

ALKIER STEEL LLC and STEEL MINEOLA SECOND STREET LLC,
as Assignor

and

STEEL ALLEN AIR, LLC,
as Assignee

and

NASSAU COUNTY INDUSTRIAL DEVELOPMENT AGENCY

ASSIGNMENT, ASSUMPTION AND FIRST
AMENDMENT TO PILOT AGREEMENT

Dated as of September 26, 2024

ASSIGNMENT, ASSUMPTION AND FIRST AMENDMENT TO PILOT AGREEMENT

THIS ASSIGNMENT, ASSUMPTION AND FIRST AMENDMENT TO PILOT AGREEMENT (this “Agreement”) dated as of September 26, 2024 (the “Effective Date”), by and among the NASSAU COUNTY INDUSTRIAL DEVELOPMENT AGENCY, a corporate governmental agency constituting a body corporate and politic and a public benefit corporation of the State of New York, having an office at One West Street, 4th floor, Mineola, NY 11501 (the “Agency”), ALKIER STEEL LLC, a limited liability company organized and existing under the laws of the State of New York (“Alkier”), and STEEL MINEOLA SECOND STREET, LLC, a limited liability company organized and existing under the laws of the State of Delaware and authorized to do business in the State of New York as a foreign limited liability company (“Steel Mineola” and together with Alkier, the “Assignor”), as tenants-in-common, each having an office at 999 South Oyster Bay Road, Suite 200, Bethpage, NY 11714, and STEEL ALLEN AIR, LLC, a limited liability company duly organized and existing under the laws of the State of Delaware and authorized to do business in the State of New York as a foreign limited liability company, having an office at 999 South Oyster Bay Road, Suite 200, Bethpage, NY 11714 (the “Obligor” or the “Assignee”).

RECITALS:

WHEREAS, the Assignor presented an application for financial assistance (as amended, the “Application”) to the Agency, which Application requested that the Agency consider undertaking a project (the “Project”) consisting of the following: (A)(1) the renovation of an existing, blighted former manufacturing center/plants totaling approximately 160,000 square feet in the aggregate (collectively, the “Building”) on the land located at 222-224 East 2nd Street and 225-255 East 2nd Street, Village of Mineola, Town of North Hempstead, Nassau County, New York (Section: 9; Block: 73; Lot: 30-35, 25-29; Section: 9; Block: 663; Lot: 4A, 4B, 5 and 33; Section: 9; Block: 437; Lot 466 and 467) (the “Land”), which Land is more particularly described on Schedule A attached hereto, together with related improvements to the Land, including surface parking spaces, and (2) 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 as a warehouse and or other industrial development facility, to be determined by the Assignor; (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 Assignor or such other entity as may be designated by the Assignor and agreed upon by the Agency; and

WHEREAS, the Assignor leased the Project Facility to the Agency pursuant to the terms and conditions set forth in the Company Lease Agreement dated as of December 1, 2019 between the Assignor, as lessor, and the Agency, as lessee (as amended, modified, supplemented and restated to date, the “Company Lease”); and

WHEREAS, the Agency subleased the Project Facility to the Assignor pursuant to the terms and conditions set forth in the Sublease Agreement dated as of December 1, 2019 between the Assignor, as sublessor, and the Agency, as sublessee (as amended, modified, supplemented and restated to date, the "Lease"), and the other Transaction Documents (as defined in the Lease); and

WHEREAS, pursuant to a certain Payment in Lieu of Taxes Agreement dated as of December 1, 2019 (as amended, modified, supplemented and restated to date, the "PILOT Agreement"), by and between the Assignor and the Agency, the Assignor agreed to make certain payments in lieu of real property taxes with respect to the Land and the improvements thereon, and such obligation is secured by a certain Mortgage and Assignment of Leases and Rents, dated as of December 1, 2019 (as amended, modified, supplemented and restated to date, the "PILOT Mortgage"), made by the Agency and the Assignor, as mortgagors, in favor of the County of Nassau, as mortgagee (in such capacity, the "PILOT Mortgagee"), pursuant to which the Agency and the Assignor granted a first mortgage lien on the Land and the improvements thereon to the PILOT Mortgagee;

