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November 30, 2015

Via: Federal Express

Town of Islip Industrial Development Agency  
40 Nassau Avenue  
Islip, New York 11751

Attn: William Mannix  
Executive Director

Re: Suffolk County Industrial LLC/  
Bimbo Bakeries USA Inc. Project  
1724 Fifth Avenue, Bay Shore, New York

Dear Mr. Mannix:

Enclosed please find an original and 2 copies of our client's Application for Financial Assistance to the Agency in connection with the acquisition, renovation and redevelopment of the Entenmann's bakery facility in Bay Shore (now known as Bimbo Bakeries USA, Inc.). The Applicant is intending to acquire the approximately 32.88 acre facility and depot, which consists of approximately 29.15 acres constituting the main bakery, 1.79 acres for the appurtenant Harold Court parcel and 1.94 acres for the Co-Gen parcel. The primary mailing address for the facility is 1724 Fifth Avenue, Bay Shore, New York, and consists of an approximately 400,000 sq. ft. facility inclusive of an approximately 380,000 sq. ft. footprint, plus the existing mezzanine and second and third floor office spaces.

My client is presently in contract with Bimbo Bakeries USA, Inc., a copy of which is enclosed herewith, for a total purchase price of \$10,750,000.00. As part of this transaction, Bimbo Bakeries USA, Inc. (Seller) has agreed to lease back approximately 50,660 sq. ft. of the depot on a long term basis of 20 years plus options, pursuant to a separate Net Lease Agreement. As part of this transaction, Seller will retain approximately 200 jobs within the depot, which would otherwise be lost but for this overall Project.

My client is a real estate company which plans on acquiring and redeveloping this essentially obsolete facility which was the former Entenmann's bakery manufacturing and distribution facility. As the Agency is undoubtedly aware, Entenmann's vacated more than 80% of the

facility which space has remained vacant and deteriorating. The vacated portion of the facility is functionally obsolete and requires material renovation to prep the Project and facility for new industrial users. My client plans on expending approximately \$1,400,000.00 to renovate and create offices in the depot space to be retained by Seller and another \$2,000,000.00 in rehabilitation and site work to develop the remainder of the property for new potential manufacturing and/or distribution tenants. My client's overall redevelopment plan is to modernize this decaying facility into a first class, state of the art industrial complex and attract new business and companies and jobs to this Project. Depending upon the ultimate success of the redevelopment in terms of securing new tenants and occupants, it is expected that the remaining space may be subdivided into 4-5 separate units to accommodate the needs and design of potential business tenants.

Some of the anticipated work to this facility will include, but not be limited to, the conversion of the existing steam heating system to a modern gas heating system, demolition of the existing interior walls and mezzanine space within the primary building, separately demise the retain/lease space for the new users (to be determined), installation of additional loading docks to accommodate a multi-user facility, and the build-out for the new industrial use tenants.

The intent of the Applicant is to retain and redevelop this property as industrial space to create higher paying industrial jobs, rather than convert the space to potential retail use, which create more problematic traffic flows, typically lower paying jobs and less retention than industrial users. They have been contacted by national retail chains to convert this space into mega retail stores; however, the Applicant would prefer to retain the industrial use and promote increased job availability and growth in the region.

While it is impossible to initially predict, the Applicant believes that in addition to the retention of the 200 Bimbo employees, the leasing to another 4-5 industrial users would increase employment by another 150 individuals within 2 years from the completion and rental of this Project. Potentially, the job figures could be greater should any of the ultimate users be manufacturers, rather than low employment users, such as material and goods distributors. This amount of job retention and growth, together with the redevelopment of this "dinosaur" of a vacant campus with the expenditure of more than \$14,000,000.00 by my client, will result in this Project being regionally significant and drive job growth and job potential to this community.

The Purchase and Sale Agreement entered into between the Seller and my client is expressly subject to the securing of IDA benefits acceptable to the Applicant, and without the assistance of the Agency, the Project would not be economically beneficial. In fact, inasmuch as the proposed new lease with the Seller and my client (which would take effect upon closing) requires the tenant to pay its proportionate share of all real estate taxes (or PILOT payments), unless the Agency provides financial assistance pursuant to a negotiated PILOT Agreement, the transaction would not continue and neither party would pursue the completion of this Project. All of the PILOT benefits received by the Applicant would be directly passed on to the new lessess and occupants of the facility pursuant to net leases to be negotiated.

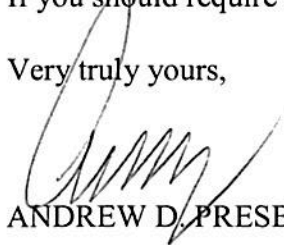
Page Three

The existing real estate taxes on this facility are assessed based upon an equivalent valuation of approximately \$22,000,000.00, and as such, the Applicant believes that the taxes are significantly over assessed, particularly due to the current arms length purchase price of \$10,750,000.00. The Applicant is requesting that the Agency consider a 15 year PILOT Agreement, initially with a 60% reduction in assessment, and then freeze the taxes at the amount which would be attributable to such reduction in assessment for a period of 7 years, and thereafter, phase in the taxes over 8 years based on the predetermined amount of taxes (with 3% annual increases over the previously set amount of taxes). In addition, the Applicant would request that the Agency provide mortgage tax exemptions for any acquisition, construction and permanent financing, as well as a Sales Tax Exemption for a period of 2 years from closing in an amount of \$200,000.00 to cover the taxable portion of renovating and equipping the facility. These benefits will also serve to attract the potential new tenants based upon the overall "affordability" of the newly renovated facility.

In addition to the Application, we have also enclosed the required Short Form Environmental Assessment Form, and RP-485-b. Also enclosed is my client's check in the amount of \$1,000.00, payable to the Agency, as and for the required application fee, together with their check in the amount of \$500.00, payable to the Town of Islip, as and for the required SEQRA review fee.

If you should require anything further, please don't hesitate to contact the undersigned.

Very truly yours,



ANDREW D. PRESBERG

ADP:ea

Encl.





# TOWN OF ISLIP

## INDUSTRIAL DEVELOPMENT AGENCY

# Application for Financial Assistance

Town of Islip IDA  
40 Nassau Avenue  
Islip, New York 11751  
Phone 631.224.5512  
Fax 631.224.5532

Updated 4-2015



## APPLICANT INSTRUCTIONS

- ◆ In order for a Town of Islip IDA Application to be reviewed in a timely manner, it must be complete. All questions must be answered and all required attachments must be included.
- ◆ Use "None" or "Not Applicable" where necessary.
- ◆ Part VI—Bond Information, need only be completed by applicants for Taxable or Tax Exempt Industrial Development Bonds.
- ◆ All applicants must submit an original and two (2) copies of all documents to the Agency.
- ◆ All applications must be accompanied by a \$1,000 non-refundable fee to the Town of Islip Industrial Development Agency, and a \$500 non-refundable fee to the Town of Islip for the EAF Review required by the State Environmental Quality Review Act (SEQRA). (If the project has already undergone a SEQRA review during the preview process, then applicant can submit the completed EAF for the one attached to the application).

## APPLICANT CHECKLIST

- ☒ I have completed all sections of the attached application.
- ☒ I have signed and notarized the Certification Section (Part VII-A).
- ☒ I have signed Part VII-B regarding the Fee Structure for all IDA transactions.
- ☐ I have attached all company financial information required by Part VIII-A.
- ☒ I have completed and signed the Environmental Assessment Form required by SEQRA. (If the project has already undergone a SEQRA review during a previous process, substitute the completed EAF for the one that was attached to this application).
- ☒ I have completed and signed Form RP485-b as required by Real Property Tax Law.
- ☒ I have submitted the original and two (2) copies of all application materials to the Agency for review.
- ☒ I have submitted an application fee check for \$1,000 payable to the Town of Islip IDA.
- ☒ I have submitted a \$500 check payable to the Town of Islip for the SEQRA review. (If the project has already undergone a SEQRA review during a previous process, and the applicant substitutes the completed EAF for the one attached to the application, the \$500 SEQRA fee is waived).

