

AMENDMENT NO. 2 TO SUBLEASE AGREEMENT

THIS AMENDMENT NO. 2 TO SUBLEASE AGREEMENT (this "Amendment") dated as of August 21, 2017, by and between 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"), and PLAZA LANDMARK LLC, a limited liability company duly organized and existing under the laws of the State of New York, having an office c/o Lalezarian Developers, Inc., 1999 Marcus Avenue, Suite 310, Lake Success, NY 11042 (the "Company").

W I T N E S S E T H:

WHEREAS, the Company presented an application, including a cost benefit analysis, to the Agency, requesting that the Agency consider undertaking a project (the "Project") consisting of the following: (A)(1) the acquisition of an interest in an approximately 1.2 acre parcel of land located at 245-265 Great Neck Road, Village of Great Neck Plaza, Town of North Hempstead, County of Nassau, New York (Section: 2; Block: 376; Lot: 57) (collectively, the "Land"), (2) the construction of an approximately 100,000 square foot building on the Land, together with underground parking and other related improvements to the Land (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 for use by the Company as a 93-unit residential rental facility a portion of are affordable units (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, including potential exemptions or partial exemptions from sales and use taxes, mortgage recording taxes and real property taxes (the "Financial Assistance"); and (C) the lease, 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 appointed the Company as agent of the Agency to undertake the acquisition, construction, installation and equipping of the Project Facility and the Agency has leased the Project Facility to the Company, all pursuant to the terms and conditions set forth in the Sublease Agreement dated as of September 1, 2011, as amended by the First Amendment to Sublease Agreement dated as of February 6, 2014, between the Company and the Agency (as amended, modified, supplemented or restated to date, the "Lease"), and the other Transaction Documents (as defined in the Lease); and

WHEREAS, the Company requested that the Agency consent to the amendment of the Lease as hereinafter set forth; and

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 Company and the Agency mutually covenant, warrant and agree as follows:

ARTICLE I 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.

ARTICLE II AMENDMENTS.

SECTION 2.1 Subsection (M) of Section 2.2 of the Lease is amended and restated in its entirety to read as follows:

“(M) The Company shall, subject to the provisions of Section 8.11(E) of this Lease, create or cause to be created (whether by its Affiliates, contractors or agents) (i) at least fifteen (15) new, full-time equivalent, private sector jobs in the State of New York within one (1) year after the Scheduled Completion Date as described in the Application (i.e., 1 management and 14 building maintenance jobs) and maintain such jobs throughout the term of this Lease, (ii) at least one (1) additional new, full-time equivalent, private sector job in the State of New York within three (3) years after the Scheduled Completion Date as described in the Application (i.e., 1 additional building maintenance job) and maintain such job throughout the term of this Lease, and (iii) at least one hundred seventy-five (175) new, full-time equivalent, private sector construction jobs during the period from the Closing Date until the Completion Date; all of which jobs shall, at all times during the term of this Lease, be located at the Project Facility (collectively, the “Minimum Employment Requirement”).”

SECTION 2.2 Subsection (E) of Section 8.11 of the Lease is amended and restated in its entirety to read as follows:

“(E) The Company shall, at all times during the term of this Lease, maintain or cause to be maintained the Minimum Employment Requirement; provided, however, that if the Company shall fail to meet the Minimum Employment Requirement in any calendar year or years by no more than two (2) full-time equivalent, private-sector jobs, the Company shall notify the Agency in writing of such failure (a “Deficiency Notice”) within thirty (30) days of the earlier of the date that management of the Company (other than members of management that customarily work at the Project Facility) becomes aware of such failure or the date

the Company receives notice of such failure from the Agency, whereupon the Company shall have the right to remedy such failure by providing additional full-time equivalent private sector jobs in excess of the Minimum Employment Requirement at the Project Facility for the entire next full calendar year after the giving of the Deficiency Notice in an amount equal to or greater than the annualized applicable deficiency, in which case the Minimum Employment Requirement shall be deemed satisfied for the calendar year(s) of the deficiency. The Company may exercise such right only by committing to remediate (in the manner set forth above) the deficiency in the Deficiency Notice. By way of example of the foregoing and not in limitation thereof, if in one (1) full calendar year the Company maintains fourteen (14) full-time equivalent private sector jobs at the Project Facility (it being acknowledged that the required amount is sixteen (16) full-time equivalent private sector jobs at the Project Facility, as set forth in Section 2.2(M) of this Lease), and for the entire next full calendar year following the giving of the Deficiency Notice the Company maintains eighteen (18) full-time equivalent private sector jobs at the Project Facility, then in such event the Company shall be deemed to have complied with the Minimum Employment Requirement for both the calendar year of such deficiency and the calendar year during which such deficiency is remediated. Similarly, if the Company maintains fourteen (14) full-time equivalent private sector jobs at the Project Facility in two (2) full calendar years, the Company may remediate such deficiency by maintaining twenty (20) full-time equivalent private sector jobs at the Project Facility for the entire next full calendar year following the giving of the Deficiency Notice. The Minimum Employment Requirement shall revert to sixteen (16) full-time equivalent private sector jobs at the Project Facility in the calendar year following the calendar year in which the Company makes up such deficiency. A deficiency of more than two (2) full-time equivalent private sector jobs with respect to any calendar year shall not be subject to the foregoing notice and remediation right.”