WHEREAS, the Assignor desires to assign all of its right, title and interest in and to the PILOT Agreement to the Assignee and the Assignee desires to assume all of the obligations of the Assignor under the PILOT Agreement; and

WHEREAS, the Agency is willing to consent to the assignment of the Assignor's interest in the PILOT Agreement to the Assignee only if the Assignee agrees to be bound by and comply with each of the terms and conditions set forth in the PILOT Agreement;

AGREEMENTS

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Assignor, the Assignee and the Agency mutually covenant, warrant and agree as follows:

1. Assignment. The Assignor hereby assigns, conveys and transfers to the Assignee all of the Assignor's right, title and interest in, to and under the PILOT Agreement.
2. Assumption. The Assignee accepts the assignment of and hereby assumes and agrees to perform, fulfill and comply with all covenants and obligations to be performed, fulfilled or complied with by the Assignor under the PILOT Agreement arising from and after the Effective Date.
3. The Assignee's Indemnification of the Agency. The Assignee shall and does hereby indemnify the Agency against, and agrees to defend (with counsel reasonably selected by the Agency) and hold the Agency harmless from, all liabilities, obligations, actions, suits, proceedings or claims and all costs and expenses (including without limitation, reasonable attorneys' fees), incurred by the Agency in connection with the PILOT Agreement based upon or arising out of any breach or alleged breach of the PILOT Agreement by the Assignee occurring or alleged to have occurred on or after the Effective Date.

4. The Assignor's Indemnification of the Agency. The Assignor shall and does hereby indemnify the Agency against and agrees to defend (with counsel reasonably selected by the Agency) and hold the Agency harmless from, all liabilities, obligations, actions, suits, proceedings or claims and all costs and expenses (including, without limitation, reasonable attorneys' fees), incurred by the Agency in connection with the PILOT Agreement based upon or arising out of any breach or alleged breach of the PILOT Agreement by the Assignor occurring or alleged to have occurred before the Effective Date.

5. Consent to Assignment. The Agency hereby consents to the foregoing assignment and assumption of the PILOT Agreement and acknowledges that all requirements of the PILOT Agreement with respect to the assignment thereof have been complied with or compliance has been waived by the Agency. The parties agree that any provision of the PILOT Agreement prohibiting or restricting the transfer and assumption contemplated hereby shall be deemed waived for this transaction only, but shall continue to apply to any future assignment, assumption or transfer by the Assignee.

6. Subsection (B) of Section 11 of the PILOT Agreement is hereby amended and restated in its entirety to read as follows:

“(B) The addresses to which notices, certificates and other communications hereunder shall be delivered are as follows:

IF TO THE OBLIGOR:

Steel Allen Air, LLC
c/o Steel Equities
999 South Oyster Bay Road, Suite 200
Bethpage, NY 11714
Attn: Michael Berkowitz and Glenn Lostritto

WITH A COPY TO:

Forchelli Deegan Terrana LLP
333 Earle Ovington Blvd., Suite 1010
Uniondale, NY 11553
Attn: Daniel P. Deegan, Esq.

IF TO THE AGENCY:

Nassau County Industrial Development Agency
One West Street, 4th floor
Mineola, NY 11501
Attn: CEO/Executive Director

WITH A COPY TO:

Phillips Lytle LLP
1205 Franklin Avenue, Suite 390

Garden City, NY 11530
Attn: Paul V. O'Brien, Esq.

7. Representations, Covenants and Warranties. All terms, conditions, covenants, representations and warranties of the Assignor contained in the PILOT Agreement, except as expressly modified hereby, are hereby adopted, ratified and confirmed by the Assignee as of the date hereof, remain in full force and effect as of the date hereof, and are subject to the terms of this Agreement.

8. Governing Law. This Agreement, the transactions described herein and the obligations of the parties hereto shall be construed under, and governed by, the laws of the State of New York, as in effect from time to time, without regard to principles of conflicts of laws.

