

**AUTHORIZING RESOLUTION**  
(Eastdale Village 2018 Project – Phase III)

At a regular meeting of the Dutchess County Industrial Development Agency (the “Agency”) convened in public session at 8:00 a.m., local time at Three Neptune Road, Poughkeepsie, New York on the 22<sup>nd</sup> day of March, 2023, the following members of the Agency were:

PRESENT: Timothy Dean, Chairman  
Mark Doyle, Vice Chairman  
Kathleen M. Bauer, Secretary/Treasurer  
Alfred D. Torreggiani  
Ronald J. Piccone, II  
Amy L. Bombardieri

ABSENT: Donald R. Sagliano

ALSO PRESENT: Sarah Lee, Executive Director  
Jane Denbaum, Chief Financial Officer  
Donald Cappillino, Counsel  
Elizabeth A. Cappillino, Counsel

After the meeting had been duly called to order, the Chairman announced that among the purposes of the meeting was to consider and take action on certain matters pertaining to a certain industrial development facility (Eastdale Village 2018 Project – Phase III) as more particularly described below:

**RESOLUTION OF THE DUTCHESS COUNTY INDUSTRIAL DEVELOPMENT AGENCY AUTHORIZING MORTGAGE FINANCING AND THE EXECUTION AND DELIVERY OF FINANCING DOCUMENTS IN CONNECTION THEREWITH FOR THE EASTDALE RESIDENTIAL III, LLC FACILITY AND APPROVING THE FORM, SUBSTANCE, EXECUTION AND DELIVERY OF SUCH OF RELATED DOCUMENTS.**

**WHEREAS**, by Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended and Chapter 335 of the Laws of 1977 of the State of New York (collectively, the “**Act**”), the Agency was created with the authority and power among other things, to assist with the acquisition of certain industrial development projects as authorized by the Act; and

**WHEREAS**, the Agency previously provided its assistance to MHTC Development, LLC, a limited liability company duly organized and validly existing under the laws of the State of Delaware and authorized to transact business in the State of New York (the “**Master Company**”), after the Master Company submitted an application (the “**Application**”) to the Agency for financial assistance to finance a project (the “**Master Project**”) in connection with the

construction, improvement, reconstruction, repair, renovation, installation, furnishing and equipping of a certain mixed use commercial facility (the “**Master Facility**”) in eight phases (which may include sub-phases), known as “Eastdale Village Town Center”, which financial assistance was approved by resolution dated August 7, 2018 (the “**Master Authorizing Resolution**”); and

**WHEREAS**, the Master Company and the Agency previously entered into a Master Company Lease Agreement, dated as of August 1, 2018 (the “**Master Company Lease**”), with respect to the Master Facility; and

**WHEREAS**, the Agency and the Master Company previously entered into a Master Lease and Project Agreement, dated as of August 1, 2018 (the “**Master Lease**”), whereby the Agency leased the Master Facility to the Master Company; and

**WHEREAS**, the Master Company has previously amended the Master Company Lease and Master Lease from time to time to allocate benefits and release portions of the Master Facility and has entered into agreements for the separate phases and subphases of the Master Project; and

**WHEREAS**, the Master Company and Eastdale Residential III, LLC, a limited liability company wholly owned by the Master Company, duly organized and validly existing under the laws of the State of Delaware and authorized to transact business in the State of New York, having offices c/o Kirchoff Companies, 45 Eastdale Avenue North, Suite 200, Poughkeepsie, New York 12603 (the “**Phase III Company**”) previously informed the Agency that it wished to commence the acquisition, construction and equipping of a phase the Master Project (the “**Phase III Project**”); and

**WHEREAS**, in connection therewith, the Phase III Company and the Agency previously entered into a Phase III Company Lease Agreement, dated as of June 1, 2021 (the “**Phase III Company Lease**”), with respect to the Phase III Facility; and

**WHEREAS**, in connection therewith and pursuant to the terms of the Master Lease, the portion of the Master Facility allocated to the Phase III Project (the “**Phase III Facility**”) was released from the Master Company Lease and the Master Lease; and

**WHEREAS**, the Agency and the Phase III Company previously entered into a Phase III Lease and Project Agreement, dated as of June 1, 2021 (the “**Phase III Lease**” and together with the Master Lease, the “**Lease Agreements**”), whereby the Agency leased the Phase III Facility to the Phase III Company; and

**WHEREAS**, the Phase III Company and the Agency previously entered into a Fee, Leasehold and Subleasehold Mortgage with M&T Bank, dated on or about June 30, 2021 (the “**Existing Mortgage**”), to secure payment of the Phase III Company’s indebtedness in the amount of \$31,077,318 (the “**Existing Mortgage Amount**”); and

**WHEREAS**, the Phase III Company has now requested that the Agency consent to enter into a refinancing with M&T Realty Capital Corporation (the “**Lender**”) with respect to the

Phase III Facility in the aggregate principal amount presently estimated to be \$35,500,000 (the “**Loan**”); and

**WHEREAS**, as security for such Loan being made to the Phase III Company by the Lender, the Company has submitted a request to the Agency that it join with the Company in executing and delivering to the Lender one or more mortgages and such other loan documents, satisfactory to the Agency, upon advice of counsel, in both form and substance, as may be reasonably requested by the Lender (the “**Loan Documents**”);

**WHEREAS**, the Company has also submitted a request to the Agency that the Loan Documents permit assignment of the Phase III Company Lease and the Phase III Lease to the Lender and certain other Lender designated entities as set forth in the Loan Documents upon an event of default under the Loan Documents;

**WHEREAS**, in connection with the refinancing, the Phase III Company is requesting an allocation from benefits previously granted to the Master Company of an additional \$33,750 in mortgage recording tax exemption benefits on a gap mortgage amount presently estimated to be \$4,500,000; and

**WHEREAS**, the Phase III Company is wholly owned by the Master Company and is a Related Person as defined in the Master Lease therefore, pursuant to the terms of the Master Lease, the allocation of benefits from the Master Company to the Phase III Company does not require additional Board approval; and

**WHEREAS**, the Phase III Company has agreed to indemnify the Agency against certain losses, claims, expenses, damages and liabilities that may arise in connection with the transaction contemplated by the financing or refinancing of the Phase III Facility and the continued leasing of the Phase III Facility.

