

A regular meeting of the Nassau County Industrial Development Agency (the "Agency") was convened in public session at the offices of the Agency located at 1100 Franklin Avenue, Suite 300, Garden City, County of Nassau, New York on December 4, 2008, at 6:00 p.m., local time.

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

PRESENT:

Howard Fensterman	Chairman
Gary Weiss	Vice Chairman
John E. Puckhaber	Treasurer
Mark Goldberg	Assistant Treasurer
Peter J. Ruffner	Secretary
Christopher Fusco	Assistant Secretary

ABSENT:

THE FOLLOWING ADDITIONAL PERSONS WERE PRESENT:

Joseph Gioino, Esq.	Executive Director
Cara Longworth, Esq.	Chief Financial Officer
Colleen Pereira	Administrative Director
Robert J. Chanis, Esq.	Bond/Transaction Counsel
Andras D. Komaromi, Esq.	Bond/Transaction Counsel
Milan K. Tyler, Esq.	Special Counsel

The attached resolution no. 2008-57 was offered by Gary Weiss, seconded by Peter J. Ruffner:

Resolution No. 2008-57

RESOLUTION TAKING OFFICIAL ACTION TOWARD AND APPROVING THE
ACQUISITION AND STRAIGHT LEASING OF A CERTAIN PROJECT FOR
GROVE STREET, LP AND PROJECT I REALTY L.L.C.

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 I 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 civic, 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, on or about October 28, 2008, Adams Court Housing Development Fund Corporation, as substituted by its affiliate, Grove Street, LP, a limited partnership formed under the laws of the State of New York (the "Company") and Project I Realty L.L.C., a limited liability company formed under the laws of the State of New York, its general partner, ("Project I" and together with the Company, the "Applicants"), presented an application for financial assistance, as amended by that certain letter to the Agency by the Applicants dated November 26, 2008 (the "Application") to the Agency, which Application requested that the Agency consider undertaking a project (the "Project") consisting of the following: (A) (1) the acquisition of an interest in an approximately 3.1 acre parcel of land located at 10 Grove Street, 24 Grove Street and 42 Evans Avenue, Village of Hempstead, County of Nassau, New York (the "Land"), (2) the renovation of seven (7) existing multifamily housing structures (comprised of approximately 84 affordable housing units) located on the Land, together with related improvements (collectively, the "Building"), and (3) the acquisition and installation therein and thereon of certain furniture, fixtures, machinery and equipment (the "Equipment"), all of the foregoing to continue to constitute a housing complex comprised of approximately 84 affordable housing rental units, (collectively, the "Project Facility"); (B) the granting of certain "financial assistance" (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions or partial exemptions from sales and use taxes, mortgage recording taxes and real property taxes (but not including special assessments and ad valorem levies) (the "Financial Assistance") with respect to the foregoing; and (C) the lease

(with an obligation to purchase), license or sale of the Project Facility to the Company or such other entity as may be designated by the Company and agreed upon by the Agency; and

WHEREAS, the Agency has given due consideration to the Application and to the representations made by the Applicant therein and at this meeting, including, without limitation, representations of the Applicant that: (A) the granting by the Agency of the Financial Assistance with respect to the Project will be an inducement to the Applicant to undertake the Project in Nassau County, New York; (B) the completion of the Project will not result in the removal of a facility or plant of the Applicant, any affiliate thereof, or any other occupant or user of the Project from one area of the State of New York (the "State") to another area of the State or in the abandonment of one or more plants or facilities of the Applicant, any affiliate thereof, or any other occupant or user of the Project located within the State but outside Nassau County, New York; (C) the Project Facility will not constitute a project where facilities or property that are primarily used in making retail sales of goods and/or services to customers who personally visit such facilities constitute more than one-third of the total cost of the Project; (D) the Project will serve the public purposes of the Act by preserving permanent, private sector jobs and increasing the overall number of permanent, private sector jobs in the State; and (E) the granting of the Financial Assistance by the Agency will promote the job opportunities, health, general prosperity and economic welfare of the inhabitants of Nassau County and improve their standard of living, and prevent unemployment and economic deterioration, and thereby serve the public purposes of the Act; and

