### **AMAZON.COM SERVICES LLC - PILOT Deviation Resolution**

A regular meeting of the Nassau County Industrial Development Agency (the "Agency") was convened in public session, <u>electronically</u>, pursuant to Executive Order No. 202.11, 202.28, 202.48, 202.55, 202.60, 202.67, 202.72, 202.79, 202.87, 202.91 and 202.96 - Continuing Temporary Suspension And Modification Of Laws Relating To The Disaster Emergency - by Governor Andrew M. Cuomo of the State of New York on March 18, 2021 at 6:30 p.m., local time.

The meeting was called to order by the Chairman, upon roll being called, the following members of the Agency were:

## PRESENT:

Richard Kessel Lewis M. Warren Anthony Simon Amy Flores John Coumatos Chris Fusco Timothy Williams Chairman Vice Chairman 2nd Vice Chairman Treasurer Asst. Treasurer Asst. Secretary Secretary

### THE FOLLOWING ADDITIONAL PERSONS WERE PRESENT:

| Harry Coghlan            | Chief Executive Officer / Executive Director       |
|--------------------------|--|
| Danielle Oglesby         | Chief Operating Officer/ Deputy Executive Director |
| Anne LaMorte             | Chief Financial Officer                            |
| Catherine Fee            | Director of Business Development/Chief Marketing   |
|                          | Officer  |
| Colleen Pereira          | Administrative Director                            |
| Carlene Wynter           | Compliance Assistant                               |
| Nicole Gil               | Administrative Assistant                           |
| Thomas D. Glascock, Esq. | General Counsel                                    |
| Andrew D. Komaromi, Esq. | Bond/Transactional Counsel                         |

The attached resolution no. 2021-15 was offered by Timothy Williams, seconded by Richard Kessel.

#### Resolution No. 2021 – 15

# RESOLUTION AUTHORIZING A DEVIATION FROM THE UNIFORM TAX EXEMPTION POLICY OF THE NASSAU COUNTY INDUSTRIAL DEVELOPMENT AGENCY WITH RESPECT TO A PROJECT FOR AMAZON.COM SERVICES LLC

WHEREAS, the Nassau County Industrial Development Agency (the "Agency") is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the "Enabling Act"), and Chapter 674 of the 1975 Laws of New York, as amended, constituting Section 922 of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the "Act") to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of manufacturing, industrial and commercial facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, construct, reconstruct and install one or more "projects" (as defined in the Act) or to cause said projects to be acquired, constructed, reconstructed and installed and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, AMAZON.COM SERVICES LLC, a limited liability company organized and existing under the laws of the State of Delaware and authorized to business in the State of New York as a foreign limited liability company, and SYOSSET PARK DEVELOPMENT, LLC, a limited liability company organized and existing under the laws of the State of Delaware and authorized to business in the State of New York as a foreign limited liability company, (collectively, the "Applicant") has presented an application for financial assistance (the "Application") to the Agency, which Application requests that the Agency consider undertaking a project (the "Project") consisting of the following: (A)(1) the acquisition of an interest in an approximately 39 acre parcel of land located at the northeast corner of Robbins Lane and Miller Place, Syosset, Town of Oyster Bay, Nassau County, New York (Section: 15; Block: H; Lot: 251 and 252) (the "Land"), (2) the construction of a 1-story, 204,175 square foot building (collectively, the "Building") on the Land, together with related improvements to the Land, including surface parking spaces, (3) the acquisition of certain furniture, fixtures, machinery and equipment (the "Equipment') necessary for the completion thereof (collectively, the "Project Facility"), all of the foregoing for use by the Applicant as a warehouse/distribution facility; (B) the granting of certain "financial assistance" (within the meaning of Section 854(14) of the General Municipal Law) with respect to the foregoing in the form of potential exemptions or partial exemptions from real property taxes, mortgage recording taxes and sales and use taxes (collectively, the "Financial Assistance"); and (C) the lease (with an obligation to purchase), license or sale of the Project Facility to the Applicant or such other entity as may be designated by the Applicant and agreed upon by the Agency; and

WHEREAS, the Application states that the Applicant is seeking an exemption from real property taxes with respect to the Project Facility that constitutes a deviation from the Agency's Uniform Tax Exemption Policy (the "Tax Exemption Policy"); and

