

**AMENDED APPROVING RESOLUTION
APHEREA INC./RTH REALTY HOLDINGS LLC PROJECT**

A regular meeting of Ulster County Industrial Development Agency (the "Agency") was convened on November 17, 2021 at 9:00 o'clock a.m., local time, in public session via video conference.

The meeting was called to order by the (Vice) Chair of the Agency and, upon roll being called, the following members of the Agency were:

PRESENT:

James Malcolm	Chair
Diane Eynon, Ph.D.	Vice Chair/Treasurer
Michael J. Ham	Secretary
Faye Storms	Assistant Treasurer
Orlando Reece	Assistant Secretary
Daniel Savona	Assistant Secretary
Richard O. Jones	Chief Financial Officer/Member

Each of the members present participated in the meeting either in person or remotely pursuant to the signing into law on September 2, 2021 of Chapter 417 of the Laws of 2021.

ABSENT:

CORPORATION STAFF PRESENT INCLUDED THE FOLLOWING:

Rose Woodworth	Chief Executive Officer
A. Joseph Scott, III, Esq.	Corporation and Special Counsel

The following resolution was offered by Richard O. Jones, seconded by Daniel Savona, to wit:

Resolution No. 1121- 02

RESOLUTION AMENDING A RESOLUTION ENTITLED "RESOLUTION AUTHORIZING EXECUTION OF DOCUMENTS IN CONNECTION WITH A LEASE/LEASEBACK TRANSACTION FOR A PROJECT FOR APHEREA INC./RTH REALTY HOLDINGS LLC (THE "COMPANY")."

WHEREAS, Ulster County Industrial Development Agency (the "Agency") is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the "Enabling Act") and Chapter 787 of the 1976 Laws of New York, as amended, constituting Section 923 of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the "Act") to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of commercial, manufacturing and industrial facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, construct and install one or more “projects” (as defined in the Act) or to cause said projects to be acquired, constructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, RTH Realty Holdings LLC, a New York State limited liability company (the “Company”), submitted an application (the “Application”) to the Agency, a copy of which Application is on file at the office of the Agency, requesting that the Agency consider undertaking a project (the “Project”) for the benefit of the Company, said Project consisting of the following: (A) (1) the acquisition of an interest in a certain parcel of land containing approximately 3.50 acres and located on 323 Upper North Road in the Town of Lloyd, Ulster County, New York (the “Land”); (2) the construction thereon of an approximately 12,000 square foot building (the “Facility”); and (3) the acquisition and installation therein and thereon of certain machinery, equipment and other personal property (collectively, the “Equipment”), (the Land, the Facility and the Equipment being collectively referred to as the “Project Facility”), all of the foregoing to be owned by the Company and operated by Apherea Inc. as a storing and warehousing facility of furniture, artwork and accessories relating to home furnishing, and any other directly and indirectly related activities; (B) the granting of certain “financial assistance” (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real estate transfer taxes and mortgage recording taxes (collectively, the “Financial Assistance”); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency; and

WHEREAS, on June 16, 2021, the members of the Agency adopted a resolution (the “Approving Resolution”) entitled “Resolution Authorizing Execution of Documents in Connection with a Lease/Leaseback Transaction for a Project for Apherea Inc./Rth Realty Holdings LLC (the “Company”); and

WHEREAS, subsequent to the adoption of the Approving Resolution, the Agency received a supplement to the Application (the “Supplement”), which Supplement is attached hereto as Exhibit A, and which Supplement outlines changes in the Project and a decrease in the Project cost (collectively, the “Amendment”);

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

Section 1. Based upon an examination of the Amendment, the Agency hereby determines that since compliance by the Agency with the Amendment does not result in the Agency providing more than \$100,000 of “financial assistance” (as such quoted term is defined in the Act) to the Company, Section 859-a of the Act does not require a public hearing to be held with respect to the Amendment.