WHEREAS, the granting of the Financial Assistance would represent a deviation from the Agency's uniform tax exemption policy with respect to the making of payments in lieu of real property taxes; and

WHEREAS, in accordance with Section 859-a of the Act, any approval of the Project is contingent upon, inter alia, a determination by the members of the Agency to proceed with the Project following a determination by the Agency that (i) the public hearing and notice requirements and other procedural requirements contained in the Act relating to the Project have been satisfied, and (ii) the undertaking of the Project by the Agency and the granting of the Financial Assistance are and will be in compliance with all other applicable requirements of SEQRA (as hereinafter defined), and all other statutes, codes, laws, rules and regulations of any governmental authority having jurisdiction over the Project (collectively, the "Applicable Laws"); and

WHEREAS, the Executive Director of the Agency (A) caused notice of a public hearing of the Agency pursuant Section 859-a of the Act (the "Public Hearing") to hear all persons interested in the Project and the Financial Assistance contemplated by the Agency with respect to the Project, to be mailed on November 3, 2008 to the chief executive officer of Nassau County, New York and of each other affected tax jurisdiction within which the Project Facility is or is to be located, (B) caused notice of the Public Hearing to be published on November 3, 2008 in the Nassau edition of Newsday, a newspaper of general circulation available to residents of the Town of North Hempstead and the County of Nassau, New York, (C) conducted the Public Hearing on December 4, 2008 at 12:30 p.m., local time, at the Village Hall in the Village of Hempstead, 99 Nichols Court, Hempstead, Nassau County, New York, and (D) prepared a report of the Public Hearing (the "Report") which fairly

summarizes the views presented at the Public Hearing and distributed the Report to the members of the Agency; and

WHEREAS, the Executive Director of the Agency (A) caused notice of a meeting of the Agency (the "IDA Meeting") with respect to the proposed deviation from the Agency's uniform tax exemption policy and guidelines to be mailed on November 3, 2008 to the chief executive officer of each affected tax jurisdiction, and (B) conducted the IDA Meeting on December 4, 2008, reviewed and responded to any comments or correspondence received from the affected tax jurisdictions at or before the IDA Meeting regarding the proposed deviation from the Agency's uniform tax exemption policy and approved the proposed deviation; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the "SEQR Act"), and the regulations (the "Regulations") adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively with the SEQR Act, "SEQRA"), the appropriate personnel of the Agency reviewed the environmental assessment form and other materials submitted by the Applicant and made any necessary comments to members of the Agency, and by resolution of the members of the Agency adopted on the date hereof, the Agency decided to undertake an uncoordinated review of the Project, determined that the Project will not have a significant effect on the environment and issued a negative declaration for purposes of SEQRA; and

WHEREAS, the Agency now desires to make its determination to proceed with the Project and grant the Financial Assistance, subject to the terms hereof; and

