DEALERTRACK, INC. (successor-in-interest to
DEALERTRACK TECHNOLOGIES, INC.)

and

COX AUTOMOTIVE, INC.

and

NASSAU COUNTY INDUSTRIAL DEVELOPMENT AGENCY

ASSIGNMENT, ASSUMPTION AND AMENDMENT NO. 2 TO SUBLEASE AGREEMENT

Dated as of December 21, 2017

Record and Return to:

Section:	8
Block:	A
Lots:	880 and 881

Phillips Lytle LLP
1205 Franklin Avenue, Suite 390
Garden City, NY 11530
Attn: Paul V. O'Brien, Esq.

ASSIGNMENT, ASSUMPTION AND AMENDMENT NO. 2 TO SUBLEASE AGREEMENT

THIS ASSIGNMENT, ASSUMPTION AND AMENDMENT NO. 2 TO SUBLEASE AGREEMENT (this "Amendment") dated as of December 21, 2017 (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 1550 Franklin Avenue, Suite 235, Mineola, NY 11501 (the "Agency"), DEALERTRACK, INC. (successor-in-interest to DEALERTRACK TECHNOLOGIES, INC.), a corporation duly organized and existing under the laws of the State of Delaware and qualified to do business in the State of New York as a foreign corporation, having an office at 3400 New Hyde Park Road, New Hyde Park, NY 11042 (the "Assignor"), and COX AUTOMOTIVE, INC., a corporation duly organized and existing under the laws of the State of Delaware and qualified to do business in the State of New York as a foreign corporation, having an office at 3400 New Hyde Park Road, New Hyde Park, NY 11042 (the "Company" or "Assignee").

RECITALS:

WHEREAS, DEALERTRACK TECHNOLOGIES, INC., a corporation organized and existing under the laws of the State of Delaware and qualified to do business in the State of New York as a foreign corporation ("Dealertrack"), presented an application (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 9.6 acre parcel of land located at 3400 New Hyde Park Road, Incorporated Village of North Hills, Town of North Hempstead, County of Nassau, New York (Section: 8; Block: A; Lots: 880 and 881) (the "Land"), which Land is more particularly described on Schedule A attached hereto, (2) the construction of an approximately 233,000 square foot office building on the Land, together with related improvements to the Land (collectively, the "Building"), and (3) the acquisition of certain furniture, fixtures, machinery and equipment necessary for the completion thereof (the "Equipment"), all of the foregoing for use by Dealertrack as its world headquarters facility (collectively, the "Project 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, license or sale of the Project Facility to Dealertrack or such other entity as may be designated by Dealertrack and agreed upon by the Agency; and

WHEREAS, the Assignor is the tenant under an Amended and Restated Agreement of Lease dated as of June 24, 2015 (as amended, the "Overlease") between DT-XCIII-IS, LLC, as successor landlord (in such capacity, the "Overlandlord"), and the Assignor, as tenant, pursuant to which the Assignor leases the Premises (as defined in the Overlease) from the Overlandlord; and

WHEREAS, the Assignor subleases the Project Facility to the Agency pursuant to the terms and conditions set forth in the Company Lease Agreement dated as of June 1, 2015 between the Assignor, as lessor, and the Agency, as lessee (the "Company Lease"); and

WHEREAS, the Agency sub-subleases the Project Facility to the Assignor pursuant to the terms and conditions set forth in the Sublease Agreement dated as of June 1, 2015 between the Assignor and the Agency (as amended, the "Lease"), and the other Transaction Documents (as defined in the Lease); and

WHEREAS, a memorandum of the Lease was recorded in the Nassau County Clerk's Office on July 1, 2015 in Liber 13227, at Page 261; and

WHEREAS, the Assignor and the Assignee have requested that the Agency (i) consent to the assignment by the Assignor of all of its right, title and interest in and to the Project Facility to the Assignee, and (ii) amend the Lease in certain respects in connection therewith; and

WHEREAS, the Agency is willing to consent to the transfer by the Assignor of its interests in and to the Project Facility 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 Lease and the other Transaction Documents to which the Assignor is a party;

NOW, THEREFORE, in consideration of the foregoing premises, the mutual covenants and agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the Assignor, the Assignee and the Agency mutually covenant, warrant and agree as follows:

SECTION 1. DEFINITIONS.

SECTION 1.1 Interpretation. For purposes of this Amendment, unless otherwise defined herein, all capitalized terms used herein including, but not limited to, those capitalized terms used and/or defined in the recitals hereto, shall have the respective meanings assigned to such terms in the Transaction Documents.

SECTION 2. ASSIGNMENT AND ASSUMPTION.

SECTION 2.1 Assignment. Assignor hereby assigns, conveys and transfers to Assignee all of Assignor's right, title and interest in, to and under the Lease.

SECTION 2.2 Assumption. Assignee hereby accepts the assignment of and assumes and agrees to perform, fulfill and comply with all covenants and obligations to be performed, fulfilled or complied with as the sublessee under the Lease from and after the Effective Date.

SECTION 2.3 Assignor's Indemnification of Assignee and the Agency. The Assignor shall and does hereby indemnify the Assignee and the Agency against and agrees to defend (with counsel reasonably selected by the indemnified party) and hold the Assignee and 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 Assignee or the Agency, as the case may be, in connection with the Lease or any other Transaction Document based upon or arising out of any breach of the Lease or any other Transaction Document by the Assignor occurring or alleged to have occurred before the Effective Date.

SECTION 2.4 Assignee's Indemnification of Assignor and the Agency. The Assignee shall and does hereby indemnify the Assignor and the Agency against and agrees to defend (with counsel reasonably selected by the indemnified party) and hold the Assignor and 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 Assignor or the Agency, as the case may be, in connection with the Lease or any other Transaction Document based upon or arising out of any breach of the Lease or any other Transaction Document by the Assignee occurring or alleged to have occurred on or after the Effective Date.

SECTION 2.5 Consent to Assignment. The Agency hereby consents to the foregoing assignment and assumption pursuant to Sections 9.1 and 9.3 of the Lease and acknowledges that all requirements of Sections 9.1 and 9.3 of the Lease have been complied with or compliance has been waived by the Agency. The parties agree that any provisions of the Lease prohibiting or restricting the assignment 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.

SECTION 2.6 Limited Release of Assignor. Effective from and after the Effective Date, the Agency hereby releases the Assignor from all of its obligations, liabilities and duties relating to the Project Facility, including, without limitation, its obligations, liabilities and duties arising under the Lease, the Pilot Agreement and the other Transaction Documents, except that the Assignor is not hereby released from any obligations, liabilities or duties under the Lease, the Pilot Agreement or any other Transaction Document arising prior to the Effective Date (collectively, the "Prior Obligations"), including, without limiting the generality of the foregoing, the obligations of the Assignor to indemnify and defend the Agency and the Assignee and to hold the Agency and the Assignee harmless under the Lease, the Pilot Agreement and the other Transaction Documents with respect to the Prior Obligations and irrespective of whether a particular action or proceeding in connection with such Prior Obligations was commenced or commences before or after the Effective Date.

