

31 CROSSWAYS EAST REALTY LLC, as Lessor

and

TOWN OF ISLIP INDUSTRIAL DEVELOPMENT AGENCY
(TOWN OF ISLIP, NEW YORK)

COMPANY LEASE AGREEMENT

Dated as of August 1, 2015

Town of Islip Industrial Development Agency
(31 Crossways East Realty LLC/Northrock Industries, Inc. 2015 Facility)

THIS COMPANY LEASE AGREEMENT, dated as of August 1, 2015 (the "**Company Lease**"), is by and between 31 CROSSWAYS EAST REALTY LLC, a limited liability company organized and existing under the laws of the State of New York the "**Company**"), and the TOWN OF ISLIP INDUSTRIAL DEVELOPMENT AGENCY, a public benefit corporation of the State of New York, having its office at 40 Nassau Avenue, Islip, New York 11751 (the "**Agency**").

RECITALS

WHEREAS, Title 1 of Article 18-A of the General Municipal Law of the State of New York was duly enacted into law as Chapter 1030 of the Laws of 1969 of the State of New York; and

WHEREAS, the aforesaid act authorizes the creation of industrial development agencies for the Public Purposes of the State of New York (the "**State**"); and

WHEREAS, pursuant to and in accordance with the provisions of the aforesaid act, as amended, and Chapter 47 of the Laws of 1974 of the State, as amended (collectively, the "**Act**"), the Agency was created and is empowered under the Act to undertake the acquisition, renovation, equipping and leasing of the Facility defined below; and

WHEREAS, the Agency has agreed to assist in ((a) the acquisition of an approximately 2.00 acre parcel of land located at 31 Crossways East, Bohemia, New York (the "**Land**"), the renovation of an approximately 30,000 square foot building located thereon (the "**Improvements**") and the acquisition and installation therein of certain equipment not part of the Equipment (as such term is defined herein) (the "**Facility Equipment**"); and, together with the Land and the Improvements, the "**Company Facility**"), which Company Facility is to be leased and subleased by the Agency to the Company and further subleased by the Company to Northrock Industries, Inc., a business corporation (the "**Sublessee**"), and (b) the acquisition and installation of certain equipment and personal property (the "**Equipment**"), which Equipment is to be leased by the Agency to the Sublessee (the Company Facility and the Equipment are collectively referred to herein as the "**Facility**"), and which Facility is to be used by the Sublessee as manufacturing and office space in its business as a manufacturer of construction equipment including, but not limited to, concrete vibrators, power screeds, ceiling grinders, fish scalers and rebar rockers for the construction industry; and

WHEREAS, the Company has agreed with the Agency, on behalf of the Agency and as the Agency's agent, to renovate and equip the Company Facility in accordance with the Plans and Specifications; and

WHEREAS, the Company has agreed to lease the Land and the Improvements to the Agency pursuant to and in accordance with this Company Lease, and the Company has agreed to transfer to the Agency title to the Facility Equipment pursuant to a Bill of Sale, dated the Closing Date (the "**Bill of Sale**"); and

WHEREAS, the Agency has agreed to sublease and lease the Company Facility to the Company pursuant to a certain Lease Agreement, dated as of August 1, 2015 (the "**Lease**

Agreement") by and between the Agency and the Company; and

WHEREAS, the Company and BAMB, LLC ("**Bamm**") have entered into a certain Qualified Exchange Accommodation Agreement, dated as of August 26, 2015 (the "**Accommodation Agreement**"), by and among the Company, National Safe Harbor Exchanges, and Bamm, pursuant to which the Company has agreed to acquire the fee title interest in the Facility; and

WHEREAS, pursuant to the Accommodation Agreement, Bamm will assume the sole membership interest in the Company not later than (i) the 180th day after the Company acquires title to the Facility, or (ii) such later date as is allowed pursuant to guidance published by the Internal Revenue Service, as further described in the Accommodation Agreement (upon the occurrence of (i) or (ii) above, the "**Effective Date**"); and

WHEREAS, prior to the Effective Date, the Company will sublease the Facility to Bamm pursuant to a certain Lease Agreement dated August 26, 2015 (the "**Bamm Lease**") by and between the Company and Bamm; and

WHEREAS, upon the Effective Date, the parties hereto hereby agree that the Bamm Lease will expire and Bamm shall become the sole member of the Company.

