not claimed and the mortgage tax would otherwise be applicable. Failure to comply will result in the Company excepting all loss, cost, or damage sustained by reason of such noncompliance. (See Section 253-b of the Tax Law and Part 404 of Title 20 N.Y.C.R.R. for complete explanation.)

NOTE: Participation mortgages (where mortgagor and mortgagee enter into a participation agreement, eq.: Equity Source Account Mortgages) do not constitute revolving credit mortgages within the ambit of this exception or Section 253-b of the Tax Law (Chapter 925 of the Laws of 1985.)

- B) The closing instruments should recite the current Tax Map information for the County of Westchester.
- C) Attention is called to the fact that the New York State Board of Equalization and Assessment Real Property Transfer Report #EA-5217(7/95) must be completed in full by the buyer or the buyer's agent and must accompany any conveyance of real property to be recorded. (Note - see back of said form for instructions).

D) Contract of Sale must be submitted to this company prior to closing.

E) For Information Only:

"Possible effect of withholding obligation to transferee herein pursuant to Section 1445 of the Internal Revenue Code, as amended, effective January 1,

OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY

521 Fifth Avenue, New York, NY 10175

(212) 599-1300

1985. See annexed information sheet. This exception will not appear in the title policy, as it represents an obligation against which the policy does not protect."

- F) The closing mortgage(s) or a signed statement attached to such mortgages(s) must contain the following recital:

"The real property (insert here either: "is" or "is not" - whichever applies) principally improved or to be improved by one or more structures containing in the aggregate not more than six residential dwelling units, each dwelling unit having its own separate cooking facilities."

Note 1. The New York State Tax Commission has imposed the above requirement. No mortgage will be accepted for recording on or after August 1, 1987 unless the above is complied with.

Note 2. The \$10,000 mortgage exemption clause, (i.e. "The real property is improved or will be improved by a one or two family dwelling or residence") if applicable, and if recited in the mortgage will comply with the above requirement.

- G) NOTE: Company will not accept personal uncertified checks in payment of any of its closing charges or fees in an amount greater than \$1,000.00 nor personal checks of the seller in any amount without prior authorization from an officer of this Company.
- H) In order to record certain conveyances of Real Property or an interest therein (see definition of "conveyance" and "interest in real property" in Section 1401 (e)(f) of the Tax Law) New York State will require the proper execution, and delivery of the combined Real Estate Transfer Tax Return and Credit Line Mortgage Certificate (Form T.P. 584) along with the payment of the taxes at time of closing, if any, set forth in said form.
- I) The Recording Office will not accept an assignment of mortgage unless there is set forth in the assignment document, or attached thereto and recorded as part thereof, a statement under oath signed by the mortgagor or any other party to the transaction having knowledge of the facts (provided he asserts such knowledge), " that the assignee is not acting as a nominee of the mortgagor and that the mortgage continues to secure a bona fide obligation".
This requirement is not applicable to sales of mortgages by lenders trading or selling among themselves in the ordinary course on the secondary market, in such cases such assignments shall contain the statement:
"This assignment is not subject to the requirements of Section 275 of the Real Property Law because it is an assignment within the secondary mortgage market". (See Department of Taxation and Finance clarification memo dated 8/3/8-TS--8-(6.1-R).
- J) Attention is directed to the provisions of Section 1402-a of the Tax Law which provides for additional transfer tax paid by the grantee due upon

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521 Fifth Avenue, New York, NY 10175

(212) 599-1300

transfer of certain residential real property when the consideration for the transfer is \$1,000,000.00 or more.

25. "Westchester County PREP tax forms (TP-584 and RP-5217) must be created prior to closing and executed prior to or at the closing by the grantor(s) and grantee(s) and submitted to the company closer at closing. Westchester County will not accept signed tax forms that are not created on the PREP system. In the event the PREP tax forms are not created by Old Republic Title then the PREP package must be assigned to Old Republic Title so that Old Republic Title can prepare the recording cover page. The title closer must obtain a copy of the PREP assignment confirmation from the party that prepared the PREP tax forms. Said confirmation can be printed from the PREP system."

Exhibit "D"

**COUNTY OF WESTCHESTER
LEASED LAND DEVELOPMENT STANDARDS**

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GENERAL INTENT AND PLANNING CONCEPTS

Structures and uses in existence, under construction, or out to bid as of the date of this document shall not be subject to these Development Standards. The Westchester County Health Care Corporation will adhere to all federal, state, and local laws and restrictions as they pertain to the development of the Leased Land. This includes, but is not limited to, environmental, engineering, historical structures, etc.

1) Roads, Circulation and Access

Vehicular circulation on the land leased by Westchester County to the Westchester County Health Care Corporation hereby known as the "Leased Land" should be facilitated by an integrated system of roads. The circulation system should provide for smooth traffic flow from the Leased Land's main entrances to each of the facilities located on the campus. In order to achieve this goal, the policies and standards herein are recommended to ensure that the creation of new roads will complement the existing road network.

Internal roads shall permit efficient drainage, utility routing, and require the minimum number of streets necessary to provide convenient and safe access to facilities. Internal roads should be designed to discourage use by through traffic.

2) Setbacks and Building Height

In order to provide compatible relationships among the heights and setbacks of existing and proposed roads and structures, a hierarchy of setbacks on the Leased Land has been established. These are intended:

- to ensure the appropriate design relationship between buildings and landscape
- to provide visual relief to and from developed areas
- to maintain the character associated with the Leased Land and the Grasslands Reservation
- to maintain buffers between land uses operated by the county and/or other entities
- to respect the historic design of the Mall and other areas of the campus
- to consider the impact that proposed buildings will have on the surrounding site, open space and adjacent buildings

3) Off-Street Parking and Loading Facilities

- All structures and land uses on the Leased Land should be provided with a sufficient amount of off-street parking and loading spaces to meet the needs of employees, visitors, clients, patrons, and other persons using these facilities.
- Parking and loading facilities should be properly located, within practical proximity to the primary building entrances, and compatible with public safety needs including policing, traffic safety, and vehicular and pedestrian separation.

- Parking and loading facilities shall be surfaced, drained, lighted, landscaped, environmentally complementary with their surroundings, and attractively designed to meet the circulation needs of vehicles and pedestrians.
- For all buildings and uses hereafter constructed, erected, enlarged, moved, changed in intensity or substantially altered, there shall be provided on the same premises or within reasonable proximity, suitably graded and paved off-street parking and loading areas.
- Cognizant of the desire to preserve open spaces, new surface parking areas shall be judiciously evaluated. Due consideration shall be given for the practicality, and economic feasibility of parking structures when additional parking is proposed.
- On-street parking is discouraged unless off-street parking options do not exist or are physically or functionally unable to be done.
- Each parking area/facility shall be graded, surfaced, drained and maintained throughout the duration of its use to avoid excessive runoff on the Leased Land and properties adjacent to it. Erosion, sedimentation, and pollution problems attendant to runoff must be addressed and ameliorated using accepted drainage and siltation control standards during and after construction.
- Appropriate signs shall be provided in parking areas to direct internal traffic flow in accordance with generally accepted standards.
- All parking areas must provide for disabled persons and must comply with the design standards in the applicable state and federal regulations.

4) Landscaping

Landscaping is intended to provide visual interest and diversity to the campus. Landscaping for new buildings, structures, parking lots, and roads should be complementary of existing landscape features, amenities, and species.

5) Lighting

Outdoor lighting at the campus should provide adequate and safe visibility at comfortable and unobtrusive levels. In order to maintain a cohesive design element and maintain visual quality at the various facilities at the campus, lighting fixtures should be of a complementary style and appearance throughout the Leased Land. Lighting should be designed to appropriately fit proposed uses, i.e. buildings, parking lots, roadways, pedestrian uses, etc.

Section 1 - Roads, Circulation and Access

1.0 Road Classifications & Standards

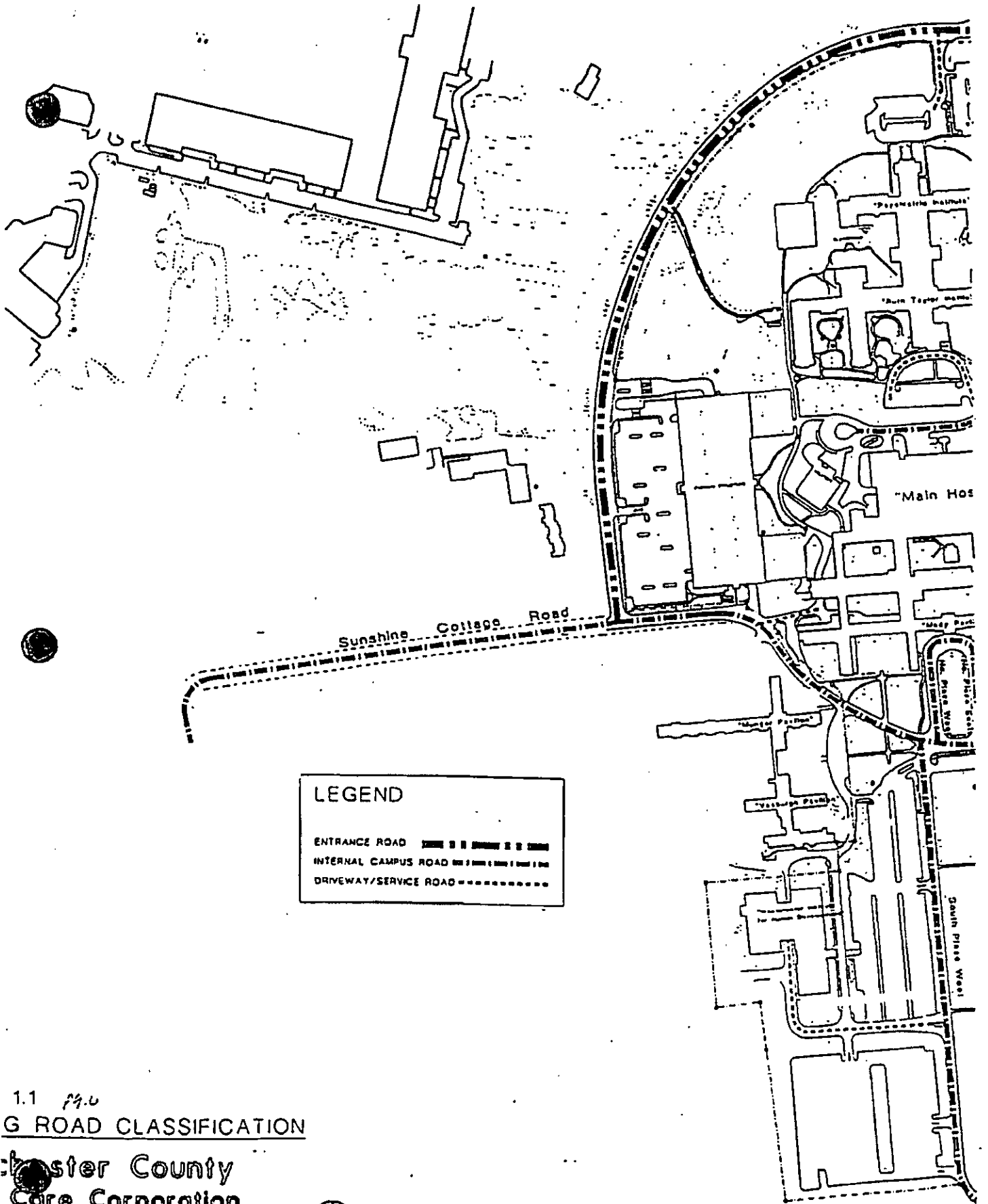
One of the main elements of an efficient road system is a clear hierarchy of roads which have distinct functions. On the Leased Land, the road system consists of entrance roads, internal campus roads, service roads and driveways. The following types of road exist on the Leased Land, and are identified on Figure 1.1.