Section 2. The recital clauses to the Approving Resolution are hereby amended to include the following recital clauses:

“WHEREAS, on or about November 16, 2021, the Agency received a Supplement to the Application (the “Supplement”) which Supplement amends the Project so that the Project is now as follows: (A) (1) the acquisition of an interest in a certain parcel of land containing approximately 3.50 acres and located on 323 Upper North Road in the Town of Lloyd, Ulster County, New York (the “Land”); (2) the construction thereon of an approximately 12,500 square foot building (the “Facility”); and (3) the acquisition and installation therein and thereon of certain machinery, equipment and other

personal property (collectively, the "Equipment"), (the Land, the Facility and the Equipment being collectively referred to as the "Project Facility"), all of the foregoing to be owned by the Company and operated by Apherea Inc. as a storing and warehousing facility of furniture, artwork and accessories relating to home furnishing, and any other directly and indirectly related activities, including, without limitation, approximately 74 self-storage units available to the general public; (B) the granting of certain "financial assistance" (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real estate transfer taxes and mortgage recording taxes (collectively, the "Financial Assistance"); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency; and

WHEREAS, pursuant to the Amendment, Exhibit A of the Approving Resolution needs to be revised;"

Section 3. Section 3(D) of the Approving Resolution is hereby amended to read as follows:

"(D) It is estimated at the present time that the costs of the planning, development, acquisition, construction, reconstruction and installation of the Project Facility (collectively, the "Project Costs") will be approximately \$4,112,822;"

Section 4. Exhibit A of the Approving Resolution is hereby amended as reflected in the attached Exhibit B to this Resolution.

Section 5. Except as amended by this Resolution, the Approving Resolution, as amended shall remain in full force and effect and the terms and conditions thereof are hereby confirmed.

Section 6. This Resolution shall take effect immediately.

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

James Malcolm	VOTING	<u>Aye</u>
Diane Eynon, Ph.D.	VOTING	<u>Aye</u>
Faye Storms	VOTING	<u>Aye</u>
Michael J. Ham	VOTING	<u>Aye</u>
Orlando Reece	VOTING	<u>Aye</u>
Daniel Savona	VOTING	<u>Aye</u>
Richard O. Jones	VOTING	<u>Aye</u>

The foregoing Resolution was thereupon declared duly adopted.

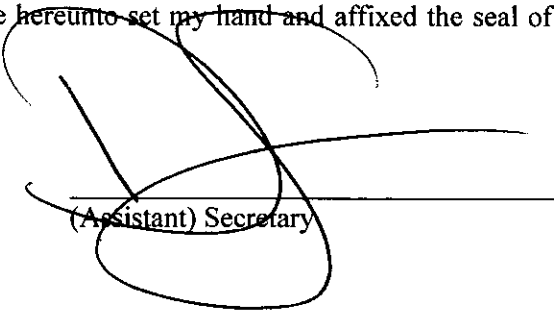
STATE OF NEW YORK)
) SS.:
COUNTY OF ULSTER)

I, the undersigned (Assistant) Secretary of Ulster County Industrial Development Agency (the "Agency"), DO HEREBY CERTIFY that I have compared the foregoing extract of the minutes of the meeting of the members of the Agency, including the resolution contained therein, held on November 17, 2021, with the original thereof on file in my office, and that the same is a true and correct copy of such proceedings of the Agency and of such resolution set forth therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that (A) all members of the Corporation had due notice of said meeting; (B) said meeting was in all respects duly held; (C) pursuant to Chapter 417 of the Laws of 2021 (the "2021 Laws"), said meeting was open to the general public, and due notice of the time and place of said meeting was duly given; and (D) there was a quorum of the members of the Corporation, either in person or attending remotely in accordance with the 2021 Laws, throughout said meeting.

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

30 IN WITNESS WHEREOF, I have ~~hereunto set my hand and~~ affixed the seal of the Agency this day of November, 2021.



(Assistant) Secretary

(SEAL)

EXHIBIT A

SUPPLEMENT

- SEE ATTACHED -



445 Hamilton Avenue, 14th Floor
White Plains, New York 10601
T 914 761 1300
F 914 761 5372
cuddyyfeder.com

November 16, 2021

VIA EMAIL

Ulster County Industrial Development Agency
P.O. Box 4265
Kingston, New York 12402

Attention: Chair

Re: *Ulster County Industrial Development Agency
RTH Realty Holdings LLC Project*

Ladies and Gentlemen:

As you know, Cuddy & Feder LLP represents RTH Realty Holdings LLC (the "Applicant") who proposes to undertake a project (the "Project") consisting of the following: the acquisition of an interest in a certain parcel of land containing approximately 3.50 acres and located at 323 Upper North Road in the Town of Lloyd, Ulster County, New York (the "Land"); the construction and installation therein and thereon of certain machinery, equipment and other personal property (collectively, the "Equipment"), (the Land, the Facility and the Equipment being collectively referred to as the "Project Facility"), all of the foregoing to be owned by the Applicant and operated by Apherea Inc. as a storing and warehousing facility of furniture, artwork and accessories relating to home furnishing, and any other directly and indirectly related activities.