## I. OWNER & USER DATA

### A. Owner Data

1. Company Name Suffolk County Industrial LLC  
Current Address 10 Hub Drive, Suite 5, Melville, NY 11747
2. Company Officer certifying this application  
Name Mark Fischl  
Mailing Address 10 Hub Drive, Suite 5, Melville, NY 11747  
Telephone [REDACTED] Fax [REDACTED]  
Email [REDACTED]
3. Business Type  
☐ Sole Proprietorship                      ☐ General Partnership  
☐ Limited Partnership                      ☒ Limited Liability Company  
☐ Not-for-profit Corporation              ☐ Privately Held Corporation  
☐ Education Corporation                  ☐ Other  
☐ Public Corporation—Listed on \_\_\_\_\_ Exchange
4. State of Incorporation New York
5. Principal Officers  

	<i>Name</i>	<i>Title</i>
	<u>Tod Buckvar - Member</u>	
	<u>Mark Fischl - Member</u>	
6. Principal Stockholders  

	<i>Name</i>	<i>Title</i>
	<u>Tod Buckvar</u>	
	<u>Mark Fischl</u>	
7. Owner's Legal Counsel  
Name Andrew Presberg  
Firm Name Law Offices of Andrew Presberg, PC  
Address 100 Corporate Plaza, Suite B102, Islandia, NY 11749  
Telephone [REDACTED] Fax [REDACTED]  
Email [REDACTED]
8. Bank References  
Ken Scheriff- New York Commercial Bank  
Gary Stevens - Morgan Stanley
9. Major Trade References  
Evan Glass
10. Nature of Business  
(i.e. "manufacturer of \_\_\_ for \_\_\_ industry" or "warehouse distributor of \_\_\_" or "real estate holding company")  
Real Estate Development Company
11. NAICS Code [REDACTED]  
*For help determining your NAICS code, please visit <http://www.naics.com>*

## II. PROJECT DATA

### A. Location

1. Street Address SEE ATTACHED

2. Tax Map

          
District #

          
Section #

          
Block #

          
Lot #

3. Acreage approx. 32.88 acres

4. Municipal Jurisdictions

Town Islip

Village         

School District Bay Shore

### B. Description (Check all that apply)

☐ New Construction                                  Square Feet

☐ Addition to Existing Facility                                  Square Feet

☐ Acquisition of Existing Facility                                  Square Feet

☒ Acquisition & Renovation of Existing Facility 400,000\* Square Feet

☐ Purchase of New Machinery & Equipment

\* ☒ Other (specify) mezzanine and second floor space

### C. Related Facilities

1. Are other facilities or related companies located within the state? ☐ Yes ☒ No

Address   

2. If yes to above (C-1), will any of these facilities close or be subject to reduced activity? ☐ Yes ☐ No

3. If yes to above (C-2), please describe:

### D. Real Estate Search

1. Has the company actively sought sites in another state or outside the New York metropolitan region? ☐ Yes ☐ No

2. If yes to above (D-1), please list the states/regions considered:

See cover letter

### E. Present Owner

1. Who is the current legal owner of the site? Bimbo Bakeries USA Inc.

2. Is there a purchase option or other legal or common control in the project? ☒ Yes ☐ No

3. Is there an existing or proposed lease for the project? ☒ Yes ☐ No

4. If yes to either above (E-2 or E-3), please explain (i.e. purchase price, term of lease):

Contract for purchase of subject premises executed by Applicant (unrelated to owner/seller)



A. Location:

Address: 1724 5th Avenue,  
Bay Shore, New York 11706  
Harold Court,  
Bay Shore, New York 11706  
40 Harold Court  
Bay Shore, New York 11706  
County: Suffolk  
District: 0500  
0500  
0500  
Section: 182.00  
181.00  
181.00  
Block: 01.00  
03.00  
03.00  
Lot: 041.001  
049.000  
052.003

City: Bay Shore

## II. PROJECT DATA

### F. Project Narrative

1. Describe the project in detail, emphasizing the following:
  - A. Specific operations of the company to be conducted at the project premises  
(product manufactured/warehoused, services rendered)
  - B. Proposed product lines and market demands
  - C. Need for the new facility
  - D. Square footage of the old facility
  - E. Square footage of the new facility
  - F. Type of building to be constructed
  - G. Major equipment to be purchased

SEE ATTACHED COVER LETTER

2. For pollution controls, also describe:
  - A. Type of pollution to be abated
  - B. Method of abatement
  - C. Existing orders of environmental agencies

### III. EMPLOYMENT/SALES DATA

#### A. Employees

	Current	First year upon completion	Second year upon completion
Full time	200	300	350
Part time	unk		
Seasonal	unk		
Total	200	300	350

#### B. Payroll

	Current	First year upon completion	Second year upon completion
Total \$	See cover letter		

#### C. Average Annual Wages

	Current	First year upon completion	Second year upon completion
Total \$	See cover letter		

#### D. Sales

	Current	First year upon completion	Second year upon completion
Total \$	See cover letter		

### IV. PROJECT CONSTRUCTION SCHEDULE

#### A. Key Dates (proposed)

	Month & Year
1. Construction commencement	March 1, 2016
2. Construction completion	December 1, 2016
3. Building Occupancy	January 1, 2017

#### B. Please check if any of the following applications/permits have been filed for the project: (Check all that apply)

- |   |  |
|---|--|
| <input type="checkbox"/> Change of Zone | <input checked="" type="checkbox"/> Interior Alterations |
| <input type="checkbox"/> Special Use    | <input type="checkbox"/> Building                        |
| <input type="checkbox"/> Variance       | <input checked="" type="checkbox"/> Site plan            |



## V. PROJECT COSTS/FINANCING

- A. Estimate the costs necessary for the construction, acquisition, rehabilitation, improvement and/or equipping of the project.

Item	Amount
1. Land & Building	\$ 10,750,000.00
2. Site Work	250,000.00
3. Building (new construction) TI	1,400,000.00
4. Building (rehabilitation)	1,500,000.00
5. Engineering & Architectural Fees	100,000.00
6. Machinery & Equipment	100,000.00
7. Other (specify)	
IDA & Financial	150,000.00
<b>TOTAL PROJECT COST</b>	<b>\$14,250,000.00</b>

- B. Please provide the amount of sales tax exemptions that your project requires

\$ 200,000.00

- B1. If your project has a landlord/tenant arrangement, please provide the breakdown of the number above Apply to Applicant/Landlord

- C. How does the company propose to finance the project?

	Amount	Term
1. Tax Exempt IDB*		
2. Taxable IDB*		
3. Conventional Mortgage (with IDA sale/leaseback)	8,000,000.00	Acquisition 25 years
4. Owner/User Self-Financing (with IDA sale/leaseback)		
5. JDA/SBA		
6. Other loans construction financing	2,662,500.00	25 years
7. Company/Owner Equity contribution	3,587,500.00	
<b>TOTAL AMOUNT FINANCED</b>	<b>\$10,662,500.00</b>	<b>25 years</b>

- D. Please estimate when the above amounts will be required

March-December, 2016

Month & Year

\* The Agency Fee of one-half of a basis point (.006) will be applied against the total project cost or, where applicable, against the amount of the IDB issuance. For low-cost projects, there will be a minimum fee of \$5,000.

## VI. CERTIFICATIONS

### A. Applicant Responsibilities

Mark Fischl (name of representative of entity submitting application or name of individual submitting application) deposed and says that s/he (choose and complete one of the following two options) (a) is a/the Member (title) of Suffolk County Industrial LLC (company name), the entity named in the attached application, or (b) is the individual named in the attached application; that s/he has read the foregoing application and knows the contents thereof; and that the same is true of his/her knowledge.

Deponent further says that s/he is duly authorized to make this certification on behalf of her/himself or on behalf of the entity named in the attached application. The grounds of deponent's belief relative to all matters in said application which are not stated upon his/her own personal knowledge are investigations which deponent has caused to be made concerning the subject matter of this application as well as, if deponent is not an individual applicant, information acquired by deponent in the course of his/her duties in connection with said entity and from the books and papers of said entity.

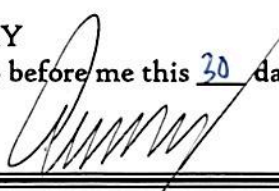
As (a) the representative of said entity, or (b) the individual applicant (such entity or individual applicant hereinafter referred to as the "Applicant"), deponent acknowledges and agrees that the Applicant shall be and is responsible for all costs incurred by the Town of Islip Economic Development Corporation (hereinafter referred to as the "Agency"), acting on behalf of the Applicant in connection with this application and all matters relating to the provision of financial assistance to which this application and all matters relating to the provision of financial assistance to which this application relates. If, for any reason whatsoever, the Applicant fails to conclude or consummate necessary negotiations or fails to act within a reasonable or specified period of time to take reasonable, proper or requested action or withdraws, abandons, cancels or neglects the application, then upon presentation of an invoice, the Applicant shall pay to the Corporation, its agents or assigns, all actual costs incurred with respect to the application up to that date and time, including fees to transaction counsel for the Corporation and fees of general counsel for the Corporation. Upon the successful conclusion of the transaction contemplated herein, the Applicant shall pay to the Corporation an administrative fee set by the Corporation, in accordance with its fee schedule in effect on the date of the foregoing application, which amount is payable at closing.