WHEREAS, pursuant to Section 874(4) of the Act, (A) the Executive Director of the Agency caused a letter dated March 4, 2021 (the "Pilot Deviation Notice Letter") mailed to the chief executive officer of each affected tax jurisdiction, informing said individuals that the Agency would, at its meeting on March 18, 2021 (the "IDA Meeting"), consider a proposed deviation from the Tax Exemption Policy with respect to the payments in lieu of real property taxes to be made pursuant to a payment in lieu of taxes agreement to be entered into by the Agency with respect to the Project Facility; and (B) the members of the Agency conducted the IDA Meeting on the date hereof and reviewed any comments and correspondence received with respect to the proposed deviation from the Tax Exemption Policy; and

WHEREAS, the Agency desires to provide for compliance with the provisions of Section 874(4) of the Act with respect to the proposed deviation from the Tax Exemption Policy;

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

Section 1. Prior to making the determinations set forth in this resolution, the members of the Agency have considered the following factors set forth in the Tax Exemption Policy: (1) the extent to which the Proposed Project would create or retain permanent jobs; (2) the extent to which the Proposed Project would create construction jobs; (3) the estimated value of tax exemptions to be provided with respect to the Proposed Project; (4) the amount of private sector investment generated or likely to be generated by the Proposed Project; (5) the likelihood of the Proposed Project being accomplished in a timely manner; (6) the extent of new revenue that would be provided to affected tax jurisdictions as a result of the Proposed Project; (7) whether affected tax jurisdictions would be reimbursed by the Applicant if a Proposed Project does not fulfill the purposes for which an exemption was provided, (8) the impact of the Proposed Project on existing and proposed businesses and economic development projects in the vicinity, (9) the demonstrated public support for the Proposed Project, (10) the effect of the Proposed Project on the environment, (11) the extent to which the Proposed Project would require the provision of additional services, including, but not limited to, additional educational, transportation, police, emergency, medical or fire services, and (12) any other miscellaneous public benefits that might result from the Proposed Project.

<u>Section 2</u>. The Agency hereby determines that the Agency has fully complied with the requirements of Section 874(4) of the Act relating to the proposed deviation from the Tax Exemption Policy.

Section 3. Having reviewed all comments and correspondence received at or prior to the IDA Meeting, the Agency hereby approves the proposed deviation from the Tax Exemption Policy as described in the Pilot Deviation Notice Letter (a copy of which is attached hereto as Exhibit A) because the proposed deviation is necessary to induce the Applicant to undertake the Proposed Project and because the PILOT payments would not be lower than the real property

taxes that should otherwise apply with respect to the Land and the existing improvements thereon as of the closing date of the transaction.

<u>Section 4</u>. The Chairman, the Vice Chairman, the Chief Executive Officer/Executive Director, Chief Operating Officer and the Administrative Director of the Agency are each hereby authorized and directed, acting individually or jointly, to distribute copies of this Resolution to the Applicant and to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this Resolution. If the Agency hereafter adopts appropriate final approving resolutions with respect to the proposed straight-lease transaction with the Applicant (the "Transaction"), the Chairman, the Vice Chairman, the Chief Executive Officer/Executive Director, Chief Operating Officer and the Administrative Director of the Agency are each hereby authorized and directed, acting individually or jointly, to cause the Agency to (A) enter into a Payment in Lieu of Taxes Agreement with the Applicant, providing, among other things, that the Applicant shall make payments in lieu of taxes consistent with the formula set forth in the Pilot Deviation Notice Letter, and (B) file an application for real property tax exemption with the appropriate assessor(s) with respect to the Project Facility.

<u>Section 5</u>. This Resolution shall take effect immediately, but is subject to and conditioned upon the closing of the Transaction.

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

| Richard Kessel   | VOTING | Aye |
|------------------|--------|-----|
| Lewis M. Warren  | VOTING | Aye |
| Anthony Simon    | VOTING | Aye |
| Timothy Williams | VOTING | Aye |
| Chris Fusco      | VOTING | Aye |
| Amy Flores       | VOTING | Aye |
| John Coumatos    | VOTING | Nay |

The foregoing Resolution was thereupon declared duly adopted.