- a) Entrance Roads (County Roads) - Entrance roads serve as the entryways to the campus, and distribute traffic among the internal campus roads.
- b) Internal Campus Roads - Internal campus roads carry vehicles destined for specific facilities located within their area, and serve as links between the entrance roads and a facility's entrance or parking area. Internal roads shall have a minimum pavement width of 24'.
- c) Driveways and Service Roads - Driveways and Service Roads provide access to a building, parking or service area from internal roads. Since this is their primary function, they should be designed to discourage through traffic. Roads should be designed with a maneuvering area that discourages cars and trucks from backing onto adjoining roads. Driveways and service roads shall have a minimum pavement width of 20'.


Any future road improvements on the Leased Land which impact a county road shall conform to the standards for county roads for that portion of work on the county road. Prudent engineering practices shall be followed for all other roads. All new roads shall provide for the continuation or enhancement of the existing or planned roadway system. They shall be of suitable width and grade to allow access by public safety, and snow and refuse removal vehicles.


1.1 Access Improvements


- a) Sidewalks - Sidewalks are to be installed when the type of development warrants their use. A facility's use and its location with respect to parking and public transportation must be considered. Where provided, sidewalks should be a minimum of 4' wide.
- b) Bus Access - Proposed roads shall be designed to facilitate bus access to the Leased Land. Specified design elements (i.e. pullouts, sign placement, vicinity of stop to main access of building, etc.) should be coordinated with the Westchester County Department of Transportation.
- c) Bus Stop Shelters - Potential bus stop shelter locations and shelter designs should be coordinated with the Department of Transportation at early planning stages.
- d) Intersections shall be designed according to prudent and safe engineering practices.



LEGEND

ENTRANCE ROAD 

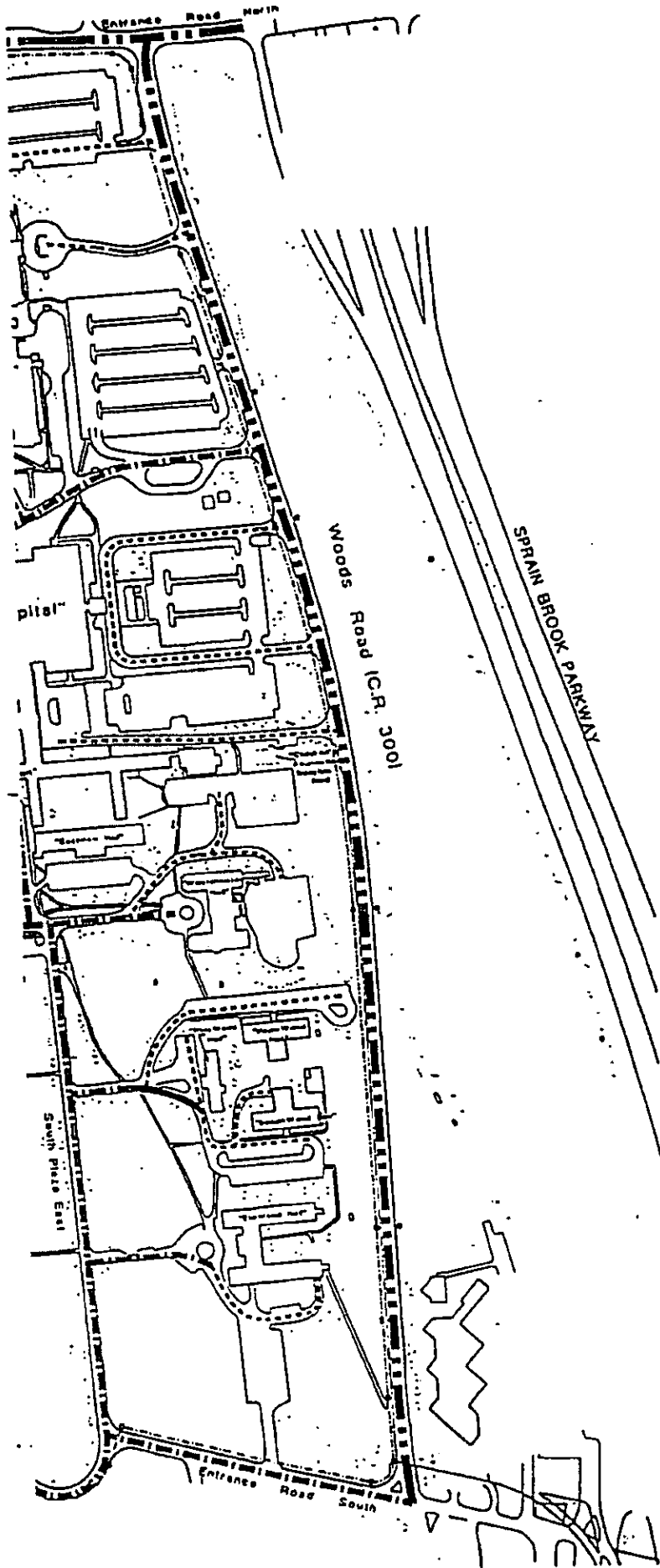
INTERNAL CAMPUS ROAD 

DRIVEWAY/SERVICE ROAD 

1.1 *Fig. 6*
G ROAD CLASSIFICATION

chester County
Care Corporation
 New York





Section 2 - Setbacks and Height Limitations

This section applies only to new buildings, structures, and parking areas, and not to any existing buildings, structures, or parking. All setbacks are indicated on Figure 2.1.

2.0 Building Setbacks

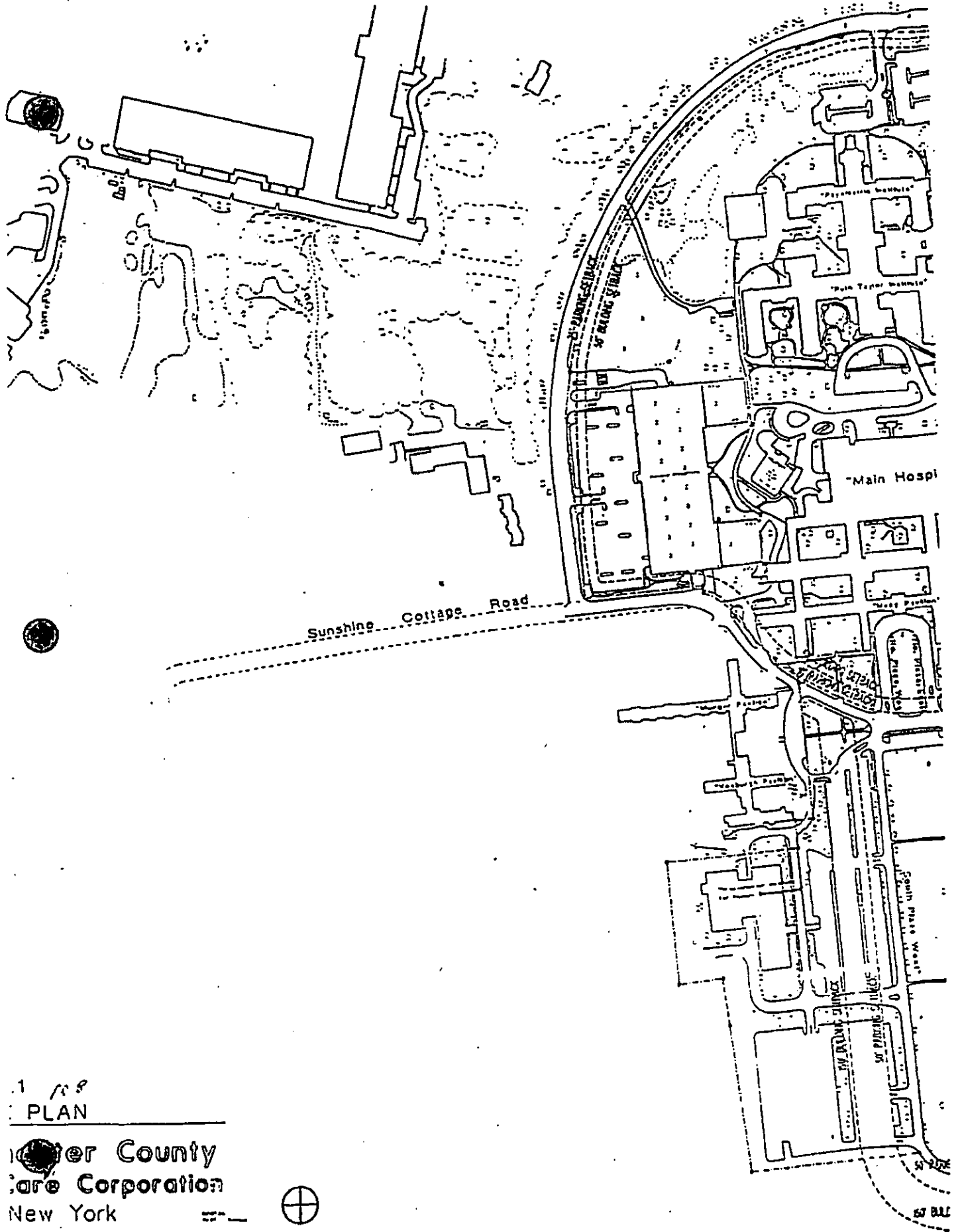
- a) Building Setback from Sprain Brook Parkway shall be 50 feet from the property line of the Leased Land.
- b) Building Setbacks from Property Boundaries within the Leased Land - Buildings or structures shall be setback 50 feet from any property boundary shared by the County and any other portions of the Westchester County Health Care Corporation Leased Land.
- c) Building Setbacks from Internal Campus Roads - Buildings or structures shall be setback 50 feet from the nearest edge of road.
- d) Building Setbacks from South Plaza West and South Plaza East - Buildings or structures shall be setback a minimum of 100 feet from the nearest edge of road of South Plaza East or South Plaza West. This is meant to preserve the existing and historic spatial character of the area known as "the Mall" or "the Oval".
- e) Building Setbacks from all other driveways and service roads shall be 10'.
- f) The Landlord's Building Setbacks from the south end of the Oval shall be 150' from the property boundary.

