

**AUTHORIZING RESOLUTION**  
*(L&A RE Acquisitions LLC Project)*

A regular meeting of the City of Yonkers Industrial Development Agency was convened on Monday, September 25, 2017, at 9:00 a.m. at Yonkers City Hall.

The following resolution was duly offered and seconded, to wit:

**Resolution No. 09/2017 - 40**

RESOLUTION OF THE CITY OF YONKERS INDUSTRIAL DEVELOPMENT AGENCY AUTHORIZING (A) FINANCIAL ASSISTANCE IN THE FORM OF A MORTGAGE TAX EXEMPTION AS AUTHORIZED BY LAW, AND (B) THE EXECUTION AND DELIVERY OF (i) ONE OR MORE SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENTS, (ii) A SUBORDINATION OF MORTGAGE, (iii) AND RELATED DOCUMENTS WITH RESPECT TO THE L&A RE ACQUISITIONS LLC PROJECT (AS DEFINED BELOW), ALL IN CONNECTION WITH LONG-TERM MORTGAGE FINANCING OBTAINED BY L&A RE ACQUISITIONS LLC AND INSURED BY THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

WHEREAS, by Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 83 of the Laws of 1982 of the State of New York, as amended (hereinafter collectively called the "Act"), the **CITY OF YONKERS INDUSTRIAL DEVELOPMENT AGENCY** (the "Agency") was created with the authority and power to own, lease and sell property for the purpose of, among other things, acquiring, constructing and equipping civic, industrial, manufacturing and commercial facilities as authorized by the Act; and

WHEREAS, the Agency and **L&A RE ACQUISITIONS LLC** (the "Company") previously entered into, among other things: (i) a certain Lease Agreement, dated as of August 31, 2015, as amended and restated pursuant to Amended and Restated Lease Agreement, dated as of December 1, 2015, each by and between the Company and the Agency with acknowledgment by L&A Operations LLC (as so amended and restated, the "Lease Agreement"), (ii) a certain Leaseback Agreement, dated as of August 31, 2015, as amended and restated pursuant to Amended and Restated Leaseback Agreement, dated as of December 1, 2015, by and between the Agency and the Company with acknowledgment by L&A Operations LLC (as so amended and restated, the "Leaseback Agreement"), (iii) a certain Tax Agreement, dated as of December 1, 2015, by and between the Agency and the Company with acknowledgment by L&A Operations LLC (the "Tax Agreement"), (iv) a certain Tax Agreement Mortgage, dated as of December 1, 2015, by and between the Agency and the Company (the "Tax Agreement Mortgage"); all in connection with a certain project (the "Project") undertaken by the Agency for the benefit of the Company, consisting of (i) acquisition by the Company of the 120-bed skilled nursing home facility commonly known as the "Michael Malotz Skilled Nursing Pavilion" (the "Existing Improvements") located at 120 Odell Avenue, in the City of

Yonkers, New York (the "Land"), and (ii) the acquisition in and around the Existing Improvements of machinery, equipment and other items of tangible personal property (the "Equipment" and together with the Existing Improvements, the "Facility"); and

WHEREAS, in connection the Project, the Agency and the Company also executed a certain Subordination Agreement, dated as of December 1, 2015, by and between the Agency and the Company (the "Subordination Agreement"), pursuant to which the Agency and the Company subordinated the lien of the Tax Agreement Mortgage to the line of a certain Mortgage executed by the Company and L&A Operations LLC in favor of **GREYSTONE SERVICING CORPORATION** (the "Mortgagee"), which secured the aggregate principal amount of \$21,330,000; provided, however that the Agency's right to receive tax payments under the Tax Agreement Mortgage remain superior in right of the Mortgagee to receive tax payments; and

WHEREAS, the Company has obtained a long-term mortgage loan from the Mortgagee that will be insured by the U.S. Department of Housing and Urban Development (the "2017 Mortgage"), which 2017 Mortgage will secure an aggregate principal amount of approximately \$24,984,200; and