#### STATE OF NEW YORK

) SS.:

COUNTY OF NASSAU

We, the undersigned [Vice] Chairman and [Assistant] Secretary of the Nassau County Industrial Development Agency (the "Agency"), do hereby certify that we have compared the foregoing extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on March 18, 2021 with the original thereof on file in our office, and that the same is a true and correct copy of said original and of such Resolution set forth therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

WE FURTHER CERTIFY that (A) all members of the Agency had due notice of said meeting; (B) said meeting was in all respects duly held; (C) pursuant to Article 5 of the Public Officers Law (the "Open Meetings Law") as modified pursuant to Executive Order No. 202.11, 202.28, 202.48, 202.55, 202.60, 202.67, 202.72, 202.79, 202.87, 202.91 and 202.96 - Continuing Temporary Suspension And Modification Of Laws Relating To The Disaster Emergency - by Governor Andrew M. Cuomo of the State of New York, said meeting was open to the general public, and due notice of the time and place of said meeting was duly given in accordance with such Open Meetings Law; and (D) there was a quorum of the members of the Agency present throughout said meeting.

WE FURTHER CERTIFY that, as of the date hereof, the attached Resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, we have hereunto set our respective hands and affixed the seal of the Agency this <u>18th</u> day of March, 2021.

[Assistant] Secretary

[Vice] Chairman

(SEAL)

## STATE OF NEW YORK

## COUNTY OF NASSAU

We, the undersigned [Vice] Chairman and [Assistant] Secretary of the Nassau County Industrial Development Agency (the "Agency"), do hereby certify that we have compared the foregoing extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on March 18, 2021 with the original thereof on file in our office, and that the same is a true and correct copy of said original and of such Resolution set forth therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

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IN WITNESS WHEREOF, we have hereunto set our respective hands and affixed the seal of the Agency this <u>18th</u> day of March, 2021.

[Assistant] Secretary

[Vice] Chairman

(SEAL)

# **PILOT DEVIATION LETTER**



# NASSAU COUNTY INDUSTRIAL DEVELOPMENT AGENCY 1 WEST STREET 4TH FLOOR MINEOLA, NY 11501 TELEPHONE (516) 571-1945 FAX (516) 571-1076 www.nassauida.org

March 4, 2021 CERTIFIED MAIL, RETURN RECEIPT REQUESTED and <u>FIRST CLASS MAIL</u>

County Executive Laura Curran County of Nassau 1550 Franklin Avenue Mineola, NY 11501

Supervisor Joseph S. Saladino Town of Oyster Bay 54 Audrey Avenue Oyster Bay, NY 11771

Superintendent Dr. Thomas Rogers Syosset School District 99 Pell Lane Syosset, NY 11791

# NOTICE OF PROPOSED DEVIATION FROM UNIFORM TAX EXEMPTION POLICY

Ladies and Gentlemen:

Notice is hereby given that at a meeting of the Nassau County Industrial Development Agency (the "Agency") to be held on March 18, 2021 at 6:45 p.m. local time to be conducted electronically, as hereinafter described, the Agency will consider whether to approve the application of the Applicant (as defined below), for certain "financial assistance" which, if granted, would deviate from the Agency's Uniform Tax Exemption Policy (the "Policy") with respect to the payment of real property taxes. The meeting of the Agency will be open to the public.

In accordance with Section 859-a of the General Municipal Law, a representative of the Agency will present a copy of the Company's project Application, which is also available for viewing on the Agency's website at https://nassauida.org/incentive-documents/. However, given the ongoing COVID-19 public health crisis and related Executive Orders issued by Governor Andrew M. Cuomo, the Agency will not be able to accommodate any in-person public attendance or participation at this hearing. Nonetheless, and in furtherance of the provisions of Section 859-a of the General Municipal Law requiring interested parties be provided a reasonable opportunity, both orally and in writing, to present their views with respect to the Project, and pursuant to Governor Cuomo's Executive Order 202.15 issued on April 9, 2020, as extended by Executive Order 202.29 issued on May 8, 2020, and Executive Order 202.39, issued on June 7, 2020, and Executive Order 202.55, issued on August 6, 2020, Executive Order 202.60, issued on September 4, 2020 Executive Order 202.67, issued on October 5, 2020 Executive Order 202.72, issued on November 3, 2020, Executive Order 202.79, issued on December 2, 2020, Executive Order 202.87, issued on December 30, 2020, Executive Order 202.91, issued on January 23, 2021, and Executive Order 202.96, issued on February 26, 2021, suspending the Open Meetings Law and authorizing the conduct of public hearings through use of telephone conference, video conference and/or other similar service, the Agency will broadcast the Public Hearing live on its Youtube channel at https://www.youtube.com/channel/UCuERg-5BYx9VSdBVHUPTYJw/featured. In addition, the Agency will provide public access to provide oral comments via Zoom by registering on our website at Nassauida.org. After registering, you will receive a confirmation email containing information about joining the webinar.