2.1 Parking Setbacks

- a) All parking areas shall be setback 25' from edge of entrance roads and setback 10' from the nearest edge of internal campus roads.
- b) The Landlord's Parking Setback from the south end of the Oval shall be 50' from the property boundary.

2.2 Building Height

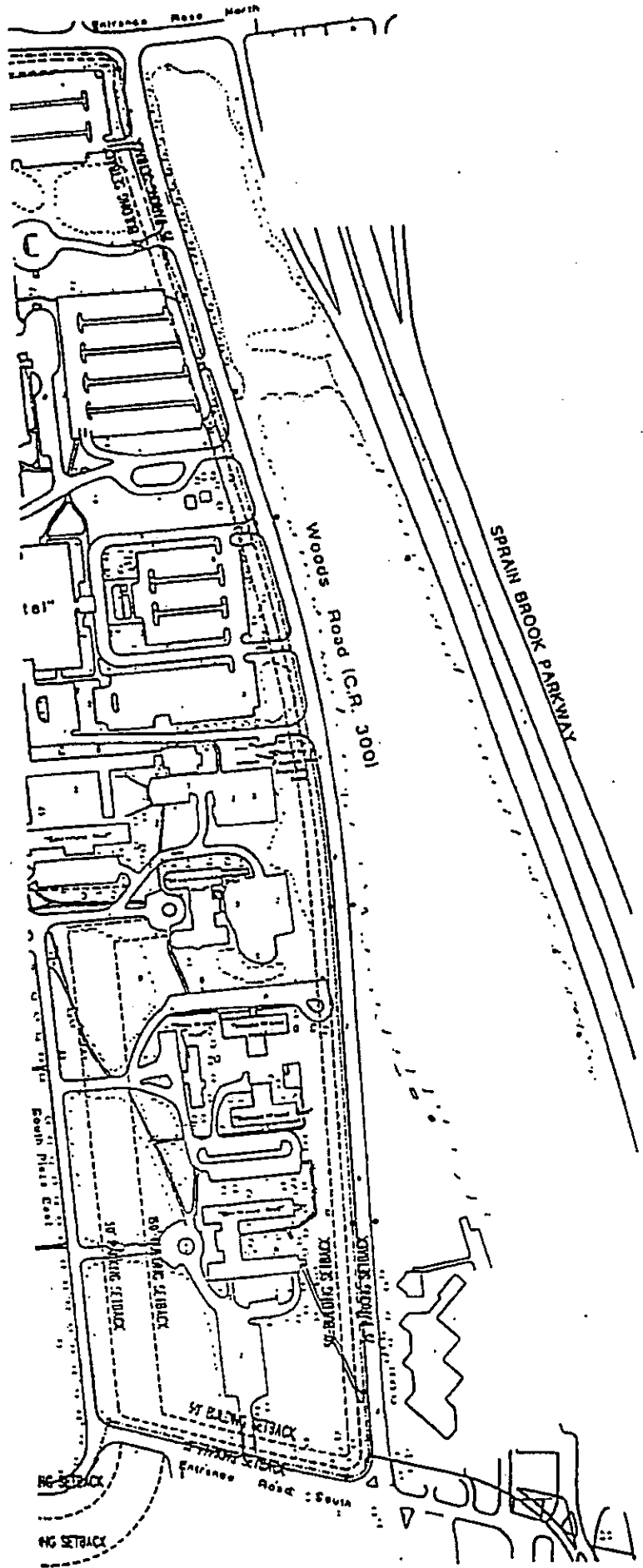
At a maximum, any new building shall not exceed the height of the existing main hospital tower.



1/18
PLAN

Westchester County
Care Corporation
New York





Section 3 - Parking and Loading Facilities

3.0 Minimum Parking Requirements for New Construction

- a) As new buildings are proposed, they may have a mix of uses. The parking and loading requirements in Figure 3.1 will be used as a guideline and framework for determining the amount of space required, but the Westchester County Health Care Corporation reserves the right to maintain flexibility in decreasing the amount of parking spaces required by use when indicating in the overall parking calculations when single "customers" take advantage of multiple uses or that overall parking demand is shared by uses and can be met with parking provided.
- b) The minimum number of parking and loading requirements are indicated in Figure 3.1. Recognizing that the health care arena is changing, the Westchester Health Care Corporation reserves the right to provide modifications to Figure 3.1 as necessary to meet these changes.
- c) Unlisted uses Reasonable and appropriate off-street parking and loading requirements for structures and land uses which do not fall within the categories listed or "uses" for which no minimum number of parking spaces is provided, shall be evaluated on a case by case basis in a manner consistent within other listed standards.
- d) Waiver of Improvement If it is determined that less than the required number of parking spaces will satisfy the parking needs of a proposed use, up to fifty percent (50%) of the required parking may be left unimproved. However, it shall be expressly demonstrated and designated on the site plan that sufficient land area remains to provide for the full number of required spaces. All unimproved parking areas shall, at a minimum, be maintained as lawn until required for parking. Examples of criteria which will be considered in permitting a waiver include: proximity to and substantial use of public transit, flexible and non-peak operating schedules, and category of use, i.e. major use or accessory use.

3.1 Parking Required for Existing Structures and Uses

- a) Parking and loading facilities in excess of what is required to serve the existing structure or uses may be reduced and reassigned to serve other adjacent structures or uses.
- b) At the time any existing facility is proposed for expansion or there is a change in the use of an existing structure, parking and loading spaces will be provided in accordance with the requirements of this Section to serve both the existing and proposed uses.

3.2 Temporary Lots

In order to accommodate automobiles displaced by the construction of either permanent parking areas or buildings, additional surface lots may be created provided that they are designed as temporary lots with a minimum amount of improvement (gravel base, minimal lighting). Temporary lots may also be constructed to meet parking demands which cannot immediately be accommodated in existing lots.

The use of a temporary lot should be discontinued as soon as possible after a permanent lot or structure is operational.

3.3 Loading Areas and Service Vehicle Parking Areas

Loading areas generally provide adequate space for an array of types and sizes of vehicles. Each building shall have a designated loading area, if required by the use of the building. For those uses not requiring a loading area, a service vehicle parking area shall be provided instead. This service vehicle parking area may be located in an adjacent parking lot or adjacent to a door used for service.

3.4 Design Standards

- a) Size of parking spaces Each parking space shall be at least 8.5 feet wide and 18 feet long unless circumstances such as adjacent structures dictate otherwise.
- b) Size of loading spaces The size of loading spaces shall be determined by the nature of the vehicles which will service the facility. Typical loading spaces may be 9' x 20', 10' x 22', or 12' x 50'.
- c) Aisles Standard two-way maneuvering aisles between rows of parking spaces shall be at least 20 feet wide. All angled parking other than 90 angle parking shall have a one-way aisle width at a minimum of 13 feet.
- d) Size of service/delivery spaces Each space shall be at least 9 feet wide and 20 feet long and be clearly designated as "Reserved for Service and Delivery Vehicles."
- e) An access drive to connect parking areas with adjoining roads shall be at least 20'.
- f) Location and access to loading areas No off-street loading area shall be located in any front yard. An access drive, at least 12 feet wide, shall be provided to connect loading areas with adjoining roads unless service requirements dictate otherwise. The loading area access drive may also provide access to a parking area provided that the shared access drive has a minimum width of 20 feet.
- g) Suitable markings to indicate individual parking spaces, entrances and exits, maneuvering areas, and snow pile storage areas shall be provided in accordance with generally accepted standards.
- h) Compact and Van-Pool Spaces Where at least 30 parking spaces are provided for the sole use of employees on a non-transient basis (motor vehicle parked at least 3 hours in the same space), a portion of these parking spaces may be designed and reserved for compact cars, or any area to be designed and reserved for cars and vans used for car pooling.
 - Compact car parking spaces shall measure at least 8 feet wide and 15 feet long, with an aisle at least 20 feet in width, and parking spaces for van pooling shall measure at least 9 feet wide and 20 feet long, with an aisle at least 20 feet in width.
 - Parking spaces for compact cars and car pool vehicles shall be conveniently located for both vehicular and pedestrian access and grouped in a limited number of locations, in order to attract users. Such parking spaces shall not be scattered about the premises.

- Clear and distinctive signing shall be provided to identify compact car and car pooling areas.

i) Signage. Appropriate signs shall be provided in parking areas to direct internal traffic flow in accordance with generally accepted standards.

**Figure 3.1
Parking and Loading Requirements**

USES	MINIMUM NUMBER OF PARKING SPACES		MINIMUM NUMBER OF LOADING SPACES	
	Per 1,000 SF or major portion thereof of gross floor area (GFA)	Other	First Space	Add'l space
			Req'd at: (GFA)	every: (GFA)
Hospital • Inpatient • Outpatient/ Medical Office	4	1.8 per bed	10,000 SF*	100,000 SF*
Long-Term Care • Skilled nursing • Ass't. Living • Independent Living		.75 per bed .5 spaces per dwelling unit .75 spaces per dwelling unit	10,000 SF*	100,000 SF*
Residential • Dormitories/Rooms • Multiple Residences		1 per bed 1 per dwelling unit + 0.5 per bedroom	10,000 SF*	100,000 SF*
Any office other than medical	3.3		10,000 SF*	100,000 SF*
Hotel	1 per guest room			
Research Lab	2.5		10,000 SF*	100,000 SF*
Public Utility Bldg., Laundry, Vehicle Garage, Maint. Facilities		1 per day shift employee + 1 per overnight/fleet vehicle	10,000 SF*	100,000 SF*
Storage & Warehouse		1 per day shift employee	5,000 SF*	40,000 SF*
Classroom Bldg.		1 per 5 seats	10,000 SF*	100,000 SF*
Recreation Facility	5		•	•
Day Care Center		1 per staff member + 1 per 5 children	•	•
General Retail	4		10,000 SF*	20,000 SF*
Public Assembly Areas, Meeting/Banquet Room	10		•	•
Auditorium/Training Ctr.		1 per 3 seats	•	•
Library	3		•	•

* No loading spaces are required unless this use is in a separate structure.