SECTION 3. AMENDMENTS.

SECTION 3.1 Effective as of the Effective Date, Subsection (R) of Section 2.2 of the Lease is amended and restated in its entirety to read as follows:

"(R) A majority of the voting stock of the Company is, and shall at all times during the term of this Lease, continue to be owned by Cox Enterprises, Inc., provided, however, that Cox Enterprises, Inc. may transfer all or any portion of such voting stock to one (1) or more other Persons with the prior written consent of the Agency, which consent shall not be unreasonably withheld, conditioned or delayed."

SECTION 3.2 Subsection (B) of Section 12.1 of the Lease and, with respect to the Company, the notice provisions of all of the other Transaction Documents, are hereby amended and restated to read as follows:

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

IF TO THE COMPANY:

Cox Automotive, Inc.
6205 Peachtree Dunwoody Road
Atlanta, GA 30328
Attn: General Counsel

WITH A COPIES TO:

Cox Enterprises, Inc.
6205 Peachtree Dunwoody Road
Atlanta, GA 30328
Attn: Director of Real Estate

Sheley, Hall & Williams, P.C.
303 Peachtree Street, Suite 4440
Atlanta, GA 30308
Attn: David L. Lester, Esq.

IF TO THE AGENCY:

Nassau County Industrial Development Agency
1550 Franklin Avenue, Suite 235
Mineola, NY 11501
Attn: Executive Director

WITH A COPY TO:

Phillips Lytle LLP

1205 Franklin Avenue, Suite 390
Garden City, NY 11530
Attn: Paul V. O'Brien, Esq.

IF TO THE OVERLANDLORD:

c/o iStar Inc.
1114 Avenue of the Americas, 38th floor
New York, NY 10036
Attention: General Counsel

and

Katten Muchin Rosenman LLP
525 W. Monroe Street
Chicago, IL 6661
Attn: Gregory P.L. Pierce, Esq.

and

Forchelli Deegan Terrana LLP
The Omni Building
333 Earle Ovington Boulevard, Suite 1010
Uniondale, NY 11553
Attn: Daniel P. Deegan, Esq.

SECTION 4. CONDITIONS.

SECTION 4.1 Conditions Precedent. This Amendment shall only become effective upon the fulfillment, prior to or contemporaneously with the delivery hereof, of the following conditions precedent:

(A) the execution and delivery by the Assignor, the Company and the Agency of an original or counterpart originals of this Amendment;

(B) the Assignor and the Company shall execute and/or deliver such other documents, instruments and agreements as the Agency may reasonably require in connection with the transactions contemplated by this Amendment; and

(C) the Company shall pay all fees and expenses (including the Agency's consent fee and all attorneys' fees and expenses) incurred by the Agency in connection with the preparation, execution and delivery of this Amendment and the closing of the transactions contemplated herein.

SECTION 5. MISCELLANEOUS.

SECTION 5.1 Representations and Warranties.

(A) All terms, conditions, covenants, representations and warranties of the Assignor contained in the Transaction Documents, except as expressly modified hereby, are hereby adopted, ratified and confirmed by the Company as of the date hereof, remain in full force and effect as of the date hereof, and are subject to the terms of this Amendment.

(B) The Company represents and warrants to the Agency that it has the necessary power and has taken all necessary action to make this Amendment the valid and enforceable obligation it purports to be, and that this Amendment constitutes the legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its terms.

(C) The Assignor represents and warrants to the Agency that it has the necessary power and has taken all necessary action to make this Amendment the valid and enforceable obligation it purports to be, and that this Amendment constitutes the legal, valid and binding obligation of the Assignor, enforceable against the Assignor in accordance with its terms.

(D) The Assignor represents and warrants to the Agency that, to the Assignor's actual knowledge, other than with respect to the transaction set forth in the Contribution Agreement, dated as of October 31, 2016, between Dealertrack and the Assignor, no Event of Default specified in any of the Transaction Documents has occurred which remains uncured, and no event which with notice or lapse of time or both would become such an Event of Default has occurred and is continuing.

SECTION 5.2 Additional Matters. All other documents and legal matters in connection with this Amendment and the transactions contemplated by the Lease as amended by this Amendment shall be reasonably satisfactory in form and substance to the Agency.

SECTION 5.3 Survival of Representations and Warranties. All representations and warranties made in this Amendment or any other documents furnished in connection with this Amendment shall survive the execution and delivery of this Amendment and no investigation by the Agency or any closing shall affect the representations and warranties or the right of the Agency to rely upon them.

SECTION 5.4 Reference to Lease. The Lease, the Transaction Documents and any and all other agreements, documents, or instruments heretofore, now or hereafter executed and delivered pursuant to the terms hereof or pursuant to the terms of the Lease, as amended hereby, are hereby amended so that any reference to the "Lease" in the Lease, the Transaction Documents or such other agreements, documents or instruments executed in connection with the Lease shall mean a reference to the Lease, as amended hereby.

SECTION 5.5 Governing Law. This Amendment, 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.

SECTION 5.6 Successors and Assigns. The Assignor, the Company and the Agency, as such terms are used herein, shall include the legal representatives, successors and assigns of those parties. This Amendment shall inure to the benefit of and shall be binding upon the parties and their respective successors and assigns.

SECTION 5.7 Counterparts. This Amendment may be executed in any number of counterparts and by the Assignor, the Company 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 Amendment.

SECTION 5.8 Severability. Any provision of this Amendment held by a court of competent jurisdiction to be invalid or unenforceable shall not impair or invalidate the remainder of this Amendment and the effect thereof shall be confined to the provision so held to be invalid or unenforceable.

SECTION 5.9 Conflicting Provisions. In the event of any conflict in the terms and provisions of this Amendment and the terms and provisions of the Lease, the terms and provisions of this Amendment shall govern.

SECTION 5.10 Entire Agreement. This Amendment 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 THIS PAGE INTENTIONALLY LEFT BLANK]

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

Assignor: DEALERTRACK, INC. (successor-in-interest to DEALERTRACK TECHNOLOGIES, INC.)

By: ______________________________
Name: Mark F. Bowser
Title: Executive Vice President

Assignee: COX AUTOMOTIVE, INC.

By: ______________________________
Name: Mark F. Bowser
Title: Executive Vice President

Agency: NASSAU COUNTY INDUSTRIAL DEVELOPMENT AGENCY

By: ______________________________
Joseph J. Kearney
Executive Director

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

Assignor:

DEALERTRACK, INC. (successor-in-interest to DEALERTRACK TECHNOLOGIES, INC.)

By: ______________________________

Name:

Title:

Assignee:

COX AUTOMOTIVE, INC.