At the meeting of the Agency will consider the application of AMAZON.COM SERVICES LLC, a limited liability company organized and existing under the laws of the State of Delaware and authorized to conduct business in the State of New York as a foreign limited liability company, and SYOSSET PARK DEVELOPMENT, LLC, a limited liability company organized and existing under the laws of the State of Delaware and authorized to conduct business in the State of New York as a foreign limited liability company, (collectively, the "Applicant") has presented an application for financial assistance (the "Application") to the Agency, which Application requests that the Agency consider undertaking a project (the "Project") consisting of the following: (A)(1) the acquisition of an interest in an approximately 39 acre parcel of land located at the northeast corner of Robbins Lane and Miller Place, Syosset, Town of Oyster Bay, Nassau County, New York (Section: 15; Block: H; Lot: 251 and 252) (the "Land"), (2) the construction of a 1-story, 204,175 square foot building (collectively, the "Building") on the Land, together with related improvements to the Land, including surface parking spaces. (3) the acquisition of certain furniture, fixtures, machinery and equipment (the "Equipment") necessary for the completion thereof (collectively, the "Project Facility"), all of the foregoing for use by the Applicant as a warehouse/distribution center facility; (B) the granting of certain "financial assistance" (within the meaning of Section 854(14) of the General Municipal Law) with respect to the foregoing in the form of potential exemptions or partial exemptions from real property taxes, mortgage recording taxes and sales and use taxes (collectively, the "Financial Assistance"); and (C) the lease (with an obligation to purchase), license or sale of the Project Facility to the Applicant or such other entity as may be designated by the Applicant and agreed upon by the Agency.

The Application states that the Applicant is seeking an abatement of real property taxes. However, based upon preliminary negotiations between representatives of the Applicant and the Agency, the parties contemplate that the Agency may agree to grant a real property tax exemption (the "Property Tax Exemption") with respect to the Project Facility as follows: (i) for the period commencing on the date of the closing of the Project transaction (the "Closing Date") to and including the day prior to the Effective Date (as defined below), payments shall be equal to one hundred percent (100%) of the real property taxes and assessments that would be levied annually upon the Land and the existing improvements thereon as of the date of closing without taking into consideration the transfer of ownership, jurisdiction, supervision or control of the Project Facility to the Agency; and

(ii) for the period commencing on the Effective Date and continuing for fifteen (15) full fiscal tax years thereafter, fixed payments equal to the sum of the BASE PILOT and the IMPROVEMENT PILOT.

Thereafter, and through the end of the term of the project agreement, lease or installment sale agreement with respect to the Project Facility, the payments would be equal to the real property taxes and assessments that would be payable as if the Project Facility were returned to the tax rolls as taxable property and subject to taxation at its then current, full assessed value, as the same may be reassessed from time to time, and subject to tax rate increases imposed by the affected tax jurisdictions.

For the purposes of the foregoing, the following terms shall have the following meanings:

(a) "BASE PILOT" shall be deemed to mean the amount of all real property taxes and assessments payable on the Land and the existing improvements thereon as of the 2020 General and 2020/2021 School Tax Year, which amount shall be increased by 1.81% per year (compounded) after the first (1st) fiscal tax year. Except as set forth in the immediately preceding sentence, the BASE PILOT shall not increase or decrease during the term of the PILOT Agreement. The BASE PILOT shall be reduced by any special taxes, assessments or levies that the Applicant is required to pay separately to the affected tax jurisdictions. In calculating the Base PILOT, the Agency shall take into account the most recent assessment data (i.e., assessed value and tax rates) available as of the Closing Date including any applicable approved tax certiorari stipulation or other settlement or arrangement with the applicable tax assessor(s).