In connection with the Project, the Applicant submitted an Application (the "Application") to the Ulster County Industrial Development Agency (the "IDA") for a straight lease transaction (the "Straight Lease Transaction") seeking sales and mortgage tax exemptions as well as real property tax abatements. On June 16, 2021, the IDA approved the Application and passed a resolution (the "Resolution") authorizing the granting of sales and mortgage tax exemptions as well as real property tax abatements as requested by the Applicant.

Note that since the IDA adopted the Resolution, the Applicant has not closed the Straight Lease Transaction with the IDA; the Applicant is currently working to close the Straight Lease Transaction.

The Applicant is now writing to advise the IDA that the Applicant is seeking a slight change to the description of the Project to reflect that in addition to the Project described above, the Project will now include approximately 74 self-storage units ("Self-Storage Units") which will be available to the public (these Self Storage Units will be included as part of the Project's internal storage component). The Applicant desires the change to the original Project to include the Self-

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Storage Units because the Self-Storage Units compliments the business which will be conducted at the Project Facility (i.e., home staging). That is, storage is a key component of a home staging business model and, as such, having the ability to provide the Self-Storage Units enhances the Project Facility's use and the business to be conducted thereat.

In addition to the change to the Project mentioned above, the Applicant would also like to note that the total Project cost as reflected in the Application has decreased from \$4,375,952 to \$4,112,822. This decrease however has not resulted in any change to the sales and mortgage tax exemptions as well as real property tax abatements as requested by the Applicant in its initial Application.

Please have this letter be treated as part of the Application with the same force and effect as the Application and all exhibits thereto. Thank you.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Ron S. Nichols', is written over a horizontal line.

Ron S. Nichols

cc: Applicant

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EXHIBIT B

DESCRIPTION OF THE EXPECTED PUBLIC BENEFITS

In the discussions had between the Project Beneficiary and the Agency with respect to the Project Beneficiary's request for Financial Assistance from the Agency with respect to the Project, the Project Beneficiary has represented to the Agency that the Project is expected to provide the following benefits to the Agency and/or to the residents of Ulster County, New York (the "Public Benefits"):

Description of Benefit		Applicable to Project (indicate Yes or NO)		Expected Benefit
1.	Retention of existing jobs	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	1 full time equivalent existing jobs at the Project Facility.
2.	Creation of new permanent jobs	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	5 full time equivalent new jobs at the Project Facility within 2 years of the date hereof.
3.	Local labor construction jobs to be comprised of labor from Ulster, Sullivan, Greene, Columbia, Dutchess and/or Orange Counties.	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	The actual number of full time equivalent construction jobs at the Project Facility to be determined based on the needs of the general contractor.
4.	Private sector investment	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	\$4,112,822 at the Project Facility within 3 years of the date hereof.
5.	Estimated value of tax exemptions	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	Approximately \$200,000 (est.) of sales tax exemptions, approximately \$197,406 (est.) of real property tax exemptions and approximately \$29,538 (est.) of mortgage recording tax exemption.
6.	Likelihood of project being accomplished in a timely fashion	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	High likelihood of project being completed in a timely manner.
7.	Extent of new revenue provided to local taxing jurisdictions	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	There will be new tax revenue generated by the Company and made available to the local taxing jurisdictions.
8.	Any additional public benefits	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	This Project will provide the first Certified Multi-Use Passive Warehouse in North America. The Facility will serve as a model in energy efficiency and sustainability.
9.	Alignment with local planning and development efforts	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	The Project is consistent with local planning and development efforts.
10.	Local or County official support	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	The Project has local and County support.
11.	Provides brownfield remediation	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	No brownfields present.
12.	Compliance with Agency Policies	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	The Agency will enter into a Uniform Agency Project Agreement to provide for a claw-back and other remedies in the event that the Project does not comply with the terms of the Agency Documents.