9. Successors and Assigns. The Assignor, the Assignee and the Agency, as such terms are used herein, shall include the legal representatives, successors and assigns of those parties. This Agreement shall inure to the benefit of and shall be binding upon the parties and their respective successors and assigns.

10. Counterparts. This Agreement may be executed in any number of counterparts and by the Assignor, the Assignee and the Agency on separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute one and the same Assignment Agreement.

11. Severability. Any provision of this Agreement held by a court of competent jurisdiction to be invalid or unenforceable shall not impair or invalidate the remainder of this Agreement and the effect thereof shall be confined to the provision so held to be invalid or unenforceable.

12. Conflicting Provisions. In the event of any conflict in the terms and provisions of this Agreement and the terms and provisions of the PILOT Agreement, the terms and provisions of this Agreement shall govern.

13. Entire Agreement. This Agreement constitutes the entire agreement and understanding between the parties hereto with respect to the transactions contemplated hereby and supersedes all prior negotiations, understandings, and agreements between such parties with respect to such transaction.

(Remainder of Page Intentionally Left Blank – Signature Pages Follow)

IN WITNESS WHEREOF, this Agreement has been duly executed by the parties hereto as of the day and year first above written.

Assignor:

ALKIER STEEL LLC

By: 

Name: Lee Marie Berkowitz
Title: Administrator

STEEL MINEOLA SECOND STREET LLC

By: 

Name: Glenn Lostritto
Title: Administrator

Assignee:

STEEL ALLEN AIR, LLC

By: Allen Air Property Owner, LLC, its
sole member

By: Steel Mineola Second Street, LLC,
its managing member

By: 

Name: Glenn Lostritto
Title: Administrator

Agency:

NASSAU COUNTY INDUSTRIAL
DEVELOPMENT AGENCY

By: _____

Sheldon L. Shrenkel
CEO/Executive Director

[Signature Page to Assignment, Assumption and First Amendment to PILOT Agreement]

IN WITNESS WHEREOF, this Agreement has been duly executed by the parties hereto as of the day and year first above written.

Assignor: ALKIER STEEL LLC

By: _____
Name: Lee Marie Berkowitz
Title: Administrator

STEEL MINEOLA SECOND STREET LLC

By: _____
Name: Glenn Lostritto
Title: Administrator


Assignee: STEEL ALLEN AIR, LLC

By: Allen Air Property Owner, LLC, its
sole member

By: Steel Mineola Second Street, LLC,
its managing member

By: _____
Name: Glenn Lostritto
Title: Administrator

Agency: NASSAU COUNTY INDUSTRIAL
DEVELOPMENT AGENCY

By: 
Sheldon L. Shrenkel
CEO/Executive Director

[Signature Page to Assignment, Assumption and First Amendment to PILOT Agreement]

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

On the 13 day of September, 2024, before me, the undersigned, personally appeared Lee Marie Berkowitz, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Lindsay M. Tennant
Notary Public

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

LINDSAY MAY TENNANT
NOTARY PUBLIC, STATE OF NEW YORK
NO. 01TE0028077
QUALIFIED IN SUFFOLK COUNTY
MY COMMISSION EXPIRES AUGUST 20, 2028

On the 13 day of September, 2024, before me, the undersigned, personally appeared Glenn Lostritto, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Lindsay M. Tennant
Notary Public

LINDSAY MAY TENNANT
NOTARY PUBLIC, STATE OF NEW YORK
NO. 01TE0028077
QUALIFIED IN SUFFOLK COUNTY
MY COMMISSION EXPIRES AUGUST 20, 2028

[Acknowledgment Page to Assignment, Assumption and First Amendment to PILOT Agreement]

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

On the 17th day of September, 2024, before me, the undersigned, personally appeared Sheldon Shrenkel, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/~~she~~ executed the same in his/~~her~~ capacity, and that by his/~~her~~ signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.