(b) "IMPROVEMENT PILOT" shall be deemed to mean the product of the following amounts, as determined by the Agency: (i) the Assessed Value of the Improvement, (ii) the PILOT Rate, and (iii) the number 0.01, as phased in and adjusted pursuant to Exhibit A attached hereto. The term "Assessed Value of the Improvement" shall be deemed to mean the product of (y) the fair market value of the Project Facility (less the market value used in the calculation of the BASE PILOT) for real property tax valuation purposes, computed as of the estimated date of completion, as determined by the Agency using a methodology reasonably selected by the Agency, and (z) the level of assessment used by the Nassau County Assessor as of the year in which the Closing Date occurs. The PILOT Rate shall be evidenced by School Tax Bills, Village Tax Bills and General Tax Bills based on the most recent assessment data available to the Agency as of the year in which the Closing Date occurs. The IMPROVEMENT PILOT shall be reduced by any special taxes, assessments or levies that the Applicant is required to pay separately to the affected tax jurisdictions.

(c) "Effective Date" shall be deemed to mean for each affected tax jurisdiction the first day of the first fiscal tax year following the first taxable status date occurring subsequent to the last to occur of (i) the Agency acquiring an interest in the Project Facility, (ii) the filing by the Agency of

the appropriate application for tax exemption with the Nassau County Tax Assessor, and (iii) the acceptance of such Application by such assessor.

Each annual PILOT Payment with respect to the Project Facility shall be allocated among the affected tax jurisdictions in proportion to the amount of real property taxes that would have been received by each affected tax jurisdiction had the Project Facility not been tax exempt due to the status of the Agency.

The Property Tax Exemption, if approved by the Agency, would constitute a deviation from the Policy.

The reason for the deviation is that the Property Tax Exemption, if approved by the Agency, is necessary to induce the Applicant to undertake the Project and that the applicable Base Year PILOT Amount would not be lower than the real property taxes that should otherwise apply with respect to the Project Facility as of the closing date.