Section 4 - Landscaping

4.0 Landscaping of Internal Roads

All new internal campus roads shall be planted with trees at 3" caliper minimum spaced a maximum of 50' on center.

4.1 Landscaping of Surface Parking Areas

- a) All surface parking areas shall be landscaped with appropriate trees and other plant materials tolerant of parking lot conditions and requiring low maintenance.
- b) One street tree per 10 parking spaces shall be allocated and incorporated in surface parking plans. Trees shall be a minimum of 3" caliper at time of planting and limbed up seven feet from existing grade.
- c) At least 15% of the total surface parking area shall be landscaped. Minimum island width for cars parked head to head shall be 10 feet and for cars parked side to side shall be 6 feet.

4.2 Landscaping of Loading Areas

- a) Loading areas shall be screened to a height of not less than 6' with evergreen plant materials, mounding, walls, or any combination thereof.
- b) Materials selected shall be durable and appropriate for the use generated by loading areas.

4.3 Building Landscaping

There shall be no strict requirements for building landscaping other than building landscaping shall be incorporated into an overall concept that complements both the building and surrounding area.

4.4 Landscaping Exception

Landscaping requirements described above may be modified, in consultation with the Westchester County Department of Planning, where existing land use, topography, landscaping or other physical conditions may make unnecessary these requirements.

Section 5 - Lighting

5.0 Illumination Criteria

Recommended levels of illumination for the exterior areas of the leased land:

<u>Area</u>	<u>Illumination Level (FC)</u>
Internal Roadways	1 fc
Building Driveways	2 fc
Parking Areas	2 fc
Pedestrian Walkways	2 fc
Building Entrance	10 fc
Service Areas	2 fc

Exhibit "D-1"

Description of Community College Collaborative Education Program

Westchester Community College desires a mutual educational, programmatic, and professional relationship with Fareri Associates, LP on its North 60 bioscience and technology development project. An agreement to utilize the North 60 development's staff, facilities, and expertise could enhance college teaching and learning by students, faculty, and staff. The college offers degree, certificate, professional development, and personal enrichment opportunities for the employees and families at North 60.

In such an agreement, Westchester Community College would seek the following:

1. Collaboration by subject matter experts with college faculty on curriculum revision and new program development.
2. Clinical, internship, and cooperative work experiences for students to work in various bioscience, technology, and hospitality industries (see Appendix for applicable programs) subject to agreement by subtenants.
3. Job shadowing/workplace coaches and mentors for students subject to agreement by subtenants.
4. Development of a college Bioscience and Technology Advisory Committee consisting of leaders of the various tenants of North 60. Allowing college faculty to serve on applicable advisory committees at North 60.
5. Exploration of the possibility of the college securing dedicated space in the new facilities.
6. Advocacy for public transportation improvements connecting Westchester Community College, North 60, and the rest of the county.
7. Sponsorships of the college in public spaces at North 60. Allowing the college to sponsor or co-sponsor presentations or special programs.

In such an agreement, Westchester Community College could provide the following:

1. Pipeline to degree, certificate programs, and customized workforce training (see Appendix for example subject areas).
2. Training for workers including but not limited to Leadership and Organizational Effectiveness, Business Communication, Workplace Languages, Customer Service, Technology Programs, and training for industry certifications in areas such as ServSafe certification and other customized training programs.
3. English as a Second Language: workplace ESL; contextualized programs in healthcare, hospitality, customer service, retail, etc.
4. Cohort or public training for noncredit health care continuing education and certifications to support new jobs in clinical and nonclinical positions. Short term training and exam prep leading to certifications in areas such as Medical Administrative Assistant, HHA, CAN, Phlebotomy, ECG, Mental Health Technician, Clinical Medical Assisting, RN Refresher Courses, and Doula Training.
5. Onsite enrichment or personal development classes and/or onsite information sessions and registration days/nights for North 60 employees.

Appendix

Programs that may align with the North 60 bioscience and technology development.

- Environmental Science A.S.
- Environmental Studies A.S.
- Engineering Science A.S.
- Computer Science A.S.
- Emergency Medical Services Management Certificate
- Medical Billing and Coding Certificate
- Networking Certificate
- Office Technologies Certificate
- Paramedic Certificate
- Direct Care Practice Certificate
- Business Administration A.S.
- Business – Accounting A.S.
- Food Service Administration – Culinary Arts and Management A.A.S.
- Professional Bookkeeper Certificate
- Small Business Entrepreneurship Certificate
- Web Development Certificate
- Early Childhood Certificate
- Dietetic Technician (Nutrition Care) A.A.S.
- Veterinary Technology A.A.S.

Exhibit "E"

**County's Local Laws and resolution
Attached starting on next page**

RESOLUTION 25 - 2017
LOCAL LAW INTRO NO's. 8787 & 8789 - 2017

**HONORABLE BOARD OF LEGISLATORS
THE COUNTY OF WESTCHESTER**

**DRAFT
LEASE AGREEMENT
ON FILE**

Your Committee is in receipt of a communication from the County Executive recommending approval of a legislative package which contains the following: i) a Local Law pursuant to the Laws of Westchester County ("LWC") Section 104.11(5)(b) authorizing the County of Westchester (the "County") to enter into a lease agreement for approximately sixty (60) acres of County-owned property located at the north portion of the Grasslands Reservation (also known as the Valhalla Campus at Grasslands) in the Valhalla section of the Town of Mt. Pleasant, New York, and commonly referred to as the "North 60", (the "Property") with Fareri Associates, LP, its successors or assigns, ("Fareri") for the creation of a research and development complex in support of the County's growing medical and bio-tech industry, ("Lease Agreement"); and ii) a Local Law amending LWC Section 104.11(5)(f) to provide the County with authority to lease the Property to Fareri for a term of ninety-nine (99) years which exceeds the thirty (30) year limitation of lease terms that is contained in LWC Section 104.11(5)(f). A copy of the proposed Lease Agreement is transmitted herewith.

BACKGROUND:

On March 1, 2012, the County issued a Request for Qualifications and Expressions of Interest ("RFQ") to undertake the development of the Property. The ultimate goal of the RFQ was to select an entity that would create a research and development complex in support of the County's growing medical and biotech industry, as well as address community goals by providing a development that would reinforce the positive character of the adjacent facilities and neighborhoods, provide public access linked to surrounding amenities, and generate quality jobs and other economic benefits for the local community and other parts of Westchester County. While two proposals were received by the County, only the one submitted by Fareri was responsive.

In an effort to evaluate the proposal submitted by Fareri and ensure that the proposed rental structure was consistent with current market conditions and other factors, the County entered into an agreement with Cushman & Wakefield of Connecticut, Inc. whereby Cushman &

Wakefield conducted an appraisal of the Property. The appraisal was completed on or about March 31, 2014.

PROPOSED LEASE TERMS:

Rent and Term:

Pursuant to the proposed ninety-nine (99) year Lease Agreement, Fareri will reimburse the County for the cost of the appraisal for the Property prepared by Cushman & Wakefield and also for any future appraisals that may be required. Commencing upon execution of the Lease Agreement, Fareri shall pay the County an annual minimum rent in the amount of \$125,000. Thereafter, upon the earlier of the date the first subtenant takes occupancy and begins paying rent, or six (6) months after the date the first subtenant takes occupancy, Fareri shall pay the County, in monthly installments, annual percentage rent as follows: six percent (6%) of gross rental income from the Permitted Uses (as defined in §5.1 of the proposed Lease Agreement), and three percent (3%) of gross rental income from a hotel or assisted living facility should such a facility be permitted (see §5.1 of the proposed Lease Agreement and the use restrictions of §39.0 of the Restated Lease with the Westchester County Health Care Corporation ("WCHCC") discussed below).

Construction of the Project:

The project will be developed and constructed over time in multiple phases. The "First Phase" means the construction of approximately 500,000 gross square feet of development consisting of the following uses, together with all other infrastructure and project improvements servicing such building(s):

- (i) approximately 100,000 square feet of medical office space;
- (ii) a hotel containing approximately 120 rooms and conference facilities (size to be determined by the end user);
- (iii) approximately 80,000 square feet of retail space; and
- (iv) approximately 220,000 square feet of biotechnology/medical technology space, which use must be developed by Fareri pursuant to the requirements of the County's RFQ.

The proposed lease provides that in the event that the First Phase of the project is not substantially completed by the First Phase Completion Date, the time for completion may be extended by the parties, with the Director of Real Estate acting on behalf of the County, provided that the construction is being diligently prosecuted toward substantial completion. Fareri will thereafter construct up to an additional 2,500,000 gross square feet, in one or more phases. All construction will be undertaken in accordance with a master development plan, which Fareri is required to prepare and submit for the entirety of the project first to the County Commissioner of Public Works and Transportation ("DPWT Commissioner") for approval and then to the Town of Mt. Pleasant. Prior to seeking land use approvals, Fareri is required to submit a site development plan to the DPWT Commissioner for review and approval.

Fareri shall not commence construction of any future phase unless and until the 220,000 square feet of biotechnology/medical technology space has been substantially completed. The obligation to build this 220,000 square feet is a material condition of the proposed Lease Agreement.

Development Leases for Each Phase of the Project.

Each phase of the project shall be the subject of a separate development lease. The parties shall (i) amend the Lease Agreement to sever the portion of the Property on which the First Phase or Future Phase of the Project is located from the remainder of the Property and release the related development site from the leasehold and (ii) simultaneously enter into a new, separate lease (a "Development Lease") for the related development site. It should be noted that the further approval of the Board of Legislators to amend the Lease Agreement and enter into the Development Leases will not be required under §4.2.1(f) of the proposed Lease Agreement, as it will be a Lease obligation of the County.