By: ______________________________

Name:

Title:

Agency:

NASSAU COUNTY INDUSTRIAL DEVELOPMENT AGENCY

By: ______________________________

Joseph J. Kearney

Executive Director

STATE OF GEORGIA)
)SS.:
COUNTY OF ~~FULTON~~)
DEKALB

On the ___ day of December, 2017, before me, the undersigned, personally appeared Mark F. Bowser, 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.

Sandra L. Gordon
Notary Public

SANDRA L GORDON
NOTARY PUBLIC
STATE OF GEORGIA
MY COMMISSION EXPIRES 01/09/2018

STATE OF GEORGIA)
)SS.:
COUNTY OF ~~FULTON~~)
DEKALB

On the ___ day of December, 2017, before me, the undersigned, personally appeared Mark F. Bowser, 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.

Sandra L. Gordon
Notary Public

SANDRA L GORDON
NOTARY PUBLIC
STATE OF GEORGIA
MY COMMISSION EXPIRES 01/09/2018

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

On the 20th day of December, 2017, before me, the undersigned, personally appeared Joseph J. Kearney, 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 executed the same in his capacity, and that by his 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. 02OB6235944
Qualified in Nassau County
Commission Expires February 14, ~~[illegible]~~ 2015

SCHEDULE A

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

BEGINNING at a point lying in the southerly side of The Long Island Expressway South Service Road where it is intersected by New Hyde Park Road;

RUNNING THENCE north 59 degrees 40 minutes 01 second east along the said southerly side of The Long Island Expressway South Service Road, 582.97 feet;

THENCE south 30 degrees 19 minutes 59 seconds east, 146.34 feet;

THENCE south 03 degrees 57 minutes 49 seconds east, 763.98 feet to the former centerline of I.U. Willets Road;

THENCE the following two (2) courses and distances along the former centerline of I.U. Willets Road;

1. South 83 degrees 49 minutes 30 seconds west, 415.14 feet;
2. South 74 degrees 30 minutes 32 seconds west, 75.79 feet to the easterly side of New Hyde Park Road, as widened;

THENCE north 16 degrees 57 minutes 36 seconds west, 24.76 feet to the former northerly side of I.U. Willets Road;

THENCE south 74 degrees 30 minutes 32 seconds west, 1.58 feet to the easterly side of New Hyde Park Road as widened;

THENCE the following three (3) courses and distances along the easterly side of New Hyde Park Road as widened;

1. North 03 degrees 26 minutes 00 seconds west, 155.40 feet;
2. along the arc of curve bearing to the left, having a radius of 1,054.76 feet and an arc length of 454.60 feet;
3. North 04 degrees 10 minutes 03 seconds west, 46.63 feet to the southerly side of The Long Island Expressway South Service Road and the point or place of BEGINNING.

Said premises being known as SE Corner of LIE South Service Road & E/s of New Hyde Park Road, North Hills, New York

SECTION 8 BLOCK A LOTS 880 & 881

TP-584 (4/13)

New York State Department of Taxation and Finance

Combined Real Estate Transfer Tax Return, Credit Line Mortgage Certificate, and Certification of Exemption from the Payment of Estimated Personal Income Tax

Recording office time stamp

See Form TP-584-I, Instructions for Form TP-584, before completing this form. Print or type.

Schedule A — Information relating to conveyance

Grantor/Transferor	Name *(if individual, last, first, middle initial)* (☐ *check if more than one grantor*)			Social security number
☐ Individual	DealerTrack, Inc.			
☒ Corporation	Mailing address			Social security number
☐ Partnership	2005 Peachtree Dunwoody Road			
☐ Estate/Trust	City	State	ZIP code	Federal EIN
☐ Single member LLC	Atlanta	GA	30328	13-4115448
☐ Other	Single member's name if grantor is a single member LLC *(see instructions)*			Single member EIN or SSN

Grantee/Transferee	Name *(if individual, last, first, middle initial)* (☐ *check if more than one grantee*)			Social security number
☐ Individual	Cox Automotive, Inc.			
☒ Corporation	Mailing address			Social security number
☐ Partnership	2005 Peachtree Dunwoody Road			
☐ Estate/Trust	City	State	ZIP code	Federal EIN
☐ Single member LLC	Atlanta	GA	30328	58-1936036
☐ Other	Single member's name if grantee is a single member LLC *(see instructions)*			Single member EIN or SSN

Location and description of property conveyed

Tax map designation – Section, block & lot *(include dots and dashes)*	SWIS code (six digits)	Street address	City, town, or village	County
8-A-880 & 881	282229	3400 New Hyde Park Road	North Hills	Nassau

Type of property conveyed *(check applicable box)*

1 ☐ One- to three-family house
2 ☐ Residential cooperative
3 ☐ Residential condominium
4 ☐ Vacant land
5 ☒ Commercial/Industrial
6 ☐ Apartment building
7 ☐ Office building
8 ☐ Other ______

Date of conveyance

12	21	2017
month	day	year

Percentage of real property conveyed which is residential real property 0 % *(see instructions)*

Condition of conveyance *(check all that apply)*

a. ☐ Conveyance of fee interest

b. ☐ Acquisition of a controlling interest (state percentage acquired ______%)

c. ☐ Transfer of a controlling interest (state percentage transferred ______%)

d. ☐ Conveyance to cooperative housing corporation

e. ☐ Conveyance pursuant to or in lieu of foreclosure or enforcement of security interest *(attach Form TP-584.1, Schedule E)*

f. ☒ Conveyance which consists of a mere change of identity or form of ownership or organization *(attach Form TP-584.1, Schedule F)*

g. ☐ Conveyance for which credit for tax previously paid will be claimed *(attach Form TP-584.1, Schedule G)*

h. ☐ Conveyance of cooperative apartment(s)

i. ☐ Syndication

j. ☐ Conveyance of air rights or development rights

k. ☐ Contract assignment

l. ☐ Option assignment or surrender

m. ☐ Leasehold assignment or surrender

n. ☐ Leasehold grant

o. ☐ Conveyance of an easement

p. ☐ Conveyance for which exemption from transfer tax claimed *(complete Schedule B, Part III)*

q. ☐ Conveyance of property partly within and partly outside the state

r. ☐ Conveyance pursuant to divorce or separation

s. ☐ Other *(describe)* ______

For recording officer's use	Amount received	Date received	Transaction number
	Schedule B., Part I $ ______ Schedule B., Part II $		

Schedule B — Real estate transfer tax return (Tax Law, Article 31)

Part I – Computation of tax due

1 Enter amount of consideration for the conveyance *(if you are claiming a total exemption from tax, check the exemption claimed box, enter consideration and proceed to Part III)* ☒ **Exemption claimed**	1.	0	00
2 Continuing lien deduction *(see instructions if property is taken subject to mortgage or lien)*	2.		
3 Taxable consideration *(subtract line 2 from line 1)*	3.	0	00
4 Tax: $2 for each $500, or fractional part thereof, of consideration on line 3	4.	0	00
5 Amount of credit claimed for tax previously paid *(see instructions and attach Form TP-584.1, Schedule G)*	5.		
6 Total tax due* *(subtract line 5 from line 4)*	6.	0	00

Part II – Computation of additional tax due on the conveyance of residential real property for $1 million or more

1 Enter amount of consideration for conveyance *(from Part I, line 1)*	1.		
2 Taxable consideration *(multiply line 1 by the percentage of the premises which is residential real property, as shown in Schedule A)*	2.		
3 Total additional transfer tax due* *(multiply line 2 by 1% (.01))*	3.		