Sincerely,

NASSAU COUNTY INDUSTRIAL DEVELOPMENT AGENCY

By: Harry ghlah

Chief Excentive Officer

| Period   | Begin   | End                                  | Assessed Value of Improvement ("AV") | PILOT RATE                                      |
|----------|---|--------------------------------------|--------------------------------------|---|
| -        | Closing Date                                    | 1 day prior to Effective Date ("ED") | N/A                                  | N/A   |
| 2        | Effective Date                                  | 1st-2nd Anniversary of ED            | 0.00 AV                              | SUM OF TAX RATES AS OF YEAR OF CLOSING ("RATE") |
| 3        | 1 yr Anniversary of Effective Date              | 2nd-3rdth Anniversary of ED          | 0.00 AV                              | Rate * 1.0181                                   |
| 4        | 2 yr Anniversary of Effective Date              | 3rd-4th Anniversary of ED            | 0.07 AV                              | Rate * 1.0365                                   |
| 2        | 3 yr Anniversary of Effective Date              | 4th-5th Anniversary of ED            | 0.14 AV                              | Rate * 1.0553                                   |
| 9        | 4 yr Anniversary of Effective Date              | 5th-6th Anniversary of ED            | 0.21 AV                              | Rate * 1.0744                                   |
| ~        | 5 yr Anniversary of Effective Date              | 6th-7th Anniversary of ED            | 0.29 AV                              | Rate * 1.0938                                   |
| ~        | 6 yr Anniversary of Effective Date              | 7th-8th Anniversary of ED            | 0.36 AV                              | Rate * 1.1136                                   |
| <b>б</b> | 7 yr Anniversary of Effective Date              | 8th-9th Anniversary of ED            | 0.43 AV                              | Rate * 1.1338                                   |
| 10       | 8 yr Anniversary of Effective Date              | 9th-10th Anniversary of ED           | 0.50 AV                              | Rate * 1.1543                                   |
| 7        | 9 yr Anniversary of Effective Date              | 10th-11th Anniversary of ED          | 0.57 AV                              | Rate * 1.1752                                   |
| 12       | 10 yr Anniversary of Effective Date             | 11th-12th Anniversary of ED          | 0.64 AV                              | Rate * 1.1965                                   |
| 13       | 11 yr Anniversary of Effective Date             | 12th-13th Anniversary of ED          | 0.71 AV                              | Rate * 1.2181                                   |
| 4        | 12 yr Anniversary of Effective Date             | 13th-14th Anniversary of ED          | 0.79 AV                              | Rate * 1.2402                                   |
| 15       | 13 yr Anniversary of Effective Date             | 14th-15th Anniversary of ED          | 0.86 AV                              | Rate * 1.2626                                   |
| 19       | 14 yr Anniversary of Effective Date             | 15th-16th Anniversary of ED          | 0.93 AV                              | Rate * 1.2855                                   |
| Period   | BASE PILOT                                      | IMPROVEMENT PILOT                    | TOTAL PILOT                          |   |
| -        | 100 % of taxes as of year of Closing            | 100% of taxes as of year of Closing  | BASE PILOT + IMPROVEMENT PILOT       |   |
| 2        | 100% of taxes as of year of Closing             | AV*PILOT RATE                        | BASE PILOT + IMPROVEMENT PILOT       |   |
| m        | 100% of taxes as of year of Closing<br>* 1.0181 | AV*PILOT RATE                        | BASE PILOT + IMPROVEMENT PILOT       |   |
| 4        | 100% of taxes as of year of Closing * 1.0365    | AV*PILOT RATE                        | BASE PILOT + IMPROVEMENT PILOT       |   |
| 2        | 100% of taxes as of year of Closing<br>* 1.0553 | AV*PILOT RATE                        | BASE PILOT + IMPROVEMENT PILOT       |   |
| 9        | 100% of taxes as of year of Closing             | AV*PILOT RATE                        | BASE PILOT + IMPROVEMENT PILOT       |   |
| 2        | 100% of taxes as of year of Closing             | AV*PILOT RATE                        | BASE PILOT + IMPROVEMENT PILOT       |   |
| 80       | 100% of taxes as of year of Closing * 1.1136    | AV*PILOT RATE                        | BASE PILOT + IMPROVEMENT PILOT       |   |
| 0        | 100% of taxes as of year of Closing<br>* 1.1338 | AV*PILOT RATE                        | BASE PILOT + IMPROVEMENT PILOT       |   |
| 10       | 100% of taxes as of year of Closing * 1.1543    | AV*PILOT RATE                        | BASE PILOT + IMPROVEMENT PILOT       |   |
| Ę        | 100% of taxes as of year of Closing * 1.1752    | AV*PILOT RATE                        | BASE PILOT + IMPROVEMENT PILOT       |   |
| 12       | 100% of taxes as of year of Closing * 1.1965    | AV*PILOT RATE                        | BASE PILOT + IMPROVEMENT PILOT       |   |
| 13       | 100% of taxes as of year of Closing * 1.2181    | AV*PILOT RATE                        | BASE PILOT + IMPROVEMENT PILOT       |   |
| 14       | 100% of taxes as of year of Closing * 1.2402    | AV*PILOT RATE                        | BASE PILOT + IMPROVEMENT PILOT       |   |
| 15       | 100% of taxes as of year of Closing * 1.2626    | AV*PILOT RATE                        | BASE PILOT + IMPROVEMENT PILOT       |   |
| 16       | 100% of taxes as of year of Closing             | AV*PILOT RATE                        | BASE PILOT + IMPROVEMENT PILOT       |   |

For purposes of illustration only, the approximate expected amount of the PILOT Payments hereunder, assuming closing takes place prior to October 1, 2021, are as follows (Period 2 through 16):

| Period | Event                | Total PILOT  |
|--------|----------------------|--------------|
| [1     | Closing Date         | \$1,220,170] |
| 2      | Effective Date       | \$1,220,170  |
| 3      | 1st-2nd Aniv of ED   | \$1,242,255  |
| 4      | 2nd-3rdth Aniv of ED | \$1,340,756  |
| 5      | 3rd-4th Aniv of ED   | \$1,442,415  |
| 6      | 4th-5th Aniv of ED   | \$1,547,315  |
| 7      | 5th-6th Aniv of ED   | \$1,655,540  |
| 8      | 6th-7th Aniv of ED   | \$1,767,176  |
| 9      | 7th-8th Aniv of ED   | \$1,882,310  |
| 10     | 8th-9th Aniv of ED   | \$2,001,034  |
| 11     | 9th-10th Aniv of ED  | \$2,123,438  |
| 12     | 10th-11th Aniv of ED | \$2,249,619  |
| 13     | 11th-12th Aniv of ED | \$2,379,671  |
| 14     | 12th-13th Aniv of ED | \$2,513,694  |
| 15     | 13th-14th Aniv of ED | \$2,651,789  |
| 16     | 14th-15th Aniv of ED | \$2,794,060  |