SECTION 2.3 Clause (20) of Subsection (A) of Section 10.1 of the Lease is amended and restated in its entirety to read as follows:

“(20) If the Company shall fail to maintain or cause to be maintained the Minimum Employment Requirement at any time during the term of this Lease, subject to the provisions of Section 8.11(E) of this Lease.”

SECTION 2.4 Clause (5) of Subsection (C) of Section 11.4 of the Lease is amended and restated in its entirety to read as follows:

“(5) The Company fails to maintain or cause to be maintained the Minimum Employment Requirement at any time during the term of this Lease, subject to the provisions of Section 8.11(E) of this Lease; or”

ARTICLE III CONDITIONS.

SECTION 3.1 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 Company and the Agency of this Amendment or counterparts of this Amendment;
- (B) the Company shall 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 the Agency a consent fee in the amount of \$1,000 and shall pay all fees and expenses (including 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.

ARTICLE IV MISCELLANEOUS.

SECTION 4.1 Representations and Warranties.

(A) All terms, conditions, covenants, representations and warranties of the Company contained in the Transaction Documents, except as expressly modified hereby, are ratified, confirmed and reaffirmed 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. To the actual knowledge of the Company, all representations and warranties of the Company contained in the Transaction Documents remain true and accurate in all material respects.

(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 Company represents and warrants to the Agency that no Event of Default specified in any of the Transaction Documents has occurred and, to its actual knowledge after diligent inquiry, no event which with notice or lapse of time or both would become such an Event of Default has occurred and is continuing.

SECTION 4.2 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 satisfactory in form and substance to the Agency.

SECTION 4.3 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 4.4 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 4.5 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 4.6 Successors and Assigns. The Company and the Agency, as such terms are used herein, shall include the legal representatives, successors and assigns of those parties.

SECTION 4.7 Counterparts; Electronic Transmission. This Amendment may be executed in any number of counterparts and by 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. This Amendment may be modified only by a written agreement signed by Authorized Representatives of the Agency and the Company. Delivery of an executed counterpart of a signature page of this Amendment by facsimile or e-mail shall be effective as delivery of a manually executed counterpart of this Amendment.

SECTION 4.8 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 4.9 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 4.10 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.

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

Company:

PLAZA LANDMARK LLC

By: PLAZA LANDMARK HOLDINGS LLC,
its sole member

By: 
Kevin Lalezarian
Managing Member

Agency:

NASSAU COUNTY INDUSTRIAL
DEVELOPMENT AGENCY

By: _____
Joseph J. Kearney
Executive Director

[SIGNATURE PAGE TO AMENDMENT
NO. 2 TO SUBLEASE AGREEMENT]

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

Company:

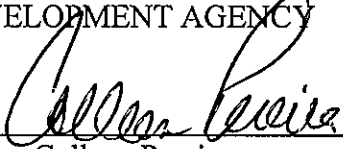
PLAZA LANDMARK LLC

By: PLAZA LANDMARK HOLDINGS LLC,
its sole member

By: _____
Kevin Lalezarian
Managing Member

Agency:

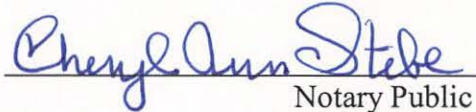
NASSAU COUNTY INDUSTRIAL
DEVELOPMENT AGENCY

By:  _____
Colleen Pereira
Administrative Director

[SIGNATURE PAGE TO AMENDMENT
NO. 2 TO SUBLEASE AGREEMENT]

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

On the 1st day of August, 2017, before me, the undersigned, personally appeared Kevin Lalezarian, 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

Cheryl Ann Stebe
Notary Public, State of New York
Qualified in Suffolk County
No. 01ST6170616
Commission Expires July 9, 2019

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

On the ____ day of August, 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

[NOTARY PAGE TO AMENDMENT
NO. 2 TO SUBLEASE AGREEMENT]

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

On the ____ day of August, 2017, before me, the undersigned, personally appeared Kevin Lalezarian, 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

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

On the 28th day of August, 2017, before me, the undersigned, personally appeared Colleen Pereira, 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 she executed the same in her capacity, and that by 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, 2013 *2015*

[NOTARY PAGE TO AMENDMENT
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