Part III – Explanation of exemption claimed on Part I, line 1 *(check any boxes that apply)*

The conveyance of real property is exempt from the real estate transfer tax for the following reason:

a. Conveyance is to the United Nations, the United States of America, the state of New York, or any of their instrumentalities, agencies, or political subdivisions (or any public corporation, including a public corporation created pursuant to agreement or compact with another state or Canada) .... a ☐

b. Conveyance is to secure a debt or other obligation .... b ☐

c. Conveyance is without additional consideration to confirm, correct, modify, or supplement a prior conveyance .... c ☐

d. Conveyance of real property is without consideration and not in connection with a sale, including conveyances conveying realty as bona fide gifts .... d ☐

e. Conveyance is given in connection with a tax sale .... e ☐

f. Conveyance is a mere change of identity or form of ownership or organization where there is no change in beneficial ownership. (This exemption cannot be claimed for a conveyance to a cooperative housing corporation of real property comprising the cooperative dwelling or dwellings.) Attach Form TP-584.1, Schedule F .... f ☒

g. Conveyance consists of deed of partition .... g ☐

h. Conveyance is given pursuant to the federal Bankruptcy Act .... h ☐

i. Conveyance consists of the execution of a contract to sell real property, without the use or occupancy of such property, or the granting of an option to purchase real property, without the use or occupancy of such property .... i ☐

j. Conveyance of an option or contract to purchase real property with the use or occupancy of such property where the consideration is less than $200,000 and such property was used solely by the grantor as the grantor's personal residence and consists of a one-, two-, or three-family house, an individual residential condominium unit, or the sale of stock in a cooperative housing corporation in connection with the grant or transfer of a proprietary leasehold covering an individual residential cooperative apartment .... j ☐

k. Conveyance is not a conveyance within the meaning of Tax Law, Article 31, section 1401(e) *(attach documents supporting such claim)* .... k ☐

*The total tax (from Part I, line 6 and Part II, line 3 above) is due within 15 days from the date conveyance. Please make check(s) payable to the county clerk where the recording is to take place. If the recording is to take place in the New York City boroughs of Manhattan, Bronx, Brooklyn, or Queens, make check(s) payable to the ***NYC Department of Finance.*** If a recording is not required, send this return and your check(s) made payable to the ***NYS Department of Taxation and Finance,*** directly to the NYS Tax Department, RETT Return Processing, PO Box 5045, Albany NY 12205-5045.

Schedule C — Credit Line Mortgage Certificate (Tax Law, Article 11)

Complete the following only if the interest being transferred is a fee simple interest.
I (we) certify that: *(check the appropriate box)*

1. ☒ The real property being sold or transferred is not subject to an outstanding credit line mortgage.

2. ☐ The real property being sold or transferred is subject to an outstanding credit line mortgage. However, an exemption from the tax is claimed for the following reason:

   ☐ The transfer of real property is a transfer of a fee simple interest to a person or persons who held a fee simple interest in the real property (whether as a joint tenant, a tenant in common or otherwise) immediately before the transfer.

   ☐ The transfer of real property is (A) to a person or persons related by blood, marriage or adoption to the original obligor or to one or more of the original obligors or (B) to a person or entity where 50% or more of the beneficial interest in such real property after the transfer is held by the transferor or such related person or persons (as in the case of a transfer to a trustee for the benefit of a minor or the transfer to a trust for the benefit of the transferor).

   ☐ The transfer of real property is a transfer to a trustee in bankruptcy, a receiver, assignee, or other officer of a court.

   ☐ The maximum principal amount secured by the credit line mortgage is $3,000,000 or more, and the real property being sold or transferred is **not** principally improved nor will it be improved by a one- to six-family owner-occupied residence or dwelling.

   Please note: for purposes of determining whether the maximum principal amount secured is $3,000,000 or more as described above, the amounts secured by two or more credit line mortgages may be aggregated under certain circumstances. See TSB-M-96(6)-R for more information regarding these aggregation requirements.

   ☐ Other *(attach detailed explanation)*.

3. ☐ The real property being transferred is presently subject to an outstanding credit line mortgage. However, no tax is due for the following reason:

   ☐ A certificate of discharge of the credit line mortgage is being offered at the time of recording the deed.

   ☐ A check has been drawn payable for transmission to the credit line mortgagee or his agent for the balance due, and a satisfaction of such mortgage will be recorded as soon as it is available.

4. ☐ The real property being transferred is subject to an outstanding credit line mortgage recorded in ____________ (insert liber and page or reel or other identification of the mortgage). The maximum principal amount of debt or obligation secured by the mortgage is ____________. No exemption from tax is claimed and the tax of ____________ is being paid herewith. *(Make check payable to county clerk where deed will be recorded or, if the recording is to take place in New York City but not in Richmond County, make check payable to the **NYC Department of Finance.**)*

Signature (both the grantor(s) and grantee(s) must sign)

The undersigned certify that the above information contained in schedules A, B, and C, including any return, certification, schedule, or attachment, is to the best of his/her knowledge, true and complete, and authorize the person(s) submitting such form on their behalf to receive a copy for purposes of recording the deed or other instrument effecting the conveyance.

[signature]	Exec. Vice Pres.	[signature]	Exec. Vice Pres.
Grantor signature	Title	Grantee signature	Title
Grantor signature	Title	Grantee signature	Title

Reminder: Did you complete all of the required information in Schedules A, B, and C? Are you required to complete Schedule D? If you checked *e*, *f*, or *g* in Schedule A, did you complete Form TP-584.1? Have you attached your check(s) made payable to the county clerk where recording will take place or, if the recording is in the New York City boroughs of Manhattan, Bronx, Brooklyn, or Queens, to the ***NYC Department of Finance***? If no recording is required, send your check(s), made payable to the ***Department of Taxation and Finance,*** directly to the NYS Tax Department, RETT Return Processing, PO Box 5045, Albany NY 12205-5045.

Schedule D - Certification of exemption from the payment of estimated personal income tax (Tax Law, Article 22, section 663)

Complete the following only if a fee simple interest or a cooperative unit is being transferred by an individual or estate or trust.

If the property is being conveyed by a referee pursuant to a foreclosure proceeding, proceed to Part II, and check the second box under *Exemptions for nonresident transferor(s)/seller(s)* and sign at bottom.