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained herein, the parties mutually agree as follows:

The Company hereby leases the Land (described in Exhibit A attached hereto) and the Improvements to the Agency for the annual rent of \$1.00 for a term commencing on the Closing Date and terminating at 11:59 p.m. on November 30, 2026 (the "**Lease Term**").

This Company Lease shall terminate on the earliest of (i) the expiration of the Lease Term, (ii) the termination of the Lease Agreement pursuant to Article X or Article XI thereof, and (iii) the date upon which the benefits afforded under that certain PILOT Agreement (as defined in the Lease Agreement) shall no longer be effective or the same shall be terminated.

The Company agrees to keep, perform and observe, from and after the date hereof, all of the terms, covenants, conditions, obligations and other provisions contained in the Lease Agreement. The Company agrees further that it shall indemnify, defend and hold harmless the Agency from and against all liabilities, damages, claims, demands, judgments, losses, costs, expenses, suits, actions or proceedings and attorneys' fees arising out of or in connection with the Lease Agreement or this Company Lease and shall defend the Agency in any suit, action or proceeding, including appeals, for personal injury to, or death of, any person or persons, or for any loss of or damage to property of persons, or for other claims arising out of the acts or omissions of the Company or any of its officers, directors, agents or employees. The foregoing indemnitees shall include all expenses incurred by the Agency, including, without limitation, reasonable attorneys' fees to enforce this Company Lease, the Lease Agreement or any other document to which the Company and the Agency are parties, and with respect to third party claims.

The Agency, for itself and its successors and assigns, hereby agrees to lease the Land and the Improvements from the Company on the terms and conditions contained herein.

The Company and the Agency acknowledge that the Agency will lease or sublease the Company Facility, as applicable, to the Company pursuant to the Lease Agreement. The Company and the Agency agree that while this Company Lease and the Lease Agreement remain in full force and effect, (i) there shall be no merger of the Company's fee simple absolute estate in the Land and the Improvements and the Company's subleasehold estate in the Land and Improvements created under the Lease Agreement; and (ii) the Agency shall continue to have, use and enjoy the leasehold estate in the Land and the Improvements created under this Company Lease.

The Company and the Agency acknowledge that in order to accomplish certain financing arrangements for the Company Facility, the parties will be required to assign and mortgage, for collateral purposes, each of their respective rights, titles and interests held pursuant to this Company Lease, the Lease Agreement and other interests that either may hold. Each of the Company and the Agency hereby consents to all such assignments, mortgages and other collateral financing requirements that may arise in connection with the financing or refinancing of the Company Facility.

This Company Lease and any and all modifications, amendments, renewals and extensions thereof is subject and subordinate to any Mortgage or Mortgages which may be granted by the Agency and the Company on the Company Facility or any portion thereof and to any and all modifications, amendments, consolidations, extensions, renewals, replacements and increases thereof.

This Company Lease shall not be recorded by either party hereto. The Agency shall cause a memorandum of lease with respect hereto to be recorded in the office of the Suffolk County Clerk. The parties hereto shall take such additional actions and execute such additional documents as may be required by any lender providing financing for the Facility to record evidence of this Company Lease.

All notices, certificates and other communications hereunder shall be in writing and shall be either delivered personally or sent by certified mail, return receipt requested, or delivered by any national overnight express delivery service (in each case, postage or delivery charges paid by the party giving such communication) addressed as follows or to such other address as any party may specify in writing to the other:

To the Agency:

Town of Islip Industrial Development Agency
40 Nassau Avenue
Islip, New York 11751
Attention: William G. Mannix, Executive Director

With a copy to:

Islip Town Attorney's Office
Town Hall
655 Main Street
Islip, New York 11751
Attention: John R. Dicioccio, Esq.

To the Company:

31 Crossways East Realty LLC
31 Crossways East Road
Bohemia, New York 11716
Attention: Vice President

With a copy to:

Farrell Fritz, P.C.
1320 RXR Plaza
West Tower
Uniondale, New York 11556-1320
Attention: Peter L. Curry, Esq.

Notice by mail shall be effective when delivered but if not yet delivered shall be deemed effective at 12:00 p.m. on the third Business Day after mailing with respect to certified mail and one Business Day after mailing with respect to overnight mail.