ADDITIONAL CONDITIONS:

As your Honorable Board will recall, on December 30, 1998, the County and the Westchester County Health Care Corporation ("WCHCC") entered into a Restated and Amended Lease Agreement ("Restated Lease"), affecting, among other things, the Grasslands Reservation. Pursuant to Article XX, Section 20.2(a) of the Restated Lease, the WCHCC is vested with a right of first refusal in connection with the sale, lease, license or commercial arrangement of all or any

portion of the Grasslands Reservation which is not included within the premises leased to WCHCC, for which the County receives a bona fide written offer that the County desires to accept. The Property is subject to this provision. In accordance with Article XX of the Restated Lease, the proposed Lease Agreement is being transmitted to WCHCC for its consideration.

In addition to this right of first refusal, WCHCC is also vested with a right against competition. Article XXXIX, Section 39.0 of the Restated Lease provides that the County, as WCHCC's landlord, will not lease, license, use or permit to be used by anyone other than WCHCC, as tenant, or a tenant under an Individual Lease or Single Lease (as those terms are defined in the Restated Lease), certain identified property, which is inclusive of the subject Property, for the provision of any medical or health related services, including, but not limited to senior housing, assisted living housing, and such other uses for which all or any portion of the premises leased to WCHCC are then being used by WCHCC, or a tenant under an Individual Lease or Single Lease. Accordingly, as the project progresses, additional approvals from WCHCC concerning its restrictive covenant rights under Section 39.0 of the Restated Lease will be required. In the event this occurs, the County shall work with Fareri to submit appropriate documentation to WCHCC seeking to obtain such approvals. Fareri shall not be permitted to use the Property for any use(s) prohibited by Section 39.0 of the Restated Lease until after either: a) WCHCC irrevocably waives, in writing, the restrictions on use of the Property as contained in the Restated Lease; or b) WCHCC and the County, subject to all necessary legal approvals, agree in the form of a written amendment to the Restated Lease to allow such prohibited use(s). The phrase "irrevocably waives such restrictions in writing" shall mean a writing signed by an officer of WCHCC who has been duly authorized by WCHCC to execute such a document on behalf of WCHCC.

SEQRA:

The Planning Department has advised that based on its review, the proposed lease is classified as an "Unlisted" action under the State Environmental Quality Review Act ("SEQRA"). A Resolution, along with a short Environmental Assessment Form prepared by the Planning Department, is attached to assist your Honorable Board in complying with SEQRA. Should your Honorable Board conclude that the proposed action will not have any significant

impact on the environment; it must approve the Resolution adopting a Negative Declaration prior to enacting the proposed Local Laws. Your Committee concurs with this conclusion.

ACTION REQUIRED:

Your Committee has been advised that because the term of the proposed lease exceeds the thirty (30) year limitation of terms contained in the LWC Section 104.11(5)(f), a Local Law amending Section 104.11(5)(f) is required. In addition, pursuant the LWC Section 209.171(7), the attached Local Law amending LWC Section 104.11(5)(f) is subject to permissive referendum, because it changes a provision of law relating to the sale, exchange or leasing of County property. Consequently, the proposed Local Law may not take effect until sixty (60) days after its adoption, assuming that within that time a petition protesting its adoption is not filed by the number of qualified electors required by law.

Also submitted to your Honorable Board is a Local Law pursuant to Section 104.11(5)(b) authorizing the County to enter into a Lease Agreement with Fareri for the creation of a research and development complex in support of the County's growing medical and bio-tech industry. Since the proposed Lease Agreement has a term longer than thirty (30) years, the Local Law approving the Lease Agreement cannot take effect until the effective date of the amendment to LWC Section 104.11(5)(f).

Your Committee has been informed that passage of the Local Law amending Section 104.11(5)(f) requires an affirmative vote of not less than a majority of the voting strength of your Honorable Board and that the Local Law authorizing the lease of the Property to Fareri pursuant to Section 104.11(5)(b) requires an affirmative vote of not less than two-thirds of the voting strength of your Honorable Board.

Also attached are two Resolutions, one for each Local Law, authorizing a Public Hearing as required by §209.141(4) of the Westchester County Administrative Code.

In addition, the Commissioner of Planning has provided a report in accordance with Section 191.41 of the Laws of Westchester County.

Your Committee believes that the leasing of this Property to Fareri for the development of a research and development complex in support of the County's growing medical and bio-tech industry will be of great benefit to the County of Westchester. Therefore, your Committee recommends the favorable action of your Honorable Board on the annexed proposed legislation.

Dated: March 27, 2016

White Plains, New York

Shirley Stanette
David J. Tubiolo
Margaret A. Cujio
Benjamin D. Boylston
Catherine Boylston
U. B. 172

Shirley Stanette
Colleen F. Paker
Benjamin D. Boylston
John S. Paker
Margaret A. Cujio
Catherine Boylston
U. B. 172

COMMITTEE ON

C: TSA 1.7.16

Infrastructure

Budget & Appropriations

FISCAL IMPACT STATEMENT

SUBJECT: North 60 Lease Fareri Associates, LP

NO FISCAL IMPACT PROJECTED

OPERATING BUDGET IMPACT

(To be completed by operating department and reviewed by Budget Department)

A) GENERAL FUND AIRPORT SPECIAL REVENUE FUND (Districts)

B) EXPENSES AND REVENUES

Total Current Year Cost \$ _____

Total Current Year Revenue \$ 125,000

Source of Funds (check one): Current Appropriations

Transfer of Existing Appropriations

Additional Appropriations

Other (explain)

Identify Accounts: _____

Fareri Associates LP Rental Income: 101-46-3300-9289

Potential Related Operating Budget Expenses:

Annual Amount \$ _____

Describe: _____

Potential Related Revenues:

Annual Amount \$ _____

Describe: \$125,000 Initial Rent

Annual Rent: (6%) of the Lessee's annual gross rental income from the Permitted Uses defined in Article V S5.
or (3%) of the Lessee's annual gross rental income from a hotel or an assisted living facility.

Anticipated Savings to County and/or Impact on Department Operations:

Current Year: _____

Next Four years: _____

Beginning on the third anniversary of the Rent Commencement Date, the Lessee shall be required to pay as part of the Annual Rent three percent (3%) of any net revenues received by Lessee from public parking which are not part of Lessee's rental income under any sub-leases.

Prepared by: Carl Maniscalco

CM 1-5-16

Reviewed By:

[Signature]

Title: Sr. Budget Analyst

Budget Director

Department: Budget

1/6/16

If you need more space, please attach additional sheets.

RESOLUTION 25 - 2017

WHEREAS, there is pending before this Honorable Board: i) a Local Law pursuant to the Laws of Westchester County ("LWC") Section 104.11(5)(b) authorizing the County of Westchester (the "County") to enter into a lease agreement for approximately sixty (60) acres of County-owned property located at the north portion of the Grasslands Reservation (also known as the Valhalla Campus at Grasslands) in the Valhalla section of the Town of Mt. Pleasant, New York, and commonly referred to as the "North 60", (the "Property") with Fareri Associates, LP, its successors or assigns, ("Fareri") for the creation of a research and development complex in support of the County's growing medical and bio-tech industry, ("Lease Agreement"); and ii) a Local Law amending LWC Section 104.11(5)(f) to provide the County with authority to lease the Property to Fareri for a term of ninety-nine (99) years which exceeds the thirty (30) year limitation of lease terms that is contained in LWC Section 104.11(5)(f); and

WHEREAS, this Honorable Board has determined that the proposed lease agreement would constitute an action under Article 8 of the Environmental Conservation Law, known as the New York State Environmental Quality Review Act ("SEQRA"); and

WHEREAS, pursuant to SEQRA and its implementing regulations (6 New York Code of Rules and Regulations Part 617), this project is classified as an Unlisted action, which requires this Honorable Board to make a determination as to whether the proposed action will have a significant impact on the environment; and

WHEREAS, in accordance with SEQRA and its implementing regulations, a short Environmental Assessment Form has been prepared to assist this Honorable Board in its environmental assessment of this proposed action; and

WHEREAS, this Honorable Board has carefully considered the proposed action and has reviewed the attached short Environmental Assessment Form and the criteria set forth in Section 617.7 of the implementing regulations and has identified the relevant areas of environmental concern, as described in the attached short Environmental Assessment Form, to determine if this proposed action will have an effect upon the environment.


NOW, THEREFORE, be it resolved by the County Board of Legislators of the County of Westchester, State of New York, as follows:

RESOLVED, that based upon the Honorable Board's review of the short Environmental Assessment Form and for the reasons set forth therein, this Board finds that there will be no significant adverse impact on the environment from the proposed lease; and be it further

RESOLVED, the Clerk of the Board of Legislators, as responsible officer in Lead Agency, is authorized and directed to sign the Determination of Significance in the attached short Environmental Assessment Form, which Form is made a part hereof; to issue this "Negative Declaration" on behalf of this Board pursuant to Article 8 of the Environmental Conservation Law; and to immediately transmit same to the Commissioner of Planning to be filed, published and made available pursuant to the requirements of Part 617 of New York Code of Rules and Regulations; and be it further

RESOLVED, that the Resolution shall take effect immediately.

TO: Tami Altschiller
Associate County Attorney

FROM: Edward Buroughs, AICP 
Commissioner

DATE: January 11, 2016

SUBJECT: SEQR DOCUMENTATION FOR LEASE OF NORTH 60 AT
VALHALLA CAMPUS AT GRASSLANDS RESERVATION

In response to your request, the Planning Department has reviewed the above referenced action with respect to the State Environmental Quality Review Act and its implementing regulations, 6NYCRR Part 617 (SEQR).

The action involves the adoption of two local laws which will authorize the County of Westchester to lease approximately 60 acres at the County's Valhalla Campus at Grasslands for a term of 99 years. It is understood that a lease agreement is needed in order to authorize a developer to prepare a plan and pursue approvals for the development of county property. It is also understood that an environmental review in accordance with SEQR will be conducted at the time that project details have been developed and the plans are submitted for local and other requisite agency approvals, and that the lease is contingent upon such environmental review and approvals. Lastly, it is understood that these development plans must also be submitted to the County for review and approval, and that such final approval will not be given until the requirements of SEQR have been met. Based on the foregoing, the proposed lease agreement may be classified as an Unlisted action, for which the attached Short EAF with the Negative Declaration box checked has been prepared.

Please contact my office if you need any additional information regarding this classification.