Part I - New York State residents

If you are a New York State resident transferor(s)/seller(s) listed in Schedule A of Form TP-584 (or an attachment to Form TP-584), you must sign the certification below. If one or more transferors/sellers of the real property or cooperative unit is a resident of New York State, **each** resident transferor/seller must sign in the space provided. If more space is needed, please photocopy this Schedule D and submit as many schedules as necessary to accommodate all resident transferors/sellers.

Certification of resident transferor(s)/seller(s)

This is to certify that at the time of the sale or transfer of the real property or cooperative unit, the transferor(s)/seller(s) as signed below was a resident of New York State, and therefore is not required to pay estimated personal income tax under Tax Law, section 663(a) upon the sale or transfer of this real property or cooperative unit.

Signature	Print full name	Date
Signature	Print full name	Date
Signature	Print full name	Date
Signature	Print full name	Date

Note: A resident of New York State may still be required to pay estimated tax under Tax Law, section 685(c), but not as a condition of recording a deed.

Part II - Nonresidents of New York State

If you are a nonresident of New York State listed as a transferor/seller in Schedule A of Form TP-584 (or an attachment to Form TP-584) but are not required to pay estimated personal income tax because one of the exemptions below applies under Tax Law, section 663(c), check the box of the appropriate exemption below. If any one of the exemptions below applies to the transferor(s)/seller(s), that transferor(s)/seller(s) is not required to pay estimated personal income tax to New York State under Tax Law, section 663. **Each** nonresident transferor/seller who qualifies under one of the exemptions below must sign in the space provided. If more space is needed, please photocopy this Schedule D and submit as many schedules as necessary to accommodate all nonresident transferors/sellers.

If none of these exemption statements apply, you must complete Form IT-2663, *Nonresident Real Property Estimated Income Tax Payment Form*, or Form IT-2664, *Nonresident Cooperative Unit Estimated Income Tax Payment Form*. For more information, see *Payment of estimated personal income tax*, on page 1 of Form TP-584-I.

Exemption for nonresident transferor(s)/seller(s)

This is to certify that at the time of the sale or transfer of the real property or cooperative unit, the transferor(s)/seller(s) (grantor) of this real property or cooperative unit was a nonresident of New York State, but is not required to pay estimated personal income tax under Tax Law, section 663 due to one of the following exemptions:

- ☐ The real property or cooperative unit being sold or transferred qualifies in total as the transferor's/seller's principal residence (within the meaning of Internal Revenue Code, section 121) from ________ (Date) to ________ (Date) *(see instructions)*.
- ☐ The transferor/seller is a mortgagor conveying the mortgaged property to a mortgagee in foreclosure, or in lieu of foreclosure with no additional consideration.
- ☐ The transferor or transferee is an agency or authority of the United States of America, an agency or authority of the state of New York, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Government National Mortgage Association, or a private mortgage insurance company.

Signature	Print full name	Date
Signature	Print full name	Date
Signature	Print full name	Date
Signature	Print full name	Date

TP-584.1 (11/09)

New York State Department of Taxation and Finance

Real Estate Transfer Tax Return Supplemental Schedules

For office use only

Attach this form with the applicable schedule completed to Form TP-584 for the following conveyances:

- **Conveyances pursuant to or in lieu of foreclosure or pursuant to a secured party's enforcement of a lien or other security interest**
- **Conveyances that consist of a mere change of identity or form of ownership or organization**
- **Conveyances for which credit for tax previously paid will be claimed**

Please print or type

Name of Grantor *(as shown on Form TP-584)* DealerTrack, Inc.	Grantor's social security number or EIN 13-4115448
Name of Grantee *(as shown on Form TP-584)* Cox Automotive, Inc.	Grantee's social security number or EIN 58-1936036
Location of property conveyed *(as shown on Form TP-584)* 3400 New Hyde Park Road, North Hills, New York	

Schedule E - Conveyance pursuant to or in lieu of foreclosure or pursuant to a secured party's enforcement of a lien or other security interest ***(Complete the applicable part if condition "e" was checked in Schedule A, Form TP-584)***

Part I - Conveyance pursuant to a mortgage foreclosure or any other action governed by the Real Property Actions and Proceedings Law

1	Amount of foreclosure judgment or bid price *(see instructions)*	1	
2	Amount of any other liens or encumbrances (not included on line 1) remaining on property after the conveyance	2	
3	Add lines 1 and 2 *(if debt is nonrecourse, skip line 4 and enter this amount on line 5)*	3	
4	If recourse debt, enter the fair market value of real property *(see instructions)*	4	
5	Consideration for conveyance *(if recourse debt, enter the amount from line 3 or line 4, whichever is lower; also enter on Form TP-584, Schedule B, Part I, line 1)*	5	

Part II - Conveyance to a mortgagee or lienor in lieu of foreclosure

6	Unpaid balance of debt secured by mortgage *(see instructions)*	6	
7	Amount of any other liens or encumbrances (not included on line 6) remaining on property after the conveyance	7	
8	Add lines 6 and 7 *(if debt is nonrecourse, skip line 9 and enter this amount on line 10)*	8	
9	If recourse debt, enter the fair market value of real property *(see instructions)*	9	
10	If recourse debt, enter the amount from line 8 or line 9, whichever is lower	10	
11	Any other amount paid by the grantee to the grantor for the real property	11	
12	Consideration for conveyance *(add lines 10 and 11; enter here and on Form TP-584, Schedule B, Part I, line 1)*	12	

Part III - Conveyance of real property in lieu of or pursuant to a secured party's enforcement of a lien, security interest or other rights on or in shares of stock in a cooperative housing corporation and/or associated proprietary lease(s)

13	Unpaid balance of debt secured by the pledge of the shares of stock in the cooperative housing corporation and/or associated proprietary lease(s) *(see instructions)*	13	
14	Amount of any other liens, security interest or other obligations (not included on line 13) remaining on the shares of stock in the cooperative housing corporation and/or associated proprietary lease(s) after the conveyance	14	
15	Add lines 13 and 14 *(if debt is nonrecourse, skip line 16 and enter this amount on line 17)*	15	
16	If recourse debt, enter fair market value of the shares of stock in the cooperative housing corporation and/or associated proprietary lease(s) *(see instructions)*	16	
17	If recourse debt, enter the amount from line 15 or line 16, whichever is lower	17	
18	Pro rata portion of the total amount of any liens or encumbrances remaining on the real property of the cooperative housing corporation after the conveyance *(see instructions)*	18	
19	Any other amount paid by the grantee to the grantor for the conveyance	19	
20	Consideration for conveyance *(add lines 17, 18 and 19; enter amount here and on Form TP-584, Schedule B, Part I, line 1)*	20	

Part IV - Conveyance of real property in lieu of or pursuant to a secured party's enforcement of a lien, security interest or other rights on or in shares of stock, partnership interests or other instruments (i.e., transfer or acquisition of a controlling interest in any entity with an interest in real property)