**NOW, THEREFORE, BE IT RESOLVED**, by the Agency (a majority of the members thereof affirmatively concurring) as follows:

Section 1. The Agency hereby finds and determines:

(a) By virtue of the Act, the Agency has been vested with all powers necessary and convenient to carry out and effectuate the purposes and provisions of the Act and to exercise all powers granted to it under the Act; and

(b) The Phase III Facility continues to constitute a “project”, as such term is defined in the Act; and

(d) The refinancing of the Phase III Facility will promote and maintain the job opportunities, health, general prosperity and economic welfare of the citizens of Dutchess County and the State of New York and improve their standard of living and thereby serve the public purposes of the Act; and

(e) The refinancing of the Phase III Facility as contemplated in this resolution is reasonably necessary to induce the Phase III Company to maintain and expand their business

operations in the State of New York and to discourage the Phase III Company from removing their facility to a location outside the state and to preserve the competitive position of the Phase III Company in their respective industry; and

(f) Based upon representations of the Phase III Company and Company Counsel, the Phase III Facility continues to conform with the local zoning laws and planning regulations of Dutchess County and all regional and local land use plans for the area in which the Phase III Facility is located; and

(g) It is desirable and in the public interest for the Agency to approve the requested refinancing of the Phase III Facility; and

(i) The Loan Documents will be effective instruments whereby the Agency and the Phase III Company agree to secure the Loan and assign to the Lender their respective rights under the Lease Agreements (except the Agency's Unassigned Rights as defined therein).

Section 2. In consequence of the foregoing, the Agency hereby determines to: (i) grant a mortgage or mortgages on and security interest in and to the Phase III Facility pursuant to certain mortgages and security agreements for the benefit of the Lender (the "**Mortgage**"); (ii) execute, deliver and perform the Mortgage; and (iii) execute, deliver and perform the Loan Documents to which the Agency is a party, as may be necessary or appropriate to effect the Loan or any subsequent refinancing of the Mortgage.

Section 3. The Agency will be allocating additional mortgage recording tax exemption benefits from the Master Company to the Phase III Company as contemplated by the Master Lease Agreement and executing documents in connection therewith.

Section 4. Subject to the provisions of this resolution and the Lease Agreements, the Agency is hereby authorized to do all things necessary or appropriate for the execution, delivery and performance of the Loan Documents and the Mortgage, and such other related documents as may be necessary or appropriate to effect the Loan, or any subsequent refinancing of the Loan, and all acts heretofore taken by the Agency with respect to such financing or refinancing are hereby approved, ratified and confirmed. The Agency is hereby further authorized to execute and deliver any future documents in connection with any future refinancing or permanent financing of the Phase III Facility without need for any further or future approvals of the Agency.

Section 5.

(a) The Chairman, Vice Chairman, any member of the Agency or the Executive Director are hereby authorized, on behalf of the Agency, to execute and deliver the Mortgage and Loan Documents, in substantially the forms thereof presented to this meeting with such changes, variations, omissions and insertions as the Chairman, Vice Chairman, any member of the Agency or the Executive Director shall approve, and such other related documents as may be, in the judgment of the Executive Director and Agency Counsel and Transaction Counsel, necessary or appropriate to effect the transactions contemplated by this resolution (hereinafter collectively called the "**Agency Documents**"). The execution thereof by the Chairman, Vice Chairman, any

member of the Agency or the Executive Director of the Agency shall constitute conclusive evidence of such approval.

(b) The Chairman, Vice Chairman, any member of the Agency and the Executive Director of the Agency are further hereby authorized, on behalf of the Agency, to designate any additional Authorized Representatives of the Agency (as defined in and pursuant to the Lease Agreements). The Agency hereby appoints each Member of the Agency, Agency Counsel and Transaction Counsel to serve as an Assistant Secretary of the Agency for purposes of this transaction.

Section 6. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required or provided for by the provisions of the Agency Documents, and to execute and deliver all such additional certificates, instruments and documents, pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolution and to cause compliance by the Agency with all of the terms, covenants and provisions of the Agency Documents binding upon the Agency.

Section 7. Any expenses incurred by the Agency with respect to the financing or refinancing of the Phase III Facility shall be paid by the Phase III Company. The Phase III Company has agreed to pay such expenses and has further agreed to indemnify the Agency, its members, directors, employees and agents and hold the Agency and such persons harmless against claims for losses, damage or injury or any expenses or damages incurred as a result of action taken by or on behalf of the Agency in good faith with respect to the financing or refinancing of the Phase III Facility.

Section 8. This resolution shall take effect immediately.

The following resolution was duly moved by Mark Doyle, seconded by Ronald J. Piccone, II, discussed and adopted with the following members voting:

Timothy Dean, Chairman	VOTING	“Aye”
Mark Doyle, Vice Chairman	VOTING	“Aye”
Kathleen M. Bauer, Secretary/Treasurer	VOTING	“Aye”
Alfred D. Torreggiani	VOTING	“Aye”
Donald R. Sagliano	being	ABSENT
Ronald J. Piccone, II	VOTING	“Aye”
Amy L. Bombardieri	VOTING	“Aye”

The Resolution was thereupon declared duly adopted.

Adopted: March 22, 2023