Notary Public

Paul V O'Brien
Notary Public State of New York
No. 020B6235944
Qualified in Nassau County
Commission Expires February 14, ~~2024~~ 2027

[Acknowledgment Page to Assignment, Assumption and First Amendment to PILOT Agreement]

SCHEDULE A

PARCEL I

ALL that certain plot piece or parcel of land, situate, lying and being in the Incorporated Village of Mineola, Town of North Hempstead, County of Nassau and State of New York, known and designated as Lots No. 30 to 35, both inclusive, in Block No. 26, on a certain map entitled "Map of Mineola Manor, situated at Mineola, Nassau County, N.Y., owned by Loma Holding Corporation, mapped November 1925, George A. Fairfield, C.E.", filed in the Office of the Clerk of the County of Nassau on November 19, 1925, as Map No. 581, Case No. 590, being more particularly bounded and described according to said map as follows:

BEGINNING at a point on the northerly side of Second Street, distant 260.00 feet easterly from the corner formed by the intersection of the northerly side of Second Street with the easterly side of Congress Street;

RUNNING THENCE northerly, at right angles to Second Street, 100.00 feet;

THENCE easterly, parallel with Second Street, 120.00 feet;

THENCE southerly, at right angles to Second Street, 100.00 feet to the northerly side of Second Street;

THENCE westerly, along the northerly side of Second Street, 120.00 feet to the point or place of BEGINNING.

For Information Only: Premises also known as Section 9 Block 73 Lots 30-35.

PARCEL II

ALL that certain plot piece or parcel of land, situate, lying and being in the Village of Mineola, Town of North Hempstead, Nassau County, New York, being Lots 25, 26, 27, 28 and 29 in Block 26 on "Map of Mineola Manor, situated at Mineola, Nassau County, New York, owned by the Loma Holding Corporation, 149 Broadway, New York City, mapped November 1925 by George A. Fairfield, C.E.", filed in the Nassau County Clerk's Office on November 19, 1925 as Map No. 581, Case No. 590, which said lots when taken together, are more particularly bounded and described as follows:

BEGINNING at a point on the northerly side of Second Street, distant 380.00 feet East of the intersection formed by the northerly side of Second Street with the easterly side of Congress Street;

THENCE northerly, at right angles to Second Street, 100.00 feet;

THENCE easterly, parallel with Second Street, 102.65 feet to the easterly line of filed map;

THENCE southerly, at interior plot angle of 85 degrees 14 minutes 00 seconds and along the easterly line of filed map, 100.34 feet to the northerly side of Second Street;

THENCE westerly, along the northerly side of Second Street, 94.31 feet to the point or place of BEGINNING.

For Information Only: Premises also known as Section 9 Block 73 Lots 25-29.

PARCEL III

ALL that certain plot piece or parcel of land, situate, lying and being in the Incorporated Village of Mineola, Town of North Hempstead, County of Nassau and State of New York, being bounded and described as follows:

BEGINNING at a point on the southerly side of Second Street, as extended, distant 2996.60 feet easterly from the corner formed by the intersection of the southerly side of Second Street with the easterly side of Roslyn Road, said point also being 333.11 feet East of the easterly line of the filed map line of Mineola Manor, as measured along the extended southerly side of Second Street;

RUNNING THENCE North 82 degrees 08 minutes 10 seconds East, along the extended southerly side of Second Street, 115.44 feet;

THENCE southerly, along the arc of a circle bearing to the left, having a radius of 904.75 feet, an arc length of 71.94 feet;

THENCE South 07 degrees 51 minutes 30 seconds East 200.10 feet to a point on the northerly side of the Long Island Rail Road;

THENCE along the northerly side of the Long Island Rail Road, South 82 degrees 08 minutes 10 seconds West 112.58 feet to a point which is distant 355.79 feet easterly from the easterly line of the filed map line of Mineola Road, as measured along the northerly side of the Long Island Rail Road;

THENCE North 07 degrees 51 minutes 50 seconds West 271.98 feet to the southerly side of Second Street as extended, at the point or place of BEGINNING.