21	Unpaid balance of debt secured by the pledge of the ownership interest in the entity	21	
22	Amount of any other liens, security interests or obligations (not included on line 21) remaining on the ownership interest in the entity after the conveyance	22	
23	Amount of any liens or encumbrances remaining on the real property of the entity after the conveyance, multiplied by the percentage in the entity being transferred or acquired	23	
24	Amount of any other debt or obligation of the entity, multiplied by the percentage in the entity being transferred or acquired	24	
25	Any other amount paid by the grantee to the grantor for the conveyance	25	
26	Total *(add lines 21 through 25)*	26	
27	Apportionment of amount on line 26 *(see instructions)*	27	
28	Fair market value of real property multiplied by the percentage in the entity being transferred or acquired	28	
29	Consideration for conveyance *(enter the amount from line 27 or line 28, whichever is less; also enter on Form TP-584, Schedule B, Part I, line 1)*	29	

Schedule F - Conveyance that consists of a mere change of identity or form of ownership or organization *(Complete if condition "f" was checked in Schedule A, Form TP-584)*

30	Fair market value of real property at time of conveyance $31,429,090 (880) + $817,800.00 (881)	30	$32,246,891.00
31	Percentage of interest conveyed not subject to the mere change exemption	31	0.0%
32	Consideration for conveyance *(multiply line 30 by line 31; enter amount here and on Form TP-584, Schedule B, Part I, line 1)*	32	0.00
33	Continuing lien deduction, if applicable *(see instructions and multiply continuing lien, if any, by percentage of interest conveyed on line 31; enter amount here and on Form TP-584, Schedule B, Part I, line 2)*	33	
34	Taxable consideration *(subtract line 33 from line 32; enter amount here and on Form TP-584, Schedule B, Part I, line 3)*	34	0.00

Schedule G - Conveyance for which credit for tax previously paid will be claimed *(Complete the applicable part if condition "g" was checked in Schedule A, Form TP-584)*

Part I - Computation of credit against tax due on conveyance to the extent tax was paid by grantor on a prior creation of leasehold

35	Value of consideration grantor is not entitled to receive after conveyance *(see instructions)*	35	
36	Value of consideration used in original computation to determine the transfer tax due *(see instructions)*	36	
37	Percentage of credit to be applied *(divide line 35 by line 36)*	37	
38	Transfer tax paid by grantor on prior grant of leasehold *(attach copy of original Form TP-584 previously filed and proof of payment)*	38	
39	Amount of credit to be applied to transfer tax due on current conveyance *(multiply line 37 by line 38; enter amount here and on Form TP-584, Schedule B, Part I, line 5)*	39	

Part II - Computation of credit against tax due on conveyance of cooperative shares to the extent tax was paid on conveyance to the cooperative housing corporation

40	Number of shares allocated to the unit(s) for which proprietary leasehold(s) is being granted	40	
41	Total number of shares of stock in the cooperative housing corporation	41	
42	Percentage of credit to be applied *(see instructions and divide line 40 by line 41)*	42	
43	Transfer tax paid on conveyance of the real property to the cooperative housing corporation *(attach copy of original TP-584 previously filed and proof of payment)*	43	
44	Percentage of interest that would have qualified as a mere change on conveyance to cooperative housing corporation	44	
45	Proportionate amount of transfer tax paid on conveyance *(multiply line 43 by line 44)*	45	
46	Amount of credit to be applied to transfer tax due on conveyance of units for which proprietary leasehold(s) is being granted *(multiply line 42 by line 45; enter amount here and on Form TP-584, Schedule B, Part I, Line 5)*	46	

Instructions

Purpose of Form TP-584.1

This form must be completed and filed with Form TP-584 for all conveyances that are pursuant to or in lieu of foreclosure or any other action governed by the Real Property Actions and Proceedings Law and for conveyances pursuant to a secured party's enforcement of a lien or other security interest, except for such conveyances where part of the debt is recourse and part of the debt is nonrecourse (see Schedule E), for conveyances that consist in whole or in part of a mere change of identity or form of ownership or organization (see Schedule F), and for conveyances for which a credit will be claimed for tax previously paid (see Schedule G).

Specific Instructions

Schedule E

For purposes of Schedule E, **continuing liens** are liens or encumbrances that after the conveyance, remain either on the real property, the shares of stock in the cooperative housing corporation and/or proprietary lease(s) or the ownership interest in the entity, depending on whether the conveyance is the type described in Part I, II, III or IV of Schedule E.

Pursuant to section 575.11(a)(2)(ii) of the real estate transfer tax regulations, a debt is **recourse debt** to the extent that, as of the date of conveyance, the grantor or a person related to the grantor, including any guarantor, bears the economic risk of loss for the debt beyond any loss attributable to the value of the property securing the debt.

A grantee is **related** to the mortgagee or lienor to the extent that the mere change of identity or form of ownership exemption, as provided in section 1405(b)(6) of the Tax Law, would apply to a conveyance by the mortgagee or lienor to the grantee.

Where the grantee is the mortgagee or lienor, as in the type of conveyances described in Parts I and II or the secured party, as in the type of conveyances described in Parts III and IV, or its agent, nominee or an entity wholly owned by such mortgagee, lienor or secured party, Schedule E may be used only if the debt, including continuing liens, is either **all recourse** or **all nonrecourse.** If the debt is not either all recourse or all nonrecourse, do not use Schedule E. Attach a separate schedule setting forth the method of computation.

Part I

Line 1 — If real property is being conveyed pursuant to a mortgage foreclosure or any other action governed by the Real Property Actions and Proceedings Law and the grantee is the mortgagee or lienor, its agent, nominee or an entity wholly owned by the mortgagee or lienor, enter the amount of judgment of foreclosure or the bid price, whichever is higher. The amount of judgment of foreclosure includes any interest accrued through the date of transfer.

If the grantee is a person unrelated to the mortgagee or lienor, regardless whether the debt is recourse or nonrecourse, enter the bid price.

If the grantee is an entity partially owned by the mortgagee or lienor and partially owned by a person unrelated to the mortgagee or lienor, enter the sum of (1) the amount of judgment of foreclosure or the bid price, whichever is higher, multiplied by the percentage that represents the mortgagee's or lienor's beneficial interest in the grantee and (2) the bid price multiplied by the percentage that represents the unrelated person's beneficial interest in the grantee.

For this computation, the grantee is deemed to be the party who ultimately acquires the real property as a result of a mortgage foreclosure sale.

Example: *X, a mortgagee, has the highest bid at a foreclosure sale. X assigns the bid to an unrelated third party, Z, who ultimately acquires the property. Z is the grantee. The consideration for the conveyance of the real property is the bid price paid by Z to the referee.*

Line 2 — Enter the amount of any continuing liens. Do not include the amount of any liens or encumbrances included on line 1.

Line 3 — Add lines 1 and 2. If debt is **nonrecourse** or if the grantee is a person unrelated to the mortgagee or lienor, skip line 4 and enter the line 3 amount on line 5.

Line 4 — Where the debt is **recourse debt** and the grantee is the mortgagee or lienor, its agent, nominee or an entity wholly owned by the mortgagee or lienor, enter the fair market value of the real property.