  
\_\_\_\_\_  
Print Name Mark Fischl

Title Member

NOTARY

Sworn to before me this 30 day of November, 2015

  
\_\_\_\_\_  
ANDREW D. PRESBERG  
Notary Public, State of New York  
No. 4944884  
Qualified in Suffolk County  
Commission Expires Dec. 05, 2018

## VI. CERTIFICATIONS

### B. Fee Structure

1. Application Fee—\$1,000.00

An application for IDA assistance must be accompanied by a non-refundable fee of \$1,000 plus a \$500 fee for the Town of Islip review of Environmental Assessment Form as required by the State Environmental Quality Review Act (SEQRA). (The \$500 fee will be waived if the applicant's project has already undergone a SEQRA review during a previous process, i.e. site plan, building permit, change of zone, etc.)

2. Agency Fee—.006 (for low-cost project, there will be a minimum fee of \$5,000)

Upon closing of any IDA project, the Agency will assess an administrative fee of one-half of a basis point (.006) against the size of the project. For IDB projects, the .006 will be measured against the final bond amount. For straight-lease transactions, the .006 will be measured against the projected total costs.

3. Agency Counsel—\$250 per hour

The Town of Islip Town Attorney's Office acts as counsel to the Town of Islip IDA and must be reimbursed for time spent on IDA-related transactions. The Agency counsel bills all time spent on IDA matters at \$250 per hour. For IDA closings up to \$5 million, the Agency counsel bills a minimum of \$3,500. For projects greater than \$5 million, the Agency counsel bills a minimum of \$5,000. For all other activities, i.e. terminations, simple consents and waivers, transfer of assets, etc., the Agency counsel will bill at the aforementioned \$250 per hour.

4. Processing Fee—\$500

During the course of IDA ownership/involvement, the Agency may occasionally be required, by the company, to consent to a variety of items, i.e. pre-payment of bonds, second mortgages, additional secured financing, etc. The Agency will charge a \$500 processing fee for each of these requests.

5. Assignments & Assumptions—\$1,500

Occasionally, the IDA is asked to transfer benefits that were assigned to the original company, i.e. PILOT or mortgage recording tax benefits, to a different company, typically upon a sale of the IDA property. The new company often wishes to continue IDA involvement with the property in order to retain the IDA incentives. The Agency will charge a \$1,500 fee for each of these transactions.

6. PILOT Extensions/Modifications—.006

Occasionally, the Agency is asked to extend or modify an existing Payment in Lieu of Taxes Agreement (PILOT). The .006 will be measured against the projected increase of the PILOT benefit



## VI. CERTIFICATIONS

### B. Fee Structure

7. Annual Administrative Fee— \$1,000

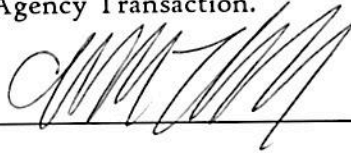
An Annual Administrative Fee of \$1,000 will be charged to all projects to cover the cost of all the reporting and monitoring of the transaction. This fee is subject to periodic review and may be adjusted at the discretion of the Agency.

8. Bond/Transaction Counsel—fee negotiated separately

While the Town of Islip IDA is represented locally by the Town of Islip Town Attorney's Office, a separate Bond/Transaction Counsel is also necessary on any IDA project. Bond/Transaction counsels render "third party" opinions that the bond or straight lease transaction is authorized under all federal, state and local statutes. Bond/Transaction counsels also prepare all documents related to IDA transactions and coordinates all activities leading up to closing. The Town of Islip IDA has designed the firm of Nixon Peabody, LLP as its Bond/Transaction counsel and all fees are separately negotiated with them.

I have read and understand the aforementioned explanation of the fees associated with all the Town of Islip Industrial Agency Transaction.

Signature \_\_\_\_\_

A handwritten signature in dark ink, appearing to be a stylized 'M' or 'J' followed by several loops, written over a horizontal line.

## VII. REQUIRED ATTACHMENTS

### A. Financial Information

*(Attach the following financial information of the owner and user)*

1. Financial statements for the last two fiscal years (unless included in the Owner's or User's Annual Report)
2. Owner's or User's Annual Reports (or Form 10-k's) for the two most recent fiscal years
3. Quarterly reports (Form 10-Q's) and current reports (Form 8-k's) since the most recent annual report, if any
4. In addition, if applicable, please attach the financial information described above in items A, B and C, of any expected guarantor of the proposed bond issue other than the Owner or the User
5. Upon request of the Applicant, the Agency will review the information submitted pursuant to this Section VIII and return all copies to the Applicant within two weeks after the inducement date. Please indicate whether you require the information to be returned.  
☐ Yes      ☐ No

### B. Environmental Assessment Form

Please complete the attached EAF as required by the State Environmental Quality Review Act (SEQRA).

### C. Form RP 485-b

Please complete the attached Form RP 485-b as required by Section 485-b of the Real Property Tax Law

PURCHASE AND SALE AGREEMENT  
(BIMBO BAKERIES USA, INC. STANDARD FORM)

THIS PURCHASE AND SALE AGREEMENT (the "Agreement") is made by and between SUFFOLK COUNTY INDUSTRIAL LLC, a New York limited liability company ("Buyer"), and BIMBO BAKERIES USA, INC., a Delaware corporation (successor by merger to Entenmann's, Inc.) ("Seller"). The Effective Date of this Agreement shall be deemed the last date on which this Agreement has been executed by both Buyer and Seller on the signature page of this Agreement.

WITNESSETH:

WHEREAS, Seller is the owner of approximately 32.88 acres of the real estate (approximately 29.15 acres main bakery and 1.79 acres for the Harold Court parcel and 1.94 acres for the Co-Gen parcel) with a mailing address of 1724 5<sup>th</sup> Avenue, Bay Shore, County of Suffolk, New York (legal description on Seller's record title to govern); and

WHEREAS, Seller desires to sell the real estate, including the buildings thereon, if any (the "Real Property"), and certain personal property located on such real estate listed on Exhibit E attached hereto and incorporated herein by reference (the "Personal Property," and together with the Real Property, the "Property") (it being agreed that all building fixtures, including, without limitation, the electric and water systems in the main bakery building, shall be included in the Property to be transferred hereunder and it being further agreed that in connection with the removal by Seller of any equipment or other personal property not being transferred to Buyer hereunder, Seller shall repair any damage resulting from such removal); and

WHEREAS, Buyer desires to buy and Seller desires to sell the Property, on the terms and conditions herein set forth;

NOW, THEREFORE, in consideration of the premises and of the mutual covenants of the parties hereinafter expressed, it is hereby agreed as follows:

1. Purchase Price. On the date of Closing (as hereinafter defined), Seller agrees to sell to Buyer, and Buyer agrees to purchase from Seller, the Property. The purchase price to be paid to Seller at Closing for the sale of the Property to Buyer as provided for herein shall be Ten Million Seven Hundred Fifty Thousand Dollars (\$10,750,000.00) (the "Purchase Price"), subject to credit, debit and adjustment as provided in Section 3 below, which sum shall be paid to Seller by wire transfer of current funds. Seller and Buyer hereby acknowledge and agree that no portion of the Purchase Price has been allocated to the Personal Property, and that no additional consideration shall be paid by Buyer for the transfer of the Personal Property by Seller to Buyer hereunder.

2. Earnest Deposit. Within two (2) days after the Effective Date of this Agreement, Buyer shall deposit in escrow as earnest money the sum of Two Hundred Fifty Thousand Dollars (\$250,000.00) in cash (the "Deposit") with First American Title Insurance Company, 333 Earle Ovington Blvd., Suite 608, Uniondale, NY, Attention: John T. Kania (the "Escrow Agent"). The Escrow Agent shall hold the Deposit in accordance with the terms set



forth in Section 25 below and deliver the Deposit to the party entitled thereto under the terms hereof. If the sale of the Property is not closed owing to failure of performance by Buyer, the Deposit shall be delivered to Seller as liquidated damages, which liquidated damages shall serve as Seller's sole remedy for Buyer's failure to close. Seller and Buyer acknowledge that it would be extremely difficult to accurately ascertain Seller's actual damages resulting from Buyer's default, and that the Deposit is a reasonable estimate of the damages that would result therefrom.

3. Adjustments. The following items shall be prorated, and the resulting calculation shall be an adjustment to the Purchase Price payable at Closing pursuant to Section 1 hereof (where appropriate, such adjustments shall be made on the basis of a year of 12 months, 30 days to the month): (a) general property taxes (state, county, municipal, school and fire district) for the then current tax lien year in accordance with prevailing custom in Suffolk County; (b) special taxes or assessments, if any, upon the Property assessed or becoming a lien prior to the date hereof (but only a pro rata share of the then current installment of such special taxes or assessment, if any, shall be charged as a credit against the Purchase Price); and (c) electricity, water, sewer, gas and other utility charges to the extent meters cannot be read as of Closing. Seller shall be charged and credited for the above amounts relating to the period through midnight on the night immediately prior to Closing and Buyer shall be charged and credited for the above amounts relating to the period from and after such point in time (subject to the terms of the Leases). In the event on the date of Closing, the precise figures necessary for any of the foregoing adjustments are not capable of determination, the adjustments, other than for real estate taxes, shall be made on the basis of good faith estimates of the parties, and such adjustments shall be final and binding on the parties. In the event on the date of Closing, the precise figures necessary for the real estate tax adjustment are not capable of determination, such adjustment shall be made on the basis of good faith estimates of the parties (e.g., real estate taxes shall be based upon currently available information) and final adjustments shall be made promptly after final figures are determined or available. This Section 3 shall survive the Closing.