EEB/dsk
Att.

cc: Robert Alberty, Deputy Chief of Staff
Paula Friedman, Assistant to the County Executive
James Robertson, Assistant Chief Deputy County Attorney
Patrick Natarelli, Chief Planner
David S. Kvinge, Director of Environmental Planning

Short Environmental Assessment Form

Part 1 - Project Information

Instructions for Completing

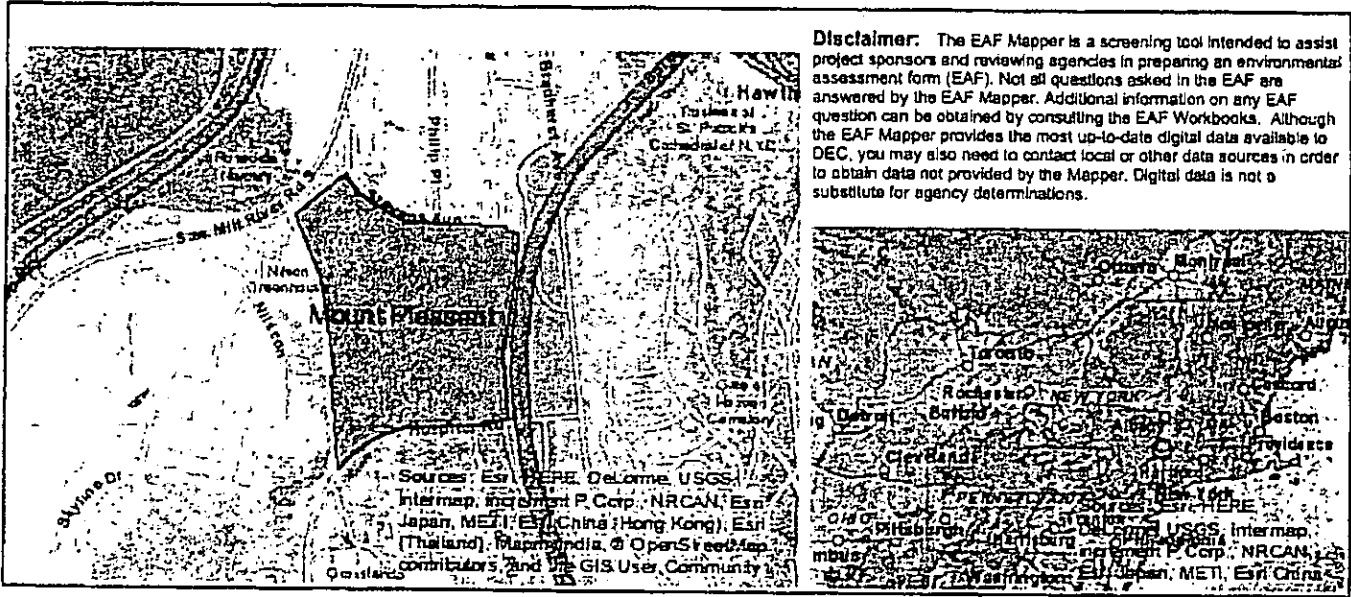
Part 1 - Project Information. The applicant or project sponsor is responsible for the completion of Part 1. Responses become part of the application for approval or funding, are subject to public review, and may be subject to further verification. Complete Part 1 based on information currently available. If additional research or investigation would be needed to fully respond to any item, please answer as thoroughly as possible based on current information.

Complete all items in Part 1. You may also provide any additional information which you believe will be needed by or useful to the lead agency; attach additional pages as necessary to supplement any item.

Part 1 - Project and Sponsor Information			
Name of Action or Project: North 60 Lease Agreement			
Project Location (describe, and attach a location map): Valhalla Campus at Grasslands, north of Hospital Road and south of Stevens Avenue, Town of Mount Pleasant, New York			
Brief Description of Proposed Action: Authorization of an agreement to lease 60 acres at the north end of the County's Valhalla Campus at Grasslands to a developer for a term of 99 years to facilitate the creation of a research and development complex in support of the County's growing medical and biotech industry. Under the proposed lease agreement, the developer will be responsible for preparing a Master Development Plan and Site Development Plans that will include a first phase of approximately 500,000 gross square feet of development consisting of biotechnology/-medical technology space, medical space, retail space and a hotel with conference facilities. The agreement also allows for future phases of development up to a maximum of 2.5 million gross square feet. The agreement provides for subsequent County review and approval of the Master Development Plan and Site Development Plans and requires the developer to obtain local and other requisite agency approvals, as well as to prepare environmental review documentation in compliance with SEQR.			
Name of Applicant or Sponsor: County of Westchester		Telephone: 914-995-2900	
Address: 148 Martine Avenue		E-Mail:	
City/PO: White Plains		State: NY	Zip Code: 10601
1. Does the proposed action only involve the legislative adoption of a plan, local law, ordinance, administrative rule, or regulation? If Yes, attach a narrative description of the intent of the proposed action and the environmental resources that may be affected in the municipality and proceed to Part 2. If no, continue to question 2.		NO	YES
2. Does the proposed action require a permit, approval or funding from any other governmental Agency? If Yes, list agency(s) name and permit or approval: Town of Mount Pleasant Town Board, Planning Board. NYSDEC SPDES.		NO	YES
3.a. Total acreage of the site of the proposed action?		60 acres	
b. Total acreage to be physically disturbed?		TBD acres	
c. Total acreage (project site and any contiguous properties) owned or controlled by the applicant or project sponsor?		512 acres	
4. Check all land uses that occur on, adjoining and near the proposed action.			
<input type="checkbox"/> Urban <input type="checkbox"/> Rural (non-agriculture) <input type="checkbox"/> Industrial <input checked="" type="checkbox"/> Commercial <input checked="" type="checkbox"/> Residential (suburban)			
<input checked="" type="checkbox"/> Forest <input type="checkbox"/> Agriculture <input type="checkbox"/> Aquatic <input checked="" type="checkbox"/> Other (specify): <u>Institutional</u>			
<input type="checkbox"/> Parkland			

18. Does the proposed action include construction or other activities that result in the impoundment of water or other liquids (e.g. retention pond, waste lagoon, dam)? If Yes, explain purpose and size: _____ <u>TBD</u>	NO	YES
19. Has the site of the proposed action or an adjoining property been the location of an active or closed solid waste management facility? If Yes, describe: _____	NO	YES
20. Has the site of the proposed action or an adjoining property been the subject of remediation (ongoing or completed) for hazardous waste? If Yes, describe: _____	NO	YES
I AFFIRM THAT THE INFORMATION PROVIDED ABOVE IS TRUE AND ACCURATE TO THE BEST OF MY KNOWLEDGE		
Applicant/sponsor name: <u>County of Westchester</u>	Date: <u>January 8, 2016</u>	
Signature: <u><i>[Handwritten Signature]</i></u>		

PRINT FORM



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

Project:	North 60 Lease Agreement
Date:	January 2016

**Short Environmental Assessment Form
Part 2 - Impact Assessment**

Part 2 is to be completed by the Lead Agency.

Answer all of the following questions in Part 2 using the information contained in Part 1 and other materials submitted by the project sponsor or otherwise available to the reviewer. When answering the questions the reviewer should be guided by the concept "Have my responses been reasonable considering the scale and context of the proposed action?"

	No, or small impact may occur	Moderate to large impact may occur
1. Will the proposed action create a material conflict with an adopted land use plan or zoning regulations?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2. Will the proposed action result in a change in the use or intensity of use of land?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3. Will the proposed action impair the character or quality of the existing community?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4. Will the proposed action have an impact on the environmental characteristics that caused the establishment of a Critical Environmental Area (CEA)?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
5. Will the proposed action result in an adverse change in the existing level of traffic or affect existing infrastructure for mass transit, biking or walkway?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
6. Will the proposed action cause an increase in the use of energy and it fails to incorporate reasonably available energy conservation or renewable energy opportunities?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
7. Will the proposed action impact existing:		
a. public / private water supplies?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b. public / private wastewater treatment utilities?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
8. Will the proposed action impair the character or quality of important historic, archaeological, architectural or aesthetic resources?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
9. Will the proposed action result in an adverse change to natural resources (e.g., wetlands, waterbodies, groundwater, air quality, flora and fauna)?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
10. Will the proposed action result in an increase in the potential for erosion, flooding or drainage problems?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
11. Will the proposed action create a hazard to environmental resources or human health?	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Short Environmental Assessment Form Part 3 Determination of Significance

For every question in Part 2 that was answered "moderate to large impact may occur", or if there is a need to explain why a particular element of the proposed action may or will not result in a significant adverse environmental impact, please complete Part 3. Part 3 should, in sufficient detail, identify the impact, including any measures or design elements that have been included by the project sponsor to avoid or reduce impacts. Part 3 should also explain how the lead agency determined that the impact may or will not be significant. Each potential impact should be assessed considering its setting, probability of occurring, duration, irreversibility, geographic scope and magnitude. Also consider the potential for short-term, long-term and cumulative impacts.

The intent of the lease agreement is to facilitate the creation of a research and development complex at the County's Valhalla Campus at Grasslands. The campus contains multiple medical-related facilities, including a hospital and medical college, as well as laboratory, corrections public safety, emergency services, social services and transportation-related facilities. Proposed uses will complement the existing uses at the Grasslands campus or will provide amenities that support the campus population.


Although the proposed uses are generally consistent with neighboring county and commercial uses, they are inconsistent with the Town's Zoning Code. The overall development project is anticipated to result in substantial impacts to the site, which is mostly undeveloped and contains steep slopes and a NYSDEC Class C(T) stream. Potential development is also anticipated to have impacts on existing traffic and infrastructure.

The lease agreement is a first step that is needed for a developer to prepare plans and pursue approvals. The agreement requires subsequent County approval of the Master Development Plan and the Site Development Plan. Any and all proposed development in connection with this property will also be subject to all regulations and local land use approvals, at which time sufficient detail will be available in order to undertake a thorough environmental review of the project in accordance with SEQR. Since the lease is expressly contingent upon the receipt of all land use approvals and full compliance with SEQR, the authorization of the lease agreement at this time will not impact the environment.