Where the grantee is an entity partially owned by the mortgagee or lienor and partially owned by a person unrelated to the mortgagee or lienor, if the percentage that represents the mortgagee's or lienor's beneficial interest in the grantee multiplied by the sum of the higher of the judgment of foreclosure or bid price and any continuing liens, exceeds the fair market value of the real property multiplied by such mortgagee's or lienor's percentage, enter the sum of (1) the fair market value of the real property multiplied by the percentage that represents the mortgagee's or lienor's beneficial interest in the grantee, and (2) the bid price plus continuing liens multiplied by the percentage that represents the unrelated person's ownership interest in the grantee.

Line 5 — If debt is recourse, enter line 3 or line 4, whichever is lower. If debt is nonrecourse or if the grantee is a person unrelated to the mortgagee or lienor, enter the amount from line 3. This is the amount of consideration to be entered on Form TP-584, Schedule B, Part I, line 1.

Attach a copy of the referee's report of sale, if available.

Part II

Line 6 — If real property is being conveyed to a mortgagee or lienor, or its agent, nominee or an entity wholly owned by the mortgagee or lienor, in lieu of an action to foreclose a mortgage or lien, enter the unpaid balance of the debt secured by the mortgage or lien. The unpaid balance of the debt includes the principal, interest and other accruals secured by the mortgage or lien.

Line 7 — Enter the amount of any continuing liens. Do not include the amount of any liens or encumbrances included on line 6.

Line 8 — Add lines 6 and 7. If debt is **nonrecourse**, skip line 9 and enter the line 8 amount on line 10.

Line 9 — Where the debt is **recourse**, and the grantee is the mortgagee or lienor, its agent, nominee or an entity wholly owned by the mortgagee or lienor, enter the fair market value of the real property.

Line 10 — If debt is recourse, enter the amount from line 8 or line 9, whichever is lower. If debt is nonrecourse, enter the amount from line 8.

Line 11 — Enter any other amount paid by the grantee to the grantor for the real property.

Line 12 — Add lines 10 and 11. This the amount of consideration to be entered on Form TP-584, Schedule B, Part I, line 1.

Part III

Line 13 — Where the conveyance is to a secured party, or its agent, nominee or an entity owned by the secured party, who is enforcing a lien, security interest or other rights on or in shares of stock in a cooperative housing corporation and/or associated proprietary lease(s), enter the unpaid balance of the debt secured by the pledge of the shares of stock in the cooperative housing corporation and/or associated proprietary lease(s). The unpaid balance of the debt includes the principal, interest and other accruals secured by the pledge of the shares and/or associated proprietary lease(s).

Line 14 — Enter the amount of any continuing liens, security interests or other obligations remaining on the shares of stock in the cooperative housing corporation and/or associated proprietary lease(s) after the conveyance. Do not include the amount of any liens, security interests or other obligations included on line 13.

Line 15 — Add lines 13 and 14. If debt is **nonrecourse**, skip line 16 and enter the line 15 amount on line 17.

Line 16 — Where the debt is **recourse** and the grantee is the secured party, or its agent, nominee or an entity wholly owned by the secured party, who is enforcing a lien, security interest or other rights on or in shares of stock in a cooperative housing corporation and/or associated proprietary lease(s), enter the fair market value of the shares of stock in the cooperative housing corporation and/or associated proprietary lease(s).

Line 17 — If debt is recourse, enter the amount from line 15 or line 16, whichever is lower. If debt is nonrecourse, enter the amount from line 15.

Line 18 — If the conveyance is the original conveyance of shares of stock in a cooperative housing corporation by the cooperative corporation or cooperative plan sponsor, or the subsequent conveyance of stock in a cooperative housing corporation for a unit **other than an individual residential unit**, enter the pro rata portion of the total amount of any liens or encumbrances that remain on the real property of the cooperative housing corporation after the conveyance. The pro rata portion is determined by multiplying the total unpaid principal of the mortgage by a fraction, the numerator of which is the number of shares of stock in the cooperative housing corporation being conveyed in connection with the transfer of the proprietary lease(s) and the denominator is the total number of shares of stock in the cooperative housing corporation.

Line 19 — Enter any other amount paid by the grantee to the grantor for the conveyance.

Line 20 — Add lines 17, 18 and 19. This is the amount of consideration to be entered on Form TP-584, Schedule B, Part I, line 1.

Part IV

Line 21 — If the conveyance is to a secured party, or its agent, nominee or an entity owned by the secured party, who is enforcing a lien, security interest or other rights on or in shares of stock, partnership interests or other instruments (i.e., the transfer or acquisition of a controlling interest in an entity with an interest in real property), enter the unpaid balance of the debt secured by the pledge of the ownership interest in the entity. The unpaid balance of the debt includes the principal, interest and other accruals secured by the pledge of the ownership interest.

Line 22 — Enter the amount of any other liens, security interests or other obligations remaining on the ownership interest in the entity after the conveyance. Do not include the amount of any liens, security interests or other obligations included on line 21.

Line 23 — Enter the amount of any liens or encumbrances remaining on the real property of the entity multiplied by the percentage in the entity being transferred or acquired.

Line 24 — Enter the amount of any other debt or obligation of the entity multiplied by the percentage in the entity being transferred or acquired. Do not include the amount of any other debt or obligation of the entity included on line 23.

Line 25 — Enter any other amount paid by the grantee to the grantor for the conveyance.

Line 27 — Enter the apportionment of line 26 to the interest in real property owned by the entity. The apportionment is determined by multiplying line 26 by a fraction, the numerator of which is the fair market value of the real property located in New York State that is owned by the entity and the denominator is the fair market value of all assets owned by the entity.

Line 28 — Enter the fair market value of the real property as of the date of conveyance multiplied by the percentage in the entity being transferred or acquired.

Line 29 — Enter the amount from line 27 or line 28, whichever is less. This is the amount of consideration to be entered on Form TP-584, Schedule B, Part I, line 1.

Schedule F

Section 1405(b)6 of the Tax Law provides exemption from the real estate transfer tax to the extent a conveyance consists in whole or in part of a mere change of identity or form of ownership or organization where there is no change in beneficial interest.

To determine the consideration for the conveyance, multiply the fair market value of the real property at the time of conveyance by the percentage of interest not subject to the mere change exemption.

Generally, the fair market value of the real property is to be determined by appraisal. It is the amount a willing buyer would pay a willing seller for the real property. It is not the net fair market value, which deducts mortgages on the property from fair market value.

When determining the taxable consideration, the consideration may be reduced by the amount of continuing liens remaining on the property at the time of conveyance multiplied by the percentage of interest not subject to the mere change exemption. Please refer to Page 2 of Form TP-584-I for additional information on the continuing lien deduction.