4. Incidental Costs and Expenses. Buyer shall pay all recording fees and costs, all survey costs, all title commitment and title insurance premiums, and all mortgage taxes or intangible taxes, if any. Seller shall pay all transfer taxes incidental to the recordation of the deed. Buyer and Seller shall each pay one half of the escrow fees, if any, charged by the Escrow Agent. Except as otherwise expressly provided in this Agreement, Buyer and Seller shall pay their own respective costs and expenses, including attorneys' fees, incidental to this Agreement and the transactions contemplated hereby. All other fees or expenses not expressly addressed in this Agreement shall be paid in accordance with the custom for real estate transactions consummated in the county in which the Property is located.

5. Closing. The closing (the "Closing") of the transactions contemplated hereby shall be on the date 30 days after the last day of the Due Diligence Period (as hereinafter defined). Seller shall transfer possession of the Property to Buyer on the date of Closing (subject to Seller's occupancy rights under the Leases). The Closing shall take place at the offices of the Escrow Agent. Neither Seller nor Buyer need be present at Closing. All closing documents and the Purchase Price should be delivered in escrow to the Escrow Agent prior to the date of Closing.

6. Documents at Closing. On the date of Closing, (a) Seller shall execute and deliver to Buyer (i) a Bargain and Sale Deed with Covenant transferring and conveying to

Buyer all of Seller's right, title and interest to the Property, subject to the lien of general real estate taxes for the then current tax lien year (which taxes shall be adjusted as provided in Section 3 hereof), and easements, restrictions, conditions, reservations, encroachments and other matters of fact or record, which deed shall be in form reasonably satisfactory to Seller and Buyer; (ii) a standard form Seller's title affidavit, against mechanics liens, judgments and against parties in possession, and such other documents, if any, as may be required by the Escrow Agent, on forms customarily used by Escrow Agent and reasonably satisfactory to Seller and Escrow Agent, in order to issue an owner's policy of title insurance free and clear of any deeds of trust granted by Seller, mortgages granted by Seller, and other liens not arising from the acts or omissions of Buyer or Buyer's agents (it being agreed, however, that if any such other liens requiring discharge exceed \$500,000 in the aggregate, Seller, at its option, may terminate this Agreement, whereupon neither party shall have any further liability hereunder, and the Deposit, together with interest, if any, shall be returned to Buyer, and Seller shall reimburse out-of-pocket costs incurred by Buyer for the examination of title not to exceed \$2,500 in the aggregate); (iii) a non-foreign person certification; (iv) a Bill of Sale transferring to Buyer Seller's right, title and interest, if any, to the Personal Property, if any; (v) transfer tax forms including a New York State Combined Real Estate Transfer Tax Return, Credit Line Mortgage Certificate and Certification of Exemption from the Payment of Estimated Personal Income Tax (Form TP-584) and a New York State Property Transfer Report (RP-5217-I); and (vi) such other notices, transfer disclosures, affidavits or other similar documents as may be required by applicable laws or otherwise reasonably necessary in order to consummate the transactions contemplated under this Agreement; (b) Buyer and Seller shall execute and deliver to one another (i) counterpart originals of closing statements verifying the adjustments to the Purchase Price, (ii) a letter directing the applicable utility companies to direct all utility bills from and after the date of Closing to the attention of the Buyer, (iii) counterpart originals of the Leases, (iv) a use restriction (which, at Seller's option, may be set forth in the Deed), in form reasonably satisfactory to Seller and Buyer, prohibiting the use of all or any part of the Property (other than by Seller or its affiliates and their respective co-venture partners, contractors, successors and assigns) for the following uses (collectively, the "Use Restriction"): (a) the manufacture or production of "Fresh Baked Goods", as hereinafter defined; or (b) the distribution of Fresh Baked Goods by any of the following competitors of Seller: Flowers Foods, Pepperidge Farms, Schmidt's Baking Company, Amoroso Baking Company, H&S Bakery, Inc., Ginsburg Bakery, Super Bread, Super Cakes, McKee Foods, Apollo Global Management, Hostess, Mission Foods or their respective affiliates, co-venture partners, successors or assigns (including contractors engaged by such parties for the manufacture or distribution of Fresh Baked Goods), which Use Restriction shall continue in force for a period of twenty (20) years or until the termination of all of the Leases, whichever shall first occur, and which Use Restriction Buyer shall cause to be senior and paramount to the lien of any deeds of trust, mortgages or other liens affecting the Property, and (v) an escrow and disbursing agreement pursuant to which Buyer shall fund on the date of Closing \$1,400,000 with a disbursing agent reasonably satisfactory to Seller and Buyer for purposes of funding "Landlord's Building Allowance" under the Office/Depot Lease, which escrow and disbursing agreement shall be in form reasonably satisfactory to Seller, Buyer and Buyer's lender (it being understood and agreed, however, that Buyer may, at Closing, elect to pay Seller \$1,400,000 by wire transfer of current funds for purposes of funding such "Landlord's Building Allowance", in which event the parties shall not execute such escrow and disbursing agreement at Closing); and (c) Buyer shall cause its lender to execute and deliver to Seller a subordination non-disturbance and attornment agreement (an "SNDA") applicable to the Leases, which SNDA shall be in form reasonably satisfactory to Seller and such lender. For the purposes of this Agreement, Fresh



Baked Goods shall be deemed to mean: (i) fresh, bagged, sliced bread, buns, rolls, sandwich thins, thin buns, bagels, English muffins, flat bread sold as traditional pita bread, tortillas and wrap products (collectively, the "Bread Products"); (ii) frozen fully baked or par baked Bread Products; or (iii) single-serve or multi-pack sweet baked products, including donuts. Buyer and Seller agree that, in any lawsuit by Seller seeking specific performance of the Use Restriction by injunctive relief, the harm suffered by Seller by reason of a breach of the Use Restriction shall be deemed to be irreparable for which Seller does not have an adequate remedy at law.

7. Representations and Warranties of Seller. Seller makes the following representations and warranties:

7.1 Corporate Authority. Seller is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware and is authorized to transact business in the State of New York, and Seller is duly authorized to execute, deliver and perform this Agreement and all documents and instruments and transactions contemplated hereby or incidental hereto.

7.2 Commissions. Seller has dealt with no broker, finder or other person in connection with the sale or negotiation of the sale of the Property in any manner that might give rise to any claim for commission against Buyer, except Colliers International LI, Inc. (whose commission shall be payable by Seller in accordance with its listing agreement).

Seller hereby agrees to indemnify and hold Buyer harmless from any breach of the foregoing representations.

8. Representations and Warranties of Buyer. Buyer makes the following representations and warranties:

8.1 Buyer's Authority. Buyer represents and warrants that Buyer is a limited liability company duly organized, validly existing and in good standing under the laws of New York, and is authorized to transact business in the State in which the Property is located, and Buyer is duly authorized to execute, deliver and perform this Agreement and all documents and instruments and transactions contemplated hereby or incidental hereto.

8.2. Commissions. Buyer has not dealt with any broker, finder or other person in connection with the sale or negotiation of the sale of the Property in any manner that might give rise to any claim for commission, except Colliers International LI, Inc.

Buyer hereby agrees to indemnify and hold Seller harmless from any breach of the foregoing representations.

9. Buyer's Due Diligence; IDA Condition.

9.1 Buyer's Due Diligence. The obligations of Buyer to consummate the transactions provided for in this Agreement are subject to the condition that Buyer, at Buyer's sole cost and expense, within sixty (60) days after the date Seller delivers written notice to Buyer that the condition set forth in Section 24 herein has been satisfied or waived (the "Due Diligence Period"), shall be satisfied with all matters deemed reasonably relevant by Buyer with

respect to the Property and its suitability for Buyer's intended development and use (including, but not limited to the physical and environmental condition of the Property, title, survey, zoning, access and utilities for the Property). In the event that Buyer is unsatisfied with any such matters relating to the Property, Buyer may, at its option, elect to terminate this Agreement by written notice to Seller on or prior to the date two (2) business days after the expiration of the Due Diligence Period, and the Deposit shall be refunded to Buyer provided Buyer is not otherwise in default under this Agreement. In the absence of such written notice, Buyer shall be deemed conclusively satisfied in all respects with the Property. The acquisition of the Property shall not be contingent upon Buyer securing financing for all or any part of the Purchase Price except as expressly set forth below in Section 9.2.