WHEREAS, Project I or such other entity as may be designated by the Applicants and approved by the Agency will (A) execute and deliver a certain bargain and sale deed (the "Deed") to the Agency, pursuant to which it will convey its interest in the Land and Building to the Agency, (B) Project I and the Company, each will execute and deliver a certain Bill of Sale (the "Bill of Sale to Agency") to the Agency, pursuant to which each will convey to the Agency its interest in the Equipment, (C) the Company will execute and deliver a certain Lease Agreement (the "Lease") between the Agency, as lessor, and the Company, as lessee, pursuant to which the Agency will grant to the Company a leasehold interest in the Project Facility, (D) the Applicants will cause to be executed and delivered a certain Environmental Compliance and Indemnification Agreement (the "Environmental Indemnification") from the Company, Project I and the principals of the Applicants (the "Guarantors"), pursuant to which the Applicants and the Guarantors will indemnify the Agency from certain losses, costs, damages and liabilities, (E) the Applicants will cause to be executed and delivered by Guarantors certain guaranty (the "Guaranty") from the Guarantors in favor of the Agency, (F) the Company will execute and deliver a certain Payment in Lieu of Taxes Agreement (the "PILOT Agreement") between the Company and the Agency, and to secure the Company's obligations thereunder, a certain subordinate Mortgage and Assignment of Leases and Rents in favor of the County of Nassau, New York (the "PILOT Mortgage") and (G) the Applicants will execute and deliver certain other certificates, documents, instruments and agreements related to the Project (together with the Deed, the Bill of Sale to Agency, the Lease, the Environmental Indemnification, the Guaranty, the PILOT Agreement, collectively, the "Transaction Documents");

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

Section 1. The Agency has reviewed the Application and based upon the representations made by the Applicants to the Agency, the Agency hereby makes the following findings and determinations with respect to the Project:

(a) based on the proposed use of the Project Facility as set forth in the Application, the economic effects of the Project on the area in which it is situated, and the employment reasonably expected to be created and/or maintained by the Project, the Project will constitute a commercial facility and, therefore, the Project constitutes a "project" within the meaning of the Act;

(b) the granting by the Agency of the Financial Assistance with respect to the Project will be an inducement to the Applicant to undertake the Project in Nassau County, New York;

(c) the completion of the Project Facility, the lease thereof by the will not result in the removal of a facility or plant of the Applicant or any other occupant or user of the Project Facility from one area of the State of New York (the "State") to another area of the State or in the abandonment of one or more plants or facilities of the Applicant or any other occupant or user located within the State (but outside of Nassau County);

(d) the Project does not and will not constitute a project where facilities or property that are primarily used in making retail sales of goods and/or services to customers who personally visit such facilities constitute more than one-third of the total cost of the Project;

(e) the Project will serve the public purposes of the Act by preserving permanent, private sector jobs and increasing the overall number of permanent, private sector jobs in the State;

(f) no funds of the Agency shall be used in connection with the Project for the purpose of preventing the establishment of an industrial or manufacturing plant, nor shall any funds of the Agency be given in connection with the Project to any group or organization which is attempting to prevent the establishment of an industrial or manufacturing plant within the State, nor shall any funds of the Agency be used for advertising or promotional materials which depict elected or appointed government officials in either print or electronic media; and

(g) the granting of the Financial Assistance by the Agency with respect to the Project will promote the job opportunities, health, general prosperity and economic welfare of the inhabitants of Nassau County, New York and the State and improve their standard of living, and thereby serve the public purposes of the Act.

Section 2. The Agency hereby ratifies, confirms and approves all actions heretofore taken by the Executive Director and the staff of the Agency with respect to the Application, the Public Hearing and the IDA Meeting, including, without limitation, (i) those actions required to ensure full compliance with the requirements of the Act, SEQRA and all other Applicable Laws that relate to the Project, and (ii) the appointment of the law firm of Troutman Sanders LLP, New York, New York, as Special Counsel to the Agency with respect to all matters in connection with the Project.

Section 3. The Agency hereby determines that the Agency has fully complied with the requirements of the Act, SEQRA and all other Applicable Laws that relate to the Project.

Section 4. Having considered fully all comments received at or in connection with the Public Hearing, the Agency hereby further determines to proceed with the Project and the granting of the Financial Assistance, subject to the terms hereof.

Section 5. The Agency hereby approves the Company as the lessee under the Lease with the Agency, and the Company as the recipient of the Financial Assistance, provided that the Applicants and the Guarantors shall guaranty the obligations of the Company under the Lease and other Transaction Documents as set forth in the Guaranty and Environmental Indemnification.