Example: *B owns real property with a fair market value of $2 million. B conveys the property to a partnership in exchange for a 30% interest in the partnership's assets. Although B has conveyed all of the real property to a partnership, he is entitled to a mere change exemption from the tax to the extent of his interest in the partnership. The consideration for the conveyance will be deemed to be $1,400,000 ($2,000,000 multiplied by the interest not subject to the mere change exemption).*

Line 30 — Enter the fair market value of the real property at the time of the conveyance. Attach evidence to support the fair market value.

Line 31 — Enter the percentage that represents the change in beneficial ownership. Round the percentage to four decimal places.

Line 32 — Multiply line 30 by line 31. This is the consideration for the conveyance. Enter this amount on Form TP-584, Schedule B, Part I, line 1.

Line 33 — Enter the proportionate amount, if any, of the continuing lien deduction. The proportionate amount of continuing liens means the amount of any continuing lien multiplied by the percentage not subject to the mere change exemption. Enter this amount on Form TP-584, Schedule B, Part I, line 2. A continuing lien is a mortgage or lien on the real property assumed or taken subject to and not an acquisition mortgage or lien placed on the real property by the grantee upon acquisition of the real property. See page 2 of Form TP-584-I for additional criteria that must be met to claim the continuing lien deduction.

Line 34 — Subtract line 33 from line 32. This is the taxable consideration. Enter this amount on Form TP-584, Schedule B, Part I, line 3.

Schedule G, Part I

A grantor will be allowed a credit against the real estate transfer tax on the conveyance of real property, but only to the extent that the tax was paid by the grantor on a prior leasehold grant of all or a portion of the same real property or on the granting of an option or contract to purchase all or a portion of the same real property, by the grantor.

The credit is computed by multiplying the tax paid on the leasehold grant or the granting of the option or contract to purchase by a fraction. The numerator of the fraction is the value of the consideration used to compute the tax previously paid that the grantor will not be entitled to receive after the conveyance of the real property. The denominator is the total value of the consideration used to compute the tax previously paid.

Example: *Z enters into a lease with Y for a term of 5 years with an option to purchase the real property in any year throughout the term of the lease. The annual rent for the term of the lease is $50,000. Since this conveyance consists of an option conveyed with use and occupancy, the present value of the rental payments for the term of the lease is subject to transfer tax.*

For purposes of this illustration, assume the taxable consideration for the conveyance is $189,540.

Therefore, at a rate of $2 for each $500, or fractional part of the taxable consideration, the transfer tax on the leasehold grant is $760.

In the second year, Y exercises the option to purchase the real property for $500,000. The present value of the consideration for the three remaining years of the lease is $113,040.

The applicable credit and tax on the conveyance of the property is computed as follows:

a. Credit Computation

Transfer Tax Paid	×	Value of Consideration Z is not entitled to receive / Taxable Consideration	=	Amount of credit
$760	×	$113,040 / $189,530	=	$453

b. Computation of Tax on Conveyance Less Credit

Consideration Paid by Y	$500,000
Transfer Tax ($2 for each $500 of consideration)	$2,000
Less credit for tax previously paid	– 453
Total tax due on current conveyance	$1,547

Line 35 — Enter the amount of consideration the grantor is not entitled to receive after the conveyance. This amount is the present value of the remaining net rental payments, included in the taxable consideration on the leasehold grant, that will not be received as a result of the present conveyance.

Line 36 — Enter the amount of the taxable consideration originally used in computing the tax on the leasehold grant.

Line 37 — Enter the percentage of credit to be applied to the tax on the conveyance of the real property by dividing line 35 by line 36. Round the percentage to four decimal places.

Line 38 — Enter the amount of transfer tax paid by the grantor on the prior leasehold grant or on the granting of an option or contract to purchase all or a portion of the same real property. Attach a copy of the original Form TP-584 filed and proof of payment.

Line 39 — Multiply line 37 by line 38. This is the amount of credit to be applied to the tax on the current conveyance. Enter this amount on Form TP-584, Schedule B, Part I, line 5.

Part II

A credit will be allowed upon the original conveyances of shares of stock in a cooperative housing corporation in connection with the grant or transfer of a proprietary leasehold by the cooperative corporation or cooperative plan sponsor, provided the first conveyance of shares of stock takes place within 24 months from the conveyance of the real property to the cooperative housing corporation. The credit is limited to the proportionate part of the tax paid when the real property was conveyed to the cooperative housing corporation, to the extent that the conveyance would have otherwise resulted in a mere change of identity or form of ownership of the property with no change in beneficial ownership.

The credit is determined by multiplying the amount of tax paid upon the conveyance of the real property to the cooperative housing corporation by the percentage that represents the extent to which the conveyance would have resulted in a mere change of identity. The resulting product is then multiplied by a fraction. The numerator is the number of shares of stock conveyed when the proprietary leasehold was granted or transferred; the denominator is the total number of shares of stock of the cooperative housing corporation. In no event will the credit reduce the tax on the conveyance below zero.

Line 40 — Enter the number of shares allocated to the unit(s) for which proprietary leasehold(s) are being granted.

Line 41 — Enter the total number of shares of stock in the cooperative housing corporation.

Line 42 — Divide line 40 by line 41. Round the percentage to four decimal places. This is the percentage of credit to be applied to the tax paid on the conveyance to the cooperative housing corporation.

Line 43 — Enter the amount of transfer tax paid on the conveyance of the real property to the cooperative housing corporation. Attach a copy of the original TP-584 filed and proof of payment.

Line 44 — Enter the percentage of interest that would have qualified as a mere change when the real property was conveyed to the cooperative housing corporation. See the instructions for completing Schedule F (this form) for information on a conveyance that would qualify as a mere change of identity. Round the percentage to four decimal places.

Line 45 — Multiply line 43 by line 44. This is the proportionate amount of the tax paid on the conveyance of the real property to the cooperative housing corporation that would have otherwise qualified as a mere change.

Line 46 — Multiply line 42 by line 45. This is the amount of credit to be applied to the tax due on the conveyance of the unit(s) for which the proprietary leasehold(s) is being granted. Enter this amount on Form TP-584, Schedule B, Part I, line 5.

Example: *Taxpayer A conveyed a 100-unit apartment building to a cooperative housing corporation (CHC) on January 1, for a consideration of $5 million and paid transfer tax of $20,000 ($2 for each $500 of consideration). Taxpayer A receives 1,000 shares from the CHC (10 shares allocated to each unit).*

On February 1, Taxpayer A conveys Unit 1A to Taxpayer B for $100,000.

The credit is computed as follows:

32. Number of shares allocated to the unit conveyed	10
33. Total number of shares of stock in CHC	1,000
34. Percentage of credit to be applied	.0100
35. Tax paid on conveyance to CHC	$20,000
36. Percentage of interest that would have qualified as a mere change to CHC	100%
37. Proportionate amount of tax paid on conveyance	$20,000
38. Amount of credit to be applied to tax on conveyance of Unit 1A ($20,000 x .0100)	$200

Information and assistance

If you need help, call (518) 457-5181; in-state callers with free long distance call 1 888 698-2914.