<input type="checkbox"/>	Check this box if you have determined, based on the information and analysis above, and any supporting documentation, that the proposed action may result in one or more potentially large or significant adverse impacts and an environmental impact statement is required.
<input checked="" type="checkbox"/>	Check this box if you have determined, based on the information and analysis above, and any supporting documentation, that the proposed action will not result in any significant adverse environmental impacts.
County of Westchester	<i>April 3, 2017</i>
Name of Lead Agency	Date
Malika Vanderberg	Clerk and Chief Administrator of the Board of Legislators
Print or Type Name of Responsible Officer in Lead Agency	Title of Responsible Officer
<i>Malika Vanderberg</i>	<i>J. Dan Kuge</i>
Signature of Responsible Officer in Lead Agency	Signature of Preparer (if different from Responsible Officer)

PRINT FORM

To: Honorable Robert Astorino
County Executive

From: Edward Burroughs, AICP 
Commissioner

Date: January 12, 2016

Subject: Proposed Lease of Approximately Sixty Acres at Valhalla Campus at Grasslands in the Town of Mount Pleasant to Fareri Associates, LP

Pursuant to Section 191.41 of the Westchester County Charter, submitted herewith is the required report of the Commissioner of Planning on the proposed lease of approximately sixty acres of County-owned property located at the north portion of the Grasslands Reservation (also known as the Valhalla Campus at Grasslands) in the Valhalla section of the Town of Mount Pleasant, commonly referred to as the "North 60," to Fareri Associates, LP, its successors or assigns, for the creation of a research and development complex in support of Westchester County's medical and bio-tech industry for a term of ninety-nine years.

I have no objection to the above-described lease of County property to Fareri Associates, LP, based on the following:

- The land within the County-owned Valhalla Campus at Grasslands that will be subject to the lease has been under-utilized since the County's acquisition of the property in the early 20th century.
- The County has not identified a use of the land that is necessary for the continued performance of the various functions of the county government.
- The lease will provide for reasonable uses of the land that will be compatible with, and complement, activities and programs now located on the Valhalla Campus, in particular the operations of the adjacent Westchester Medical Center of the Westchester County Health Care Corporation and the New York Medical College.
- The lease agreement is needed in order to authorize the developer to prepare a plan and pursue approvals for the development of County property.

- The development plans will be subject to an environmental review in accordance with SEQR that will be conducted at the time that project details have been developed and the plans are submitted for local and other requisite agency approvals.
- The proposed development will need to be found by the local government as consistent with its land use policies and regulations.
- The lease agreement provides for development plans to be submitted to the County for review and approval so as to ensure that new development and construction will comply with County development policies.
- The lease of the land is consistent with *Westchester 2025 – Policies to Guide County Planning*, as adopted by the Planning Board on May 6, 2008 and amended on January 5, 2010, in that it will help “nurture the economic climate of the county with use of municipal, county, state and federal resources to improve infrastructure, housing and programs that attract and support business enterprise, with consideration of intermunicipal impacts” and, specifically support the growing medical and biotech industry in Westchester County.

Att.

cc: Kevin Plunkett, Deputy County Executive
George Oros, Chief of Staff
William Mooney III, Director of Economic Development
Adam Rodriguez, Office of the County Executive
Tami B. Altschiller, Associate County Attorney
Patrick Natarelli, Chief Planner
Edward Hoffmeister, Associate Planner

LOCAL LAW INTRO. NO. 8787 - 2017

A Local Law amending Section 104.11(5)(f) of the Laws of Westchester County to provide the County authority to enter into a lease agreement for approximately 60 acres of County-owned property located at the north portion of the Grasslands Reservation (also known as the Valhalla Campus at Grasslands) in the Valhalla section of the Town of Mt. Pleasant, New York, and commonly referred to as the "North 60" with Fareri Associates, LP, its successors or assigns, for a term not to exceed ninety-nine (99) years for the purpose of creating a research and development complex, to support the county of Westchester's growing medical and bio-tech industry.

NOW, THEREFORE, BE IT ENACTED by the County Board of the County of

Westchester as follows:

Section 1. Section 104.11(5)(f) of the Laws of Westchester County is hereby amended to read as follows:

Limitation of terms. The county shall not execute any leases either as lessor or lessee for a term exceeding 30 years, including renewals, except for county property located at Grasslands Reservation, Valhalla, New York, known as Sunshine Cottage, Vosburgh Pavilion, Munger Pavilion, and the Old Commissioner's House, together with a suitable means of ingress and egress thereto, which may be leased to New York Medical College for a period not to exceed sixty (60) years, including renewals, which property must be used by New York Medical College for medical and/or paramedical research and/or educational purposes, and except for a parcel of county property consisting of approximately twenty-one (21) acres located at Grasslands Reservation, Valhalla, New York (fronting on Route 9A on the west for approximately two hundred twenty (220) feet, continuing northwest along the Con Edison right-of-way for approximately one thousand two hundred (1,200) feet, continuing on the north approximately seven hundred (700) feet along property now or formerly owned by the Robert Martin Company, returning south on a broken line approximately one thousand three hundred fifty (1,350) feet to the northeast corner of property now or formerly owned by the Robert Martin Company and extending approximately eight hundred fifty (850) feet back to Route 9A), which may be leased for nonmunicipal purposes for an initial term not to exceed ninety-nine (99) years, including renewals, which may be further renewed for a term not to exceed thirty-three (33) years by mutual agreement of the parties, and except for county

property located at Grasslands Reservation, Valhalla, New York known as the Westchester County Medical Center Campus which may be leased to the Westchester County Health Care Corporation, its successors or assigns, for an initial period not to exceed sixty (60) years, with three (3) consecutive options to renew for terms not to exceed ten (10) years each, and one (1) fourth and final option to renew for a term not to exceed five (5) years, for a total term, including renewal options, of ninety-five (95) years to be exercisable at the option of the Westchester County Health Care Corporation, its successors or assigns, and except for county property located at the southwesterly corner of Court and Quarropas Streets in the City of White Plains which may be leased to a corporation formed by HANAC, Inc. and the Bluestone Organization, its successors or assigns, for a term of sixty-five (65) years, with three (3) consecutive options to renew for a term not to exceed ten (10) years each, for a total term, including renewal options, not to exceed ninety-five (95) years, for the purpose of constructing affordable senior rental housing, and except for county property located at the north portion of the Grasslands Reservation (also known as the Valhalla Campus at Grasslands) in the Valhalla section of the Town of Mt. Pleasant, New York, and commonly referred to as the "North 60" which may be leased to Fareri Associates, LP, its successors or assigns, for a term not to exceed ninety-nine (99) years for the purpose of creating a research and development complex, to support the county of Westchester's growing medical and bio-tech industry.

§2. The County Executive or his authorized designee is hereby authorized and empowered to execute all instruments and to take all actions reasonably necessary to effectuate the purposes of this Local Law.

§3. The Clerk of the Board shall cause a notice of this Local Law to be published at least once a week for two successive weeks, the first publication of which shall be had within ten days after such local law is adopted, in the official newspapers published in the County of Westchester, said notice to contain the number, date of adoption and a true copy of the Local Law, and a statement that this Local Law changes a provision of law relating to the sale, exchange or leasing of County property and is therefore subject to the provisions of Section 209.171(7) of the Westchester County Administrative Code providing for a permissive referendum.

§4. This local law shall take effect sixty (60) days after its adoption subject to the provisions of Section 209.181 of the Westchester County Administrative Code.

LOCAL LAW INTRO. NO. 8789 - 2017

A Local Law authorizing the County of Westchester to enter into a lease agreement for approximately 60 acres of County-owned property located at the north portion of the Grasslands Reservation (also known as the Valhalla Campus at Grasslands) in the Valhalla section of the Town of Mt. Pleasant, New York, and commonly referred to as the "North 60" with Fareri Associates, LP, its successors or assigns, for a term not to exceed ninety-nine (99) years for the purpose of creating a research and development complex, to support the county of Westchester's growing medical and bio-tech industry.

NOW, THEREFORE, BE IT ENACTED by the County Board of the County of Westchester as follows:

Section 1. The County of Westchester ("County") is hereby authorized to enter into a lease agreement for approximately 60 acres of County-owned property located at the north portion of the Grasslands Reservation (also known as the Valhalla Campus at Grasslands) in the Valhalla section of the Town of Mt. Pleasant, New York, and commonly referred to as the "North 60" with Fareri Associates, LP, its successors or assigns, for a term not to exceed ninety-nine (99) years for the purpose of creating a research and development complex, to support the county of Westchester's growing medical and bio-tech industry, similar to the form of agreement annexed hereto and made a part hereof.

§2. The County Executive or his authorized designee is hereby authorized to execute any instruments and to take any action necessary and appropriate to effectuate the purposes hereof.

§3. This Local Law shall take effect upon the effective date of Local Law Intro. No. 8787 2017 entitled "A LOCAL LAW amending Section 104.11(5)(f) of the Laws of Westchester County to provide the County authority to enter into a lease agreement for approximately 60 acres of County-owned property located at the north portion of the Grasslands Reservation (also known as the Valhalla Campus at Grasslands) in the Valhalla section of the Town of Mt. Pleasant, New York, and commonly referred to as the "North 60" with Fareri Associates, LP, its successors or assigns, for a term not to exceed ninety-nine (99) years for the purpose of creating a research and development complex, to support the county of Westchester's growing medical and bio-tech industry".

STATE OF NEW YORK)
) ss.
COUNTY OF WESTCHESTER)

I HEREBY CERTIFY that I have compared the foregoing Resolution No. 25 - 2017, and Local Law Intro No's. 8787 & 8789 - 2017, with the originals on file in my office, and that the same are correct transcripts therefrom, and of the whole, of said original Resolution, and Local Laws, which were duly adopted by the Westchester County Board of Legislators, of the County of Westchester on April 3, 2017, and approved by the County Executive on April 6, 2017.

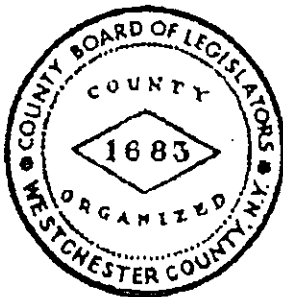
IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Corporate Seal of said County Board of Legislators on this 6th day of June, 2017.



Malika Vanderberg

The Clerk of the Westchester County
Board of Legislators

County of Westchester, New York



59851

November 21, 2017

To: Honorable Board of Acquisition and Contract

From: Vincent F. Kopicki, P.E.
Commissioner of Public Works and Transportation

Adam Rodriguez
Director of Real Estate

Re: Authority to enter into a Lease Agreement with Fareri Associates, LP pursuant to which the County of Westchester will lease a portion of real property located at the north portion of the Grasslands Reservation (also known as the Valhalla Campus at Grasslands) in the Valhalla section of the Town of Mt. Pleasant, New York, and commonly referred to as the "North 60" (the "Property") for a period of ninety-nine (99) years commencing upon execution. (Lease Agreement No. 17-927)

On March 1, 2012, the County issued a Request for Qualifications and Expressions of Interest ("RFQ") to undertake the development of the Property. The ultimate goal of the RFQ was to select an entity that would create a research and development complex in support of the County's growing medical and biotech industry, as well as address community goals by providing a development that would reinforce the positive character of the adjacent facilities and neighborhoods, provide public access linked to surrounding amenities, and generate quality jobs and other economic benefits for the local community and other parts of Westchester County. While two proposals were received by the County, only the one submitted by Fareri was responsive.