9.2 IDA Condition. The obligations of Buyer to consummate the transactions provided for in this Agreement are subject to the condition that Buyer, during the Due Diligence Period, shall have received commitments for financial assistance from a local industrial development agency. Buyer hereby agrees to utilize commercially reasonable efforts to obtain such commitments during the Due Diligence Period. In the event that Buyer has not received such commitments during the Due Diligence Period, Buyer may, at its option, elect to terminate this Agreement by written notice to Seller on or prior to the date two (2) business days after the expiration of the Due Diligence Period, and the Deposit shall be refunded to Buyer provided Buyer is not otherwise in default under this Agreement. In the absence of such written notice, Buyer shall be deemed conclusively to have waived the condition set forth in this Section 9.2.

10. Access; Inspections; Restoration of Property. From the Effective Date of this Agreement until the last day of the Due Diligence Period (or earlier termination of this Agreement), Buyer and its agents and designees shall have the right (a) to make inquiries of and meet with the Town of Islip and other governmental authorities and public and private utilities regarding the Property, and (b) upon prior reasonable notice to Seller, to enter upon the Property at times mutually satisfactory to Seller and Buyer in order to make inspections, investigations, surveys, and tests that Buyer deems advisable; provided, however, that Buyer shall not conduct any drilling, boring, excavation or other environmental and/or soils testing on the Property, including, without limitation, any vapor testing, without first obtaining Seller's written consent of the contractor who will be performing the work and the scope of the work, which consent may be withheld in Seller's sole discretion. All work performed by or on behalf of Buyer shall be performed in accordance with all federal, state and/or local laws, statutes, ordinances and regulations. At its option and at the same time, Seller may, at Seller's expense, perform similar tests and analyses, including, without limitation, the taking of split samples. Buyer agrees to promptly (and in all events within five (5) business days after written demand by Seller) furnish Seller a copy of all third party reports and other documents procured by Buyer in connection with its investigations of the Property (unless Buyer is expressly prohibited from doing so under the terms of its contract with a third party service provider). Notwithstanding any contrary provision of this Agreement, Buyer shall not record, enter into or consent to any zoning or rezoning, any condition or stipulation, any covenant or agreement, or any other obligation or commitment, which is binding upon any portion of the Property or the owner thereof prior to the Closing. Prior to the entry onto all or any portion of the Property pursuant to this Section, Buyer shall furnish Seller with evidence of insurance reasonably acceptable to Seller from any party, including, without limitation, Buyer, entering the Property on behalf of Buyer. Buyer shall bear all costs and expenses of any inspections, investigations, and tests of any kind or nature

undertaken by Buyer with regard to the Property and Buyer shall promptly (and in all events within five (5) business days after written demand by Seller or such longer period of time as may be reasonably required to effect such repair or restoration so long as Buyer is pursuing same with reasonable diligence) repair or restore any damage or disturbance to the Property caused by the acts of Buyer and/or its agents and designees. Buyer hereby indemnifies and agrees to protect, defend, and hold harmless Seller for, from, and against any and all damages, losses, costs, expenses (including, but not limited to, reasonable attorneys' fees), and liability arising from any entry upon the Property by Buyer, its agents and/or designees pursuant to this Section. This indemnity shall not apply to any pre-existing condition discovered by Buyer during the course of Buyer's inspection and investigations provided Buyer does not materially exacerbate such pre-existing condition. Buyer's obligations under this Section shall survive the Closing or the termination of this Agreement. Except for any pre-existing condition as referred to herein above (provided Buyer does not materially exacerbate such pre-existing condition), Buyer, for itself and its successors and assigns, shall agree to reimburse, defend, indemnify and hold harmless Seller and its successors and assigns from and against any and all losses, costs (including attorneys' and consultants' fees), damages, penalties, expenses, claims, demands and liabilities (including, without limitation, cleanup costs) (collectively, "Claims") arising from or relating to any investigations or other work performed by or on behalf of Buyer.

11. As-Is Sale. BUYER AGREES THAT BUYER WILL BE AFFORDED THE OPPORTUNITY TO FULLY AND COMPLETELY EXAMINE, INSPECT, TEST AND INVESTIGATE THE PROPERTY. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS AGREEMENT, IT IS EXPRESSLY UNDERSTOOD AND AGREED THAT BUYER IS ACQUIRING THE PROPERTY "AS IS" AND "WHERE IS", AND WITH ANY AND ALL FAULTS AND THAT SELLER HAS NOT MADE AND DOES NOT MAKE ANY REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO THE QUALITY, PHYSICAL CONDITION, VALUE OF THE PROPERTY OR IMPROVEMENTS THEREON, OR ANY OTHER MATTER OR THING AFFECTING OR RELATED TO THE PROPERTY OR THIS AGREEMENT (INCLUDING, WITHOUT LIMITATION, WARRANTIES OF HABITABILITY, WARRANTIES OF MERCHANTABILITY AND/OR OF FITNESS FOR A PARTICULAR PURPOSE), WHICH MIGHT BE PERTINENT IN CONSIDERING THE PURCHASE OF THE PROPERTY, AND BUYER DOES HEREBY EXPRESSLY ACKNOWLEDGE THAT NO SUCH REPRESENTATIONS OR WARRANTIES HAVE BEEN MADE. SELLER IS NOT LIABLE FOR ANY WARRANTIES OR REPRESENTATIONS, EITHER EXPRESS OR IMPLIED, PROMISES, STATEMENTS OR INFORMATION PERTAINING TO THE PROPERTY MADE OR FURNISHED BY ANY BROKER, OR ANY REAL ESTATE AGENT, EMPLOYEE, SERVANT OR OTHER PERSON REPRESENTING OR PURPORTING TO REPRESENT SELLER.

12. Environmental. Buyer acknowledges that Seller has delivered to Buyer the environmental reports described on Exhibit A attached hereto and incorporated herein by reference (collectively, the "Reports"). Seller makes no representations or warranties regarding the Reports. Buyer hereby waives any claims against Seller with respect to the Reports. Buyer acknowledges that Seller is delivering the Property to Buyer without any representations or warranties of any kind regarding the presence or absence of anything that is or may constitute a hazardous waste, or a hazardous substance or material, as defined under any past, present or future federal, state and/or local laws, statutes, ordinances or regulations, or any pollutant,



contaminant, radioactive material or waste, or petroleum or petroleum related products or waste ("Hazardous Material"), on, under or from the Property, or on or under any adjoining property (the "Environmental Condition of the Property"). Buyer, for itself and its successors and assigns, releases Seller from all contractual, statutory and common law claims and liabilities (including those under the Comprehensive Environmental Response, Compensation and Liability Act of 1980, the Resource Conservation and Recovery Act, and any amendments or extensions thereof) with respect to the Environmental Condition of the Property. In furtherance of such release, Buyer, for itself, its partners, holders of membership interests or shareholders, all persons or entities that control, are controlled by or are under common control with Buyer and its partners, holders of membership interests or shareholders (each, an "Affiliate"), agrees to reimburse, defend, indemnify and hold harmless Seller, its subsidiaries and affiliates and their respective successors and assigns, trustees, officers, directors, employees and agents from and against any and all losses, costs, expenses, claims, demands, obligations and liabilities arising from any claims, demands, lawsuits, causes of action or the like made against Seller by Buyer or any of Buyer's Affiliates (but not by any third party, including any governmental entity or quasi governmental entity or any third party property owner) in circumvention of said release, including, without limitation, any liabilities and the like attributable, in whole or in part, to Seller's acts or omissions, including the negligence or gross negligence of Seller. The provisions of this paragraph shall survive the closing and delivery of the deed by Seller.

13. Casualty. In the event of the damage or destruction of all or any part of the Property, the aggregate cost to repair, replace and/or restore of which shall be \$250,000 or more (as reasonably estimated by Seller and Buyer), prior to Closing, Buyer may, at its option, exercisable by written notice to Seller, either (i) terminate this Agreement and receive a refund of its Deposit together with interest thereon, if any, whereupon neither party will have any further obligations hereunder, or (ii) continue under this Agreement, without credit or adjustment in the Purchase Price. In the event of the damage or destruction of any part of the Property prior to Closing, the aggregate cost to repair, replace and/or restore of which shall be less than \$250,000 (as reasonably estimated by Seller and Buyer), Buyer shall have no right to terminate this Agreement on account thereof, but Buyer shall receive a credit at Closing equal to the estimated (as reasonably determined by Buyer and Seller) cost to repair and restore the damage attributable to such casualty (not to exceed \$250,000). Seller shall not, in any event, be obligated to effect any repair, replacement, and/or restoration, but may do so at its option. The provisions of this Section 13 supersede any provisions of law to the contrary, including, without limitation, the provisions of Section 5-1311 of the General Obligation Law of the State of New York.