For Information Only: Premises also known as Section 9 Block 663 Lot 33.

PARCEL IV

ALL that certain plot piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Incorporated Village of Mineola, Town of North Hempstead, County of Nassau and State of New York, known as and by the Lots Numbered 122 to 128 inclusive in Block 27, as shown and designated on a certain map entitled "Map of Mineola Manor, Nassau County, New York, owned by Loma Holding Corporation, 149 Broadway, New York City, mapped November 1925 by George A. Fairfield, C.E., Mineola, New York", filed in the Office of the Clerk of the County of Nassau on November 19, 1925 under the File Number 581, new File Number 590, and being more particularly bounded and described as follows:

BEGINNING at a point on the southerly side of Second Street, distant 2240 feet easterly from the corner formed by the intersection of the southerly side of Second Street with the easterly side of Roslyn Road;

RUNNING THENCE along the southerly side of Second Street, North 82 degrees 08 minutes 10 seconds East 140.00 feet;

THENCE South 07 degrees 51 minutes 50 seconds East 286.00 feet to the northerly side of the land of the Long Island Rail Road;

THENCE along the northerly side of the last mentioned land, South 82 degrees 08 minutes 10 seconds West 140.00 feet;

THENCE North 07 degrees 51 minutes 50 seconds West 286.00 feet to the southerly side of Second Street, at the point or place of BEGINNING.

For Information Only: Premises also known as Section 9 Block 437 Lot 466.

PARCELS V and VI

ALL that certain plot piece or parcel of land, situate, lying and being in the Incorporated Village of Mineola, County of Nassau and State of New York, known and designated as and by the Lots 129 to 141, both inclusive, in Block 27 on a certain map entitled "Map of Mineola Manor, owned by Loma Holding Corp., 149 Broadway, New York City, mapped November 1925 by George A. Fairfield, C.E., Mineola, N.Y.", filed in the Office of the Clerk of the County of Nassau on November 19, 1925 as Map No. 581, Case No. 590 and a descriptive parcel adjoining said map, which said lots and descriptive parcel, when taken together, are more particularly bounded and described as follows:

BEGINNING at a point on the southerly side of Second Street, distant 2380 feet easterly from the corner formed by the intersection of the southerly side of Second Street and the easterly side of Roslyn Road;

RUNNING THENCE along the southerly side of Second Street, North 82 degrees 08 minutes 10 seconds East 283.49 feet to land now or formerly of the Village of Mineola;

THENCE along said land South 07 degrees 51 minutes 50 seconds East 271.976 feet;

THENCE South 82 degrees 08 minutes 10 seconds West 22.697 feet;

THENCE South 02 degrees 54 minutes 20 seconds East 14.07 feet to land now or formerly of Long Island Rail Road;

THENCE along said land, South 82 degrees 08 minutes 10 seconds West 259.59 feet;

THENCE North 07 degrees 51 minutes 50 seconds West 286.00 feet to the southerly side of Second Street, at the point or place of BEGINNING.

For Information Only: Premises also known as Section 9 Block 437 Lot 467 and Section 9 Block 663 Lot 5.

PARCEL VII

ALL that certain plot piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Incorporated Village of Mineola, Town of North Hempstead, County of Nassau and State of New York, bounded and described as follows:

BEGINNING at a point on the southerly side of Second Street, distant 2663.49 feet easterly from the corner formed by the intersection of the easterly side of the old line of Roslyn Road with the southerly side of Second Street, said point of beginning being at the southerly end of the easterly terminus of Second Street;

RUNNING THENCE North 82 degrees 08 minutes 10 seconds East 220.61 feet;

THENCE South 07 degrees 51 minutes 50 seconds East 271.98 feet to land of the Long Island Rail Road;

THENCE South 82 degrees 08 minutes 10 seconds West, along the preceding land, 220.61 feet;

THENCE North 07 degrees 51 minutes 50 seconds West 271.98 feet to the point or place of BEGINNING.

For Information Only: Premises also known as Section 9 Block 663 Lots 4A and 4B.