If a party hereto determines in its reasonable discretion that any further instruments or other actions are necessary or desirable to carry out the terms of this Company Lease, the other party shall, at the Company's sole cost and expense, execute and deliver all such instruments and take all such actions, without additional consideration.

Capitalized terms used in this Company Lease and not otherwise defined in this Company Lease shall have the meanings assigned thereto in Schedule A to the Lease Agreement.

This Company Lease may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.


This Company Lease shall be governed exclusively by the applicable laws of the State of New York, without regard or reference to its conflict of laws principles.

This Company Lease and the conveyance made hereby shall be subject to the trust fund provisions of Section 13 of the Lien Law of the State.

(Remainder of Page Intentionally Left Blank – Signature Pages Follow)

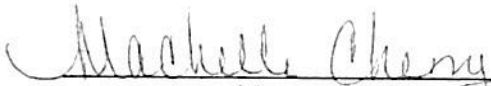
IN WITNESS WHEREOF, the parties hereto have executed this instrument as of the day and year first above written.

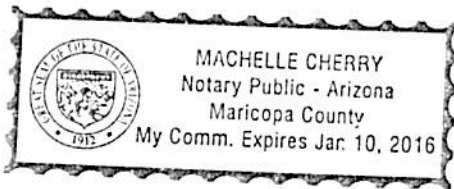
31 CROSSWAYS EAST REALTY LLC,
a New York limited liability company
By: National Safe Harbor Exchanges,
a California corporation, its sole member

By: 
Name: Laura C. Reagle
Title: Assistant Vice President
Exchange Officer

ARIZONA
STATE OF CALIFORNIA)
: SS.:
COUNTY OF *Maricopa*)

On the 24 day of August in the year 2015, before me, the undersigned, personally appeared **Laura C. Reagle**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument, and acknowledged to me that she executed the same in her capacity, and that by her signature on the instrument, the individual, or the person or entity on behalf of which the individual acted, executed the instrument.


Notary Public



Signature Page 1 of 2
Company Lease

**TOWN OF ISLIP INDUSTRIAL
DEVELOPMENT AGENCY**

By: *William G. Mannix*
Name: William G. Mannix
Title: Executive Director

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

On the 26th day of August in the year 2015, before me, the undersigned, personally appeared **William G. Mannix**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument, and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person or entity on behalf of which the individual acted, executed the instrument.

ELIZABETH A. WOOD
Notary Public, State of New York
Registration # 01W06103025
Qualified in Monroe County
Certificate Filed in Monroe County
Commission Expires: 12/15/2015

Elizabeth A. Wood
Notary Public

Signature Page 2 of 2
Company Lease

Exhibit A

Legal Description of Real Property

Stewart Title Insurance Company

**SCHEDULE A
DESCRIPTION OF PREMISES**

Title No. AL110088S

ALL that certain plot, piece or parcel of land, situate, lying and being at Bohemia, Town of Islip, County of Suffolk and State of New York being bounded and described as follows:

BEGINNING at a point on the easterly side of Crossways East, distant the following 3 courses and distances as measured along the easterly, northerly and easterly sides of Crossways East from the corner formed by the intersection of the Easterly side of Crossways East and the Southerly side of Veterans Memorial Highway (S.R. 454) to wit:

1. Southerly along the Easterly side of Crossways East, 484.00 feet;
2. Easterly along the Northerly side of Crossways East, 9.11 feet;
3. Southerly along the Easterly side of Crossways East 216.30 feet to the true point or place of beginning;

RUNNING THENCE North 83 degrees 32 minutes 30 seconds East, 357.63 feet to a point;

THENCE South 06 degrees 27 minutes 30 seconds East 238.31 feet to a point;

THENCE South 74 degrees 38 minutes 30 seconds West, 259.99 feet to a point;

THENCE North 15 degrees 21 minutes 30 seconds West, 82.86 feet to a point;

THENCE North 62 degrees 14 minutes 32 seconds West, 160.53 feet to the Easterly side of Crossways East;

THENCE Northerly along the Easterly side of Crossways East along the arc of a curve bearing to the left having a radius of 292.50 feet a distance of 116.20 feet to the point or place of BEGINNING.