14. Condemnation. In the event of the taking of any part of the Property after the Effective Date of the Agreement hereof but prior to Closing, then Buyer, at its option, may (i) terminate this Agreement and receive a refund of its Deposit together with interest thereon, if any, or (ii) continue under this Agreement, in which event, Seller shall assign to Buyer its interest in any condemnation award as a result of such taking.

15. Assignment; Binding Agreement. Buyer may not assign its rights and interests hereunder without the prior written consent of Seller, except Buyer may assign this Agreement to a newly formed limited liability company managed by Buyer or Buyer's members. In the event of any assignment by Buyer of its rights and interests hereunder, the assignor and assignee shall both remain fully liable for the performance of all of Buyer's obligations hereunder; provided, however, in the event of an assignment by Buyer to a newly formed limited

liability company managed by Buyer or Buyer's members, the assignor (but not the assignee) shall be released from further liability from and after Closing. This Agreement shall be binding on and shall inure to the benefit of the parties named herein and to their respective heirs, administrators, executors, personal representatives, successors and assigns.

16. Notices. All notices, requests, demands and other communications hereunder shall be deemed to have been duly given if the same shall be in writing and shall be delivered or sent by a recognized national overnight delivery service (e.g., Federal Express) or by electronic mail and addressed as set forth below:

If to Seller:

Bimbo Bakeries USA  
255 Business Center Drive  
Horsham, PA 19044  
Attention: John Burns  
Real Estate Dept.  
jburns@BBUmail.com

and

Bryan Cave LLP  
One Metropolitan Square  
Suite 3600  
St. Louis, Missouri 63102  
Attention: John Hoffman  
jwhoffman@bryancave.com

If to Buyer:

Suffolk County Industrial LLC  
10 Hub Drive, Suite 5  
Melville, NY 11747  
Attention: Mark Fischl and Tod  
Buckvar  
Tbuckvar@buckrealty.com  
Mafischl@yahoo.com

With a copy to:

Michael J. Heller, Esq.  
Lamb & Barnosky, LLP  
534 Broadhollow Road, Suite 210  
P.O. Box 9034  
Melville, NY 11747-9034  
mjh@lambbarnosky.com

If to Escrow Agent:

First American Title Insurance Company  
333 Earle Ovington Blvd., Suite 608  
Uniondale, New York 11553  
Attention: Michael P. Sasso, Esq.  
msasso@firstam.com

Any party may change the address to which notices are to be addressed by giving the other parties notice in the manner herein set forth. Notices may be given or received by a party's counsel on behalf of such party.

17. Governing Law; Performance on Business Days. This Agreement shall be construed and interpreted according to the laws of the State in which the Property is located. If any date for the occurrence of an event or act under this Agreement falls on a Saturday or Sunday or legal holiday in the State in which the Property is located, then the time for the occurrence of such event or act shall be extended to the next succeeding business day.

18. Entire Agreement; Counterparts. This Agreement, together with all the Exhibits, if any, attached hereto and incorporated by reference herein, constitutes the entire undertaking between the parties hereto, and supersedes any and all prior agreements, arrangements and understandings between the parties. This Agreement may be executed in two or more counterparts, each of which shall constitute an original.

19. Confidentiality. Buyer agrees that all of the terms, conditions and other provisions of this Agreement and all surveys, reports and the like, including, without limitation, environmental reports, submitted to Buyer in the course of the inspections and evaluations of the Property shall be held in strict confidence (it being agreed, however, that Buyer may disclose any of the foregoing on a "need to know" basis to Buyer's advisors and lenders upon advising such parties of the confidential nature of such information), and that Buyer shall return all such items to Seller upon the termination of this Agreement. Buyer further covenants and agrees that it will not issue any press release or other publicity regarding the Property or the transaction contemplated herein without the prior consultation and express written approval of the Seller.

20. No Offer. The submission of this Agreement to Buyer shall not be deemed an offer by Seller to enter into any transaction or to enter into any other relationship with Buyer, whether on the terms contained in this Agreement or on any other terms. This Agreement shall not be binding upon Buyer or Seller nor shall Buyer or Seller have any obligations or liabilities or any rights with respect hereto, unless and until both Buyer and Seller have executed and delivered this Agreement. Until such execution and delivery of this Agreement, Seller may negotiate with other prospective buyers and either Buyer or Seller may terminate all negotiation and discussion of the subject matter of this Agreement without cause or for any reason, without recourse or liability.

21. Office/Depot Lease Leaseback. At Closing, Buyer agrees to lease approximately 50,660 square feet of office/depot space plus related parking as shown on the depot conceptual site plan attached hereto as Exhibit D substantially upon the terms and conditions set forth in the form of Lease attached hereto as Exhibit B (the "Office/Depot Lease"). During the Due Diligence Period, Seller and Buyer shall agree upon the final form of the Office/Depot Lease. Notwithstanding anything to the contrary in this Agreement, if the parties are unable to reach agreement before the expiration of the Due Diligence Period on the terms and conditions and final form of the Office/Depot Lease, then either party may terminate this Agreement before the expiration of the Due Diligence Period by written notice to the other, in which event this Agreement shall become null and void and of no further force or effect without any further action by either Buyer or Seller and Escrow Agent shall return the Deposit together with interest thereon, if any, to Buyer provided Buyer is not otherwise in default under this Agreement.

22. Short Term Lease. At Closing, Buyer agrees to lease certain additional space upon the terms and conditions set forth on Exhibit C attached hereto (the "Short Term Lease"). During the Due Diligence Period, Seller and Buyer shall agree upon the final form of the Short Term Lease. Notwithstanding anything to the contrary in this Agreement, if the parties are unable to reach agreement before the expiration of the Due Diligence Period on the terms and conditions and final form of the Short Term Lease, either party may terminate this Agreement before the expiration of the Due Diligence Period by written notice to the other, in which event this Agreement shall become null and void and of no further force or effect without any further

action by either Buyer or Seller and Escrow Agent shall return the Deposit together with interest thereon, if any, to Buyer provided that Buyer is not otherwise in default under this Agreement.

23. Garage Lease. At Closing, Buyer agrees to lease certain additional space upon the terms and conditions set forth on Exhibit F attached hereto (the "Garage Lease"). During the Due Diligence Period, Seller and Buyer shall agree upon the final form of the Garage Lease. Notwithstanding anything to the contrary in this Agreement, if the parties are unable to reach agreement before the expiration of the Due Diligence Period on the terms and conditions and final form of the Garage Lease, either party may terminate this Agreement before the expiration of the Due Diligence Period by written notice to the other, in which event this Agreement shall become null and void and of no further force or effect without any further action by either Buyer or Seller and Escrow Agent shall return the Deposit together with interest thereon, if any, to Buyer provided that Buyer is not otherwise in default under this Agreement.

24. Permits. As a condition to Seller's obligation to consummate the transactions provided for in this Agreement, Seller shall have applied for, and obtained, on or prior to December 15, 2015, the Tenant Permits, which Tenant Permits (and all conditions of approval relating thereto) shall be in form and substance reasonably satisfactory to Seller. For purposes of this Agreement, "Tenant Permits" shall mean all Site Plan Approval, Special Permits, permits and other governmental approvals, variances or other consents that may be required by the applicable governmental agencies, bureau departments or any other governmental or quasi governmental entities (a "Governmental Authority") required for Seller to (x) engage in overnight parking uses and vehicle repair uses, and (y) obtain a building permit as a matter of right (i.e. no further discretionary approvals or consents are required from any Governmental Authority) to complete the work specified on Exhibit "B-1" of the Office/Depot Lease. Buyer, at no cost to Buyer, shall cooperate with Seller in Seller's obtaining of Tenant's Permits. In the event Seller is pursuing the Tenant Permits with reasonable diligence, Seller may extend the date for satisfaction or waiver of this condition for 90 additional days by providing written notice of such extension to Buyer on or prior to December 15, 2015. In the absence of written notice from Seller terminating this Agreement for failure of this condition on or prior to the date for satisfaction or waiver of this condition, this condition shall be deemed satisfied or waived.

25. Escrow Provisions Regarding Deposit.

(a) Escrow Agent shall hold the Deposit in a non-interest bearing account and make delivery of the Deposit to the party entitled thereto under the terms of this Agreement. The tax identification numbers of the parties shall be furnished to Escrow Agent upon request.

(b) If either party makes a written demand upon Escrow Agent for payment of the Deposit, Escrow Agent shall give written notice to the other party of such demand. If Escrow Agent does not receive a written objection from the other party to the proposed payment within 5 business days after the giving of such notice, Escrow Agent is hereby authorized to make such payment. If Escrow Agent does receive such written objection within such 5-business day period, Escrow Agent shall continue to hold such amount until otherwise directed by written instructions from the parties to this Agreement or a final judgment from a court of competent jurisdiction or arbitrator's decision. However, Escrow Agent shall have the

right at any time to deliver the Deposit and interest thereon, if any, with a court of competent jurisdiction in the state in which the Property is located. Escrow Agent shall give written notice of such deposit to Seller and Buyer. Upon such deposit, Escrow Agent shall be relieved and discharged of all further obligations and responsibilities hereunder.