On April 5, 2017, the Westchester County Board of Legislators adopted Local Law No. 6-2017 and Local Law No. 7-2017, which collectively authorize the County of Westchester (the "County") to enter into a ninety-nine (99) year lease agreement ("Lease Agreement") with Fareri Associates, LP its successor or assigns ("Fareri"), pursuant to which the County will lease the Property to Fareri for the creation of a research and development complex in support of the County's growing medical and bio-tech industry (the "Project"). Authority is respectfully requested to enter into the proposed Lease Agreement as further described below.

PROPOSED LEASE TERMS:

Rent and Term:

Pursuant to the proposed Lease Agreement, Fareri, commencing upon execution of the Lease Agreement, shall pay the County an annual minimum rent in the amount of \$125,000.00. Thereafter, upon the earlier of the date the first subtenant takes occupancy and begins paying rent, or six (6) months after the date the first subtenant takes occupancy, Fareri shall pay the County, in monthly installments, annual percentage rent as follows: six percent (6%) of gross rental income from the Permitted Uses (as defined in §5.1 of the proposed Lease Agreement), and three percent (3%) of gross rental income from a hotel or assisted living facility should such a facility be permitted (see §5.1 of the proposed Lease Agreement and the use restrictions of §39.0 of the Restated and Amended Lease Agreement ("Restated Lease") with the Westchester County Health Care Corporation ("WCHCC") discussed below).

Construction of the Project:

The Project will be developed and constructed over time in multiple phases. The "First Phase" means the construction of approximately 500,000 gross square feet of development consisting of the following uses, together with all other infrastructure and project improvements servicing such building(s):

- (i) approximately 100,000 square feet of medical office space;
- (ii) a hotel containing approximately 120 rooms and conference facilities (size to be determined by the end user);
- (iii) approximately 80,000 square feet of retail space; and
- (iv) approximately 220,000 square feet of biotechnology/medical technology space, which use must be developed by Fareri pursuant to the requirements of the County's RFQ.

The proposed Lease Agreement provides that in the event that the First Phase of the Project is not substantially completed by the First Phase Completion Date, the time for completion may be extended by the parties, with the Director of Real Estate acting on behalf of the County, provided that the construction is being diligently prosecuted toward substantial completion. Fareri will thereafter construct up to an additional 2,500,000 gross square feet in one or more phases. All construction will be undertaken in accordance with a master development plan, which Fareri is required to prepare and submit for the entirety of the project first to the County Commissioner of Public Works and Transportation ("DPWT Commissioner") for approval and then to the Town of Mt. Pleasant. Prior to seeking land use approvals, Fareri is required to submit a site development plan to the DPWT Commissioner for review and approval.

Fareri shall not commence construction of any future phase unless and until the 220,000 square feet of biotechnology/medical technology space has been substantially completed. The obligation to build this 220,000 square feet is a material condition of the proposed Lease Agreement.

Development Leases for Each Phase of the Project.

Each phase of the Project shall be the subject of a separate development lease. The parties shall (i) amend the Lease Agreement to sever the portion of the Property on which the First Phase or Future Phase of the Project is located from the remainder of the Property and release the related development site from the leasehold and (ii) simultaneously enter into a new, separate lease (a "Development Lease") for the related development site. It should be noted that the further approval of the Board of Legislators and Board of Acquisition and Contract to amend the Lease Agreement and enter into the Development Leases will not be required under §4.2.1(f) of the proposed Lease Agreement, as it will be a Lease obligation of the County.

ADDITIONAL CONDITIONS:

As your Honorable Board will recall, on December 30, 1998, the County and WCHCC entered into the Restated Lease, affecting, among other things, the Grasslands Reservation. Pursuant to Article XX, Section 20.2(a) of the Restated Lease, the WCHCC is vested with a right of first refusal in connection with the sale, lease, license or commercial arrangement of all or any portion of the Grasslands Reservation which is not included within the premises leased to WCHCC, for which the County receives a bona fide written offer that the County desires to accept. The Property is subject to this provision. In accordance with Article XX of the Restated Lease, the proposed Lease Agreement was transmitted to WCHCC for its consideration and on May 4, 2017 the WCHCC elected not to exercise its right of first refusal.

In addition to this right of first refusal, WCHCC is also vested with a right against competition. Article XXXIX, Section 39.0 of the Restated Lease provides that the County, as WCHCC's landlord, will not lease, license, use or permit to be used by anyone other than WCHCC, as tenant, or a tenant under an Individual Lease or Single Lease (as those terms are defined in the Restated Lease), certain identified property, which is inclusive of the subject Property, for the provision of any medical or health related services, including, but not limited to senior housing, assisted living housing, and such other uses for which all or any portion of the premises leased to WCHCC are then being used by WCHCC, or a tenant under an Individual Lease or Single Lease. Accordingly, as the project progresses, additional approvals from WCHCC concerning its restrictive covenant rights under Section 39.0 of the Restated Lease will be required. In the event this occurs, the County shall work with Fareri to submit appropriate documentation to WCHCC seeking to obtain such approvals. Fareri shall not be permitted to use the Property for any use(s) prohibited by Section 39.0 of the Restated Lease until after either: a) WCHCC irrevocably waives, in writing, the restrictions on use of the Property as contained in the Restated Lease; or b) WCHCC and the County, subject to all necessary legal approvals, agree in the form of a written amendment to the Restated Lease to allow such prohibited use(s). The phrase "irrevocably waives such restrictions in writing" shall mean a writing signed by an officer of WCHCC who has been duly authorized by WCHCC to execute such a document on behalf of WCHCC.

Based upon the foregoing, approval of the attached resolution is respectfully requested.

VE/FAR/TSA
Attachment

RESOLUTION

Lease Agreement No. 17-927

Upon a communication from the Commissioner of the Department of Public Works and Transportation and the Director of Real Estate, be it hereby

RESOLVED, that in accordance with Local Law No. 6-2017 and Local Law No. 7-2017 duly adopted on April 3, 2017 by the Westchester County Board of Legislators, the County of Westchester (the "County") is authorized to enter into a lease agreement ("Lease Agreement") with Fareri Associates, LP its successors or assigns ("Fareri"), pursuant to which the County will lease a portion of real property located at the north portion of the Grasslands Reservation (also known as the Valhalla Campus, at Grasslands) in the Valhalla section of the Town of Mt. Pleasant, New York, and commonly referred to as the "North 60" (the "Property"), for the creation of a research and development complex in support of the County's growing medical and bio-tech industry ("the Project"); and be it further

RESOLVED, that the Lease Agreement shall be for a term of ninety-nine (99) years commencing upon execution, and Fareri shall pay the County an annual minimum rent in the amount of \$125,000.00. Thereafter, upon the earlier of the date the first subtenant takes occupancy and begins paying rent, or six (6) months after the date the first subtenant takes occupancy, Fareri shall pay the County, in monthly installments, annual percentage rent as follows: six percent (6%) of gross rental income from the Permitted Uses (as defined in §5.1 of the proposed Lease Agreement), and three percent (3%) of gross rental income from a hotel or assisted living facility should such a facility be permitted (see §5.1 of the proposed Lease Agreement and the use restrictions of §39.0 of the Restated and Amended Lease Agreement with the Westchester County Health Care Corporation ("WCHCC") discussed below); and be it further

RESOLVED, that the Project will be developed and constructed over time in multiple phases. The "First Phase" means the construction of approximately 500,000 gross square feet of development consisting of the following uses together with all other infrastructure and project improvements servicing such building(s):

- (i) approximately 100,000 square feet of medical office space;
- (ii) a hotel containing approximately 120 rooms and conference facilities (size to be determined by the end user);
- (iii) approximately 80,000 square feet of retail space; and
- (iv) approximately 220,000 square feet of biotechnology/medical technology space, which use must be developed by Fareri pursuant to the requirements of the County's RFQ.

The proposed Lease Agreement provides that in the event that the First Phase of the Project is not substantially completed by the First Phase Completion Date, the time for completion may be extended by the parties, with the Director of Real Estate acting on behalf of the County, provided that the construction is being diligently prosecuted toward substantial completion. Fareri will thereafter construct up to an additional 2,500,000 gross square feet, in one or more phases. All construction will be undertaken in accordance with a master development plan, which Fareri is required to prepare and submit for the entirety of the project first to the County Commissioner of Public Works and Transportation ("DPWT Commissioner") for approval and then to the Town of Mt. Pleasant. Prior to seeking land use approvals, Fareri is required to submit a site development plan to the DPWT Commissioner for review and approval.

Fareri shall not commence construction of any future phase unless and until the 220,000 square feet of biotechnology/medical technology space has been substantially completed. The obligation to build this 220,000 square feet is a material condition of the proposed Lease Agreement; and be it further

RESOLUTION

RESOLVED, that each phase of the Project shall be the subject of a separate development lease. The parties shall (i) amend the Lease Agreement to sever the portion of the Property on which the First Phase or Future Phase of the Project is located from the remainder of the Property and release the related development site from the leasehold and (ii) simultaneously enter into a new, separate lease (a "Development Lease") for the related development site. It should be noted that the further approval of the Board of Legislators and Board of Acquisition and Contract to amend the Lease Agreement and enter into the Development Leases will not be required under §4.2.1(f) of the proposed Lease Agreement, as it will be a Lease obligation of the County; and be it further

RESOLVED, that the County Executive or his authorized designee is authorized and empowered to execute and deliver all instruments and take all actions necessary or appropriate to effectuate the purposes hereof.

Lease Agreement No. 17-927

Account to be Charged/Credited	Fund	Dept.	Major Program, Project & Phase Or Unit	Object/ Sub Object	Trust Account	Dollars
	101	46	3400	9295		\$125,000.00 minimum (2017)
	101	46	3400	9295		\$125,000.00 minimum (2018)
	101	46	3400	9295		\$125,000.00 minimum (2019)
	101	46	3400	9295		\$125,000.00 minimum (2020-2116)

Budget Funding Year(s) (must match resolution) 2017-2116 Start Date upon execution End Date 99 years

Funding Source:

Tax Dollars _____

State Aid _____

Federal Aid _____

Other Revenue _____

\$125,000.00 minimum
(must match resolution)

APPROVED BOARD OF ACQUISITION & CONTRACT - 11/30/2017 - LEASE MORTGAGE