Section 6. The Agency is hereby authorized (a) to acquire an interest in the Project Facility pursuant to the Deed, the Bill of Sale to Agency and the other Transaction Documents, (b) grant a leasehold interest in the Project Facility pursuant to the Lease and the other Transaction Documents, (c) grant the Financial Assistance, (d) execute the PILOT Mortgage for the sole purpose of encumbering its fee interest in the Project Facility to secure the performance by the Company of their obligations under the PILOT Agreement, (e) execute one (1) or more mortgages in favor of the New York State Housing and Finance Agency and the County of Nassau (or such other or further banks, entities or financial institutions as the Applicants may determine, the "Lenders") encumbering the Land and the Building, solely to subject to the lien thereof its interest in the Land and the Building, all to secure loans or other financial accommodations made by the Lenders to the Company (collectively, the "Project Mortgages"), and (f) to do all things necessary, convenient or appropriate for the accomplishment thereof. All acts heretofore taken by the Agency with respect to the foregoing are hereby approved, ratified and confirmed.

Section 7. The form and substance of the Deed, the Bill of Sale to Agency, the Lease, the Environmental Indemnification, the Guaranty, the PILOT Agreement, the PILOT Mortgage, the Project Mortgages and the other Transaction Documents, in the forms presented to the members of the Agency at this meeting, together with such non-material changes as the Chairman, the Vice Chairman or the Executive Director may hereafter deem necessary or appropriate, are hereby approved. The Chairman, the Vice Chairman and the Executive Director are hereby authorized, on behalf of the Agency, acting together or individually, to execute and deliver the Lease, the Project Mortgages and the other Transaction Documents to which the Agency is a party and, where appropriate, the Secretary (or Assistant Secretary) of the Agency is hereby authorized to affix the seal of the Agency thereto and to attest the same. The execution and delivery of each such agreement, approval and consent by such person(s) shall be conclusive evidence of such approval.

Section 8. The Chairman, the Vice Chairman and the Executive Director of the Agency are hereby further authorized, on behalf of the Agency, acting together or individually, to designate any additional Authorized Representatives (as defined in the Lease) of the Agency.

Section 9. The officers, employees and agents of the Agency are hereby authorized and directed, acting individually or jointly, for and in the name and on behalf of the Agency to do all acts and things required or provided for by the provisions of the Transaction Documents, to execute and deliver all such additional certificates, instruments, agreements and documents, to pay all such fees, charges and expenses, and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, convenient or appropriate to effect the purposes of this Resolution and to cause compliance with all of the terms, covenants and provisions of the Transaction Documents to which the Agency is a party or which are binding on the Agency.

Section 10. The Chairman, the Vice Chairman and the Executive Director of the Agency are hereby authorized and directed 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.

Section 11. This Resolution shall take effect immediately.

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

Howard Fensterman	VOTING	AYE
Gary Weiss	VOTING	AYE
John E. Puckhaber	VOTING	AYE
Mark Goldberg	VOTING	AYE
Peter J. Ruffner	VOTING	AYE
Christopher Fusco	VOTING	AYE

The foregoing Resolution was thereupon declared duly adopted.

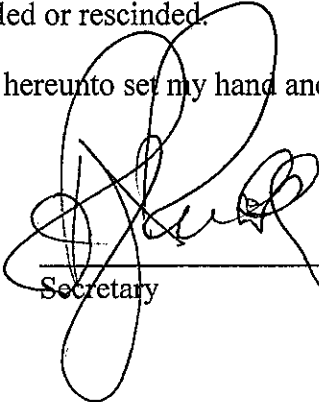
STATE OF NEW YORK)
) SS:
COUNTY OF NASSAU)

I, the undersigned Secretary of the Nassau County Industrial Development Agency (the "Agency"), do hereby certify that I have compared the foregoing extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on December 4, 2008, with the original thereof on file in my 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.

I 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 7 of the Public Officers Law (the "Open Meetings Law"), 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.

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

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this 4th day of December 2008.



Secretary

(SEAL)