(c) The parties acknowledge that Escrow Agent is acting solely as a stakeholder at their request and for their convenience, and that Escrow Agent shall not be deemed to be the agent of either of the parties or liable for any act or omission on its part unless taken or suffered in bad faith in willful disregard of this Agreement or involving gross negligence. Seller and Buyer jointly and severally shall indemnify and hold Escrow Agent harmless from and against all costs, claims and expenses, including reasonable attorney's fees, incurred in connection with the performance of Escrow Agent's duties hereunder, except with respect to actions or omissions taken or suffered by Escrow Agent in bad faith, in breach of this Agreement or involving gross negligence on the part of the Escrow Agent.

(d) The parties shall deliver to Escrow Agent an executed copy of this Agreement. Escrow Agent shall execute the signature page for Escrow Agent attached hereto which shall confirm Escrow Agent's agreement to comply with this Agreement including, without limitation, the provisions of this Section 25.

26. Time of the Essence. Time is of the essence with respect to each and every provision of this Agreement except that the date of Closing may be adjourned for a period of up to 10 days by the mutual consent of the parties hereto, which consent shall not be unreasonably withheld or delayed by either party. If any party becomes aware of a default by the other party, the non-defaulting party shall promptly provide the defaulting party with written notice thereof.


[Remainder of Page Intentionally Blank]



IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

"BUYER"

SUFFOLK COUNTY INDUSTRIAL LLC

By:   
Name: Tod Buckner  
Title: member  
Date: Sept. 4, 2015

"SELLER"


BIMBO BAKERIES USA, INC.

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

"BUYER"

SUFFOLK COUNTY INDUSTRIAL LLC

By:   
Name: Mark E. Smith  
Title: Member  
Date: 9-4-15

"SELLER"

BIMBO BAKERIES USA, INC.

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.


"BUYER"

SUFFOLK COUNTY INDUSTRIAL LLC

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

"SELLER"

BIMBO BAKERIES USA, INC.

By:  \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: Stephen J. Mollick  
Senior Vice President Finance

9/4/15

## ESCROW AGENT SIGNATURE PAGE

The undersigned hereby executes the Agreement to which this signature page is attached for the purpose of confirming its agreement to be bound by the provisions of the Agreement regarding the Deposit and closing procedures including, without limitation, Section 25 of the Agreement. Escrow Agent acknowledges receipt of the Deposit.

ESCROW AGENT:

FIRST AMERICAN TITLE INSURANCE COMPANY

By: Michael P. Sasso  
Name: MICHAEL P. SASSO  
Title: Underwriting Counsel

EXHIBIT A TO PURCHASE AND SALE AGREEMENT

List Environmental Reports Disclosed to Buyer

1. Phase I Environmental Site Assessment dated 7/18/2014
2. Limited Phase II Environmental Site Assessment dated 9/20/2014
3. Regulatory History Bimbo - SCDHS File Summary dated 12/19/2014
4. Soil Vapor Intrusion Study Summary Report dated 1/16/2015
5. Inactive Hazardous Waste Site Correspondence Letter dated 2/23/2015
6. UIC Additional Sampling Report – DRAFT dated 5/26/2015
7. UIC Remedial Action Workplan dated 6/30/2015



**617.20**  
**Appendix B**  
**Short Environmental Assessment Form**

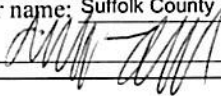
**Instructions for Completing**

**Part 1 - Project Information.** The applicant or project sponsor is responsible for the completion of Part 1. Responses become part of the application for approval or funding, are subject to public review, and may be subject to further verification. Complete Part 1 based on information currently available. If additional research or investigation would be needed to fully respond to any item, please answer as thoroughly as possible based on current information.

Complete all items in Part 1. You may also provide any additional information which you believe will be needed by or useful to the lead agency; attach additional pages as necessary to supplement any item.

<b>Part 1 - Project and Sponsor Information</b>							
Name of Action or Project: Suffolk County Industrial LLC/Bimbo Bakeries USA Inc. Project							
Project Location (describe, and attach a location map): 1724 Fifth Avenue, Harold Court and 40 Harold Court, Bay Shore, New York							
Brief Description of Proposed Action: Acquisition and interior renovations of approximately 400,000 sq. ft. existing industrial building and depot. Project to include conversion of existing heating system to gas; demolition of interior walls; potential installation of additional loading docks to building and tenant build-outs.							
Name of Applicant or Sponsor: Suffolk County Industrial LLC		Telephone: [REDACTED] E-Mail: [REDACTED]					
Address: 10 Hub Drive, Suite 5							
City/PO: Melville		State: NY	Zip Code: 11747				
1. Does the proposed action only involve the legislative adoption of a plan, local law, ordinance, administrative rule, or regulation? If Yes, attach a narrative description of the intent of the proposed action and the environmental resources that may be affected in the municipality and proceed to Part 2. If no, continue to question 2.			<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; padding: 2px;">NO</td> <td style="width: 50%; padding: 2px;">YES</td> </tr> <tr> <td style="text-align: center; padding: 2px;"><input checked="" type="checkbox"/></td> <td style="text-align: center; padding: 2px;"><input type="checkbox"/></td> </tr> </table>	NO	YES	<input checked="" type="checkbox"/>	<input type="checkbox"/>
NO	YES						
<input checked="" type="checkbox"/>	<input type="checkbox"/>						
2. Does the proposed action require a permit, approval or funding from any other governmental Agency? If Yes, list agency(s) name and permit or approval: Building permits from Town of Islip			<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; padding: 2px;">NO</td> <td style="width: 50%; padding: 2px;">YES</td> </tr> <tr> <td style="text-align: center; padding: 2px;"><input type="checkbox"/></td> <td style="text-align: center; padding: 2px;"><input checked="" type="checkbox"/></td> </tr> </table>	NO	YES	<input type="checkbox"/>	<input checked="" type="checkbox"/>
NO	YES						
<input type="checkbox"/>	<input checked="" type="checkbox"/>						
3.a. Total acreage of the site of the proposed action? <span style="float: right;">32.88 acres</span> b. Total acreage to be physically disturbed? <span style="float: right;">0 acres</span> c. Total acreage (project site and any contiguous properties) owned or controlled by the applicant or project sponsor? <span style="float: right;">32.88 acres</span>							
4. Check all land uses that occur on, adjoining and near the proposed action. <input type="checkbox"/> Urban <input type="checkbox"/> Rural (non-agriculture) <input checked="" type="checkbox"/> Industrial <input checked="" type="checkbox"/> Commercial <input checked="" type="checkbox"/> Residential (suburban) <input type="checkbox"/> Forest <input type="checkbox"/> Agriculture <input type="checkbox"/> Aquatic <input type="checkbox"/> Other (specify): _____ <input type="checkbox"/> Parkland							

5. Is the proposed action, a. A permitted use under the zoning regulations?	NO <input type="checkbox"/>	YES <input checked="" type="checkbox"/>	N/A <input type="checkbox"/>
b. Consistent with the adopted comprehensive plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
6. Is the proposed action consistent with the predominant character of the existing built or natural landscape?		NO <input type="checkbox"/>	YES <input checked="" type="checkbox"/>
7. Is the site of the proposed action located in, or does it adjoin, a state listed Critical Environmental Area? If Yes, identify: _____		NO <input checked="" type="checkbox"/>	YES <input type="checkbox"/>
8. a. Will the proposed action result in a substantial increase in traffic above present levels?		NO <input checked="" type="checkbox"/>	YES <input type="checkbox"/>
b. Are public transportation service(s) available at or near the site of the proposed action?		<input type="checkbox"/>	<input checked="" type="checkbox"/>
c. Are any pedestrian accommodations or bicycle routes available on or near site of the proposed action?		<input checked="" type="checkbox"/>	<input type="checkbox"/>
9. Does the proposed action meet or exceed the state energy code requirements? If the proposed action will exceed requirements, describe design features and technologies: <u>Project to be converted from steam heating to natural gas heating</u>		NO <input type="checkbox"/>	YES <input checked="" type="checkbox"/>
10. Will the proposed action connect to an existing public/private water supply?  If No, describe method for providing potable water: _____		NO <input type="checkbox"/>	YES <input checked="" type="checkbox"/>
11. Will the proposed action connect to existing wastewater utilities?  If No, describe method for providing wastewater treatment: _____		NO <input type="checkbox"/>	YES <input checked="" type="checkbox"/>
12. a. Does the site contain a structure that is listed on either the State or National Register of Historic Places?		NO <input checked="" type="checkbox"/>	YES <input type="checkbox"/>
b. Is the proposed action located in an archeological sensitive area?		<input checked="" type="checkbox"/>	<input type="checkbox"/>
13. a. Does any portion of the site of the proposed action, or lands adjoining the proposed action, contain wetlands or other waterbodies regulated by a federal, state or local agency?		NO <input checked="" type="checkbox"/>	YES <input type="checkbox"/>
b. Would the proposed action physically alter, or encroach into, any existing wetland or waterbody? If Yes, identify the wetland or waterbody and extent of alterations in square feet or acres: _____		<input checked="" type="checkbox"/>	<input type="checkbox"/>
14. Identify the typical habitat types that occur on, or are likely to be found on the project site. Check all that apply: <input type="checkbox"/> Shoreline <input type="checkbox"/> Forest <input type="checkbox"/> Agricultural/grasslands <input type="checkbox"/> Early mid-successional <input type="checkbox"/> Wetland <input type="checkbox"/> Urban <input checked="" type="checkbox"/> Suburban			
15. Does the site of the proposed action contain any species of animal, or associated habitats, listed by the State or Federal government as threatened or endangered?		NO <input checked="" type="checkbox"/>	YES <input type="checkbox"/>
16. Is the project site located in the 100 year flood plain?		NO <input checked="" type="checkbox"/>	YES <input type="checkbox"/>
17. Will the proposed action create storm water discharge, either from point or non-point sources? If Yes, a. Will storm water discharges flow to adjacent properties? <input checked="" type="checkbox"/> NO <input type="checkbox"/> YES		NO <input checked="" type="checkbox"/>	YES <input type="checkbox"/>
b. Will storm water discharges be directed to established conveyance systems (runoff and storm drains)? If Yes, briefly describe: <input type="checkbox"/> NO <input checked="" type="checkbox"/> YES <u>Drywells located on-site.</u>			

18. Does the proposed action include construction or other activities that result in the impoundment of water or other liquids (e.g. retention pond, waste lagoon, dam)? If Yes, explain purpose and size: _____	NO	YES
	<input checked="" type="checkbox"/>	<input type="checkbox"/>
19. Has the site of the proposed action or an adjoining property been the location of an active or closed solid waste management facility? If Yes, describe: _____	NO	YES
	<input checked="" type="checkbox"/>	<input type="checkbox"/>
20. Has the site of the proposed action or an adjoining property been the subject of remediation (ongoing or completed) for hazardous waste? If Yes, describe: _____ Ordinary sanitary and drywell remediation.	NO	YES
	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>I AFFIRM THAT THE INFORMATION PROVIDED ABOVE IS TRUE AND ACCURATE TO THE BEST OF MY KNOWLEDGE</b>		
Applicant/sponsor name: <u>Suffolk County Industrial LLC</u>		Date: <u>11-30-15</u>
Signature: 		

**Part 2 - Impact Assessment.** The Lead Agency is responsible for the completion of Part 2. Answer all of the following questions in Part 2 using the information contained in Part 1 and other materials submitted by the project sponsor or otherwise available to the reviewer. When answering the questions the reviewer should be guided by the concept "Have my responses been reasonable considering the scale and context of the proposed action?"

	No, or small impact may occur	Moderate to large impact may occur
1. Will the proposed action create a material conflict with an adopted land use plan or zoning regulations?	<input type="checkbox"/>	<input type="checkbox"/>
2. Will the proposed action result in a change in the use or intensity of use of land?	<input type="checkbox"/>	<input type="checkbox"/>
3. Will the proposed action impair the character or quality of the existing community?	<input type="checkbox"/>	<input type="checkbox"/>
4. Will the proposed action have an impact on the environmental characteristics that caused the establishment of a Critical Environmental Area (CEA)?	<input type="checkbox"/>	<input type="checkbox"/>
5. Will the proposed action result in an adverse change in the existing level of traffic or affect existing infrastructure for mass transit, biking or walkway?	<input type="checkbox"/>	<input type="checkbox"/>
6. Will the proposed action cause an increase in the use of energy and it fails to incorporate reasonably available energy conservation or renewable energy opportunities?	<input type="checkbox"/>	<input type="checkbox"/>
7. Will the proposed action impact existing:	<input type="checkbox"/>	<input type="checkbox"/>
a. public / private water supplies?	<input type="checkbox"/>	<input type="checkbox"/>
b. public / private wastewater treatment utilities?	<input type="checkbox"/>	<input type="checkbox"/>
8. Will the proposed action impair the character or quality of important historic, archaeological, architectural or aesthetic resources?	<input type="checkbox"/>	<input type="checkbox"/>
9. Will the proposed action result in an adverse change to natural resources (e.g., wetlands, waterbodies, groundwater, air quality, flora and fauna)?	<input type="checkbox"/>	<input type="checkbox"/>

	No, or small impact may occur	Moderate to large impact may occur
10. Will the proposed action result in an increase in the potential for erosion, flooding or drainage problems?	<input type="checkbox"/>	<input type="checkbox"/>
11. Will the proposed action create a hazard to environmental resources or human health?	<input type="checkbox"/>	<input type="checkbox"/>

**Part 3 - Determination of significance. The Lead Agency is responsible for the completion of Part 3.** For every question in Part 2 that was answered "moderate to large impact may occur", or if there is a need to explain why a particular element of the proposed action may or will not result in a significant adverse environmental impact, please complete Part 3. Part 3 should, in sufficient detail, identify the impact, including any measures or design elements that have been included by the project sponsor to avoid or reduce impacts. Part 3 should also explain how the lead agency determined that the impact may or will not be significant. Each potential impact should be assessed considering its setting, probability of occurring, duration, irreversibility, geographic scope and magnitude. Also consider the potential for short-term, long-term and cumulative impacts.

<input type="checkbox"/>	Check this box if you have determined, based on the information and analysis above, and any supporting documentation, that the proposed action may result in one or more potentially large or significant adverse impacts and an environmental impact statement is required.
<input type="checkbox"/>	Check this box if you have determined, based on the information and analysis above, and any supporting documentation, that the proposed action will not result in any significant adverse environmental impacts.
<div> <div>_____</div> <div>Name of Lead Agency</div> </div> <div> <div>_____</div> <div>Date</div> </div>	
<div> <div>_____</div> <div>Print or Type Name of Responsible Officer in Lead Agency</div> </div> <div> <div>_____</div> <div>Title of Responsible Officer</div> </div>	
<div> <div>_____</div> <div>Signature of Responsible Officer in Lead Agency</div> </div> <div> <div>_____</div> <div>Signature of Preparer (if different from Responsible Officer)</div> </div>	

**PRINT**





## 5. Use of Property.

- a. Describe the primary use of the property and the type of business to be conducted. Industrial, warehousing and manufacturing.
- b. Describe any other use or uses of the property. None
- c. Is any part of the real property used for a purpose other than buying, selling, storing or developing goods or services; the manufacture or assembly of goods or the processing of raw materials; or hotel or motel purposes? ☐ Yes ☒ No
- d. If yes, describe in detail the other use or uses of the property and state the extent to which the property is so used (e.g., 30% of floor space, 25% of income, etc.).

## 6. Other exemptions.

- a. Is the property receiving or has it ever received any other exemption from real property taxation?  
☐ Yes ☒ No
- b. If yes, what exemption was received? \_\_\_\_\_ When? \_\_\_\_\_

Were payments in lieu of taxes made during the term of that exemption? ☐ Yes ☐ No

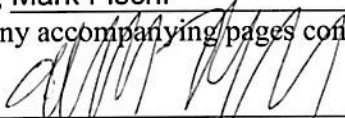
If yes, attach a schedule showing the amounts and dates of such payments, and the purposes for which such payments were made (i.e., school district, general municipal, etc.). Also attach any related documentation, such as a copy of the agreement under which such payments were made.

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**CERTIFICATION**


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I, Mark Fischl, hereby certify that the information on this application and any accompanying pages constitutes a true statement of facts.

  
\_\_\_\_\_  
Signature

11-30-15  
\_\_\_\_\_  
Date

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**FOR ASSESSOR'S USE**


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1. Date application filed: \_\_\_\_\_ 2. Applicable taxable status date: \_\_\_\_\_
3. Action on application: ☐ Approved ☐ Disapproved
4. Assessed valuation of parcel in first year of exemption: \$ \_\_\_\_\_
5. Increase in total assessed valuation in first year of exemption: \$ \_\_\_\_\_
6. Amount of exemption in first year:

	Percent	Amount
County	_____	\$ _____
City/Town	_____	\$ _____
Village	_____	\$ _____
School District	_____	\$ _____

\_\_\_\_\_  
Assessor's signature

\_\_\_\_\_  
Date