WHEREAS, the Company has requested that the Agency provide a mortgage recording tax exemption (*excluding the additional mortgage recording tax imposed on real property located within a transportation district pursuant to Section 253(2)(a) of the New York Tax Law*), upon the recording of the 2017 Mortgage in the approximate amount of up to \$65,775.60 on the "new" principal amount of the 2017 Mortgage, being approximately \$3,654,200; and

WHEREAS, Agency desires to (i) provide financial assistance to the Company in the form of a mortgage recording tax exemption (*excluding the additional mortgage recording tax imposed on real property located within a transportation district pursuant to Section 253(2)(a) of the New York Tax Law*), upon recording of the 2017 Mortgage (the "Financial Assistance"), (ii) execute and deliver a certain Subordination, Non-Disturbance and Attornment Agreement with the Company in favor of the Mortgagee with respect to the Lease Agreement, (iii) execute and deliver a certain Subordination, Non-Disturbance and Attornment Agreement with the Company in favor of the Mortgagee with respect to the Leaseback Agreement, and (iv) execute and deliver a certain Subordination of Mortgage with respect to the subordination of the Tax Agreement Mortgage (together, the "Agency Documents").

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

Section 1. The Agency finds that the proposed actions of the Agency constitute a "Type II action" pursuant to 6 N.Y.C.R.R. § 617.5 and therefore is exempt from review under SEQRA.

Section 2. The Chairman, Vice Chairman, President, Executive Director, Secretary and/or the CFO of the Agency are hereby authorized, on behalf of the Agency, to execute and deliver the Agency Documents and all documents reasonably contemplated by these resolutions

or required to secure the 2017 Mortgage in a maximum principal amount necessary to undertake the Project, acquire the Facility, and/or finance or refinance the Facility or the equipment and other personal property and related transactional costs; and, where appropriate, the Secretary or Assistant Secretary of the Agency is hereby authorized to affix the seal of the Agency to the Agency Documents and to attest the same, all with such changes, variations, omissions and insertions as the Chairman, Vice Chairman, President, Executive Director, Secretary and/or the CFO of the Agency shall approve, the execution thereof by the Chairman, Vice Chairman, President, Executive Director, Secretary and/or the CFO of the Agency to constitute conclusive evidence of such approval; provided in all events recourse against the Agency is limited to the Agency’s interest in the Project.

**Section 3.** The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required and to execute and deliver all such certificates, instruments and documents, to pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolutions and to cause compliance by the Agency with all of the terms, covenants and provisions of the documents executed for and on behalf of the Agency.

**Section 4.** These Resolutions shall take effect immediately upon adoption.

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

	<i>Yea</i>	<i>Nay</i>	<i>Abstain</i>	<i>Absent</i>
Mike Spano	[ ✓ ]	[ ]	[ ]	[ ]
Susan Gerry	[ ✓ ]	[ ]	[ ]	[ ]
Wilson Kimball	[ ✓ ]	[ ]	[ ]	[ ]
Melissa Nacerino	[ ✓ ]	[ ]	[ ]	[ ]
Cecile D. Singer	[ ]	[ ]	[ x ]	[ ]
Peter Kischak	[ ✓ ]	[ ]	[ ]	[ ]

The Resolutions were thereupon duly adopted.

**CERTIFICATION**  
*(L&A RE Acquisitions LLC Project)*

STATE OF NEW YORK                    )  
COUNTY OF WESTCHESTER        ) ss.:

I, SUSAN GERRY, the undersigned Secretary of the City of Yonkers Industrial Development Agency DO HEREBY CERTIFY:

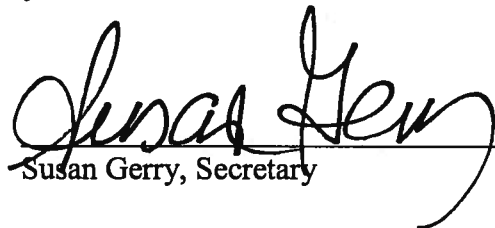
That I have compared the annexed extract of minutes of the meeting of the City of Yonkers Industrial Development Agency (the "Agency"), including the resolution contained therein, held September 25, 2017, with the original thereof on file in my office, and that the same is a true and correct copy of the proceedings of the Agency and of such resolution set forth therein and of the whole of said original insofar as the same related to the subject matters therein referred to.

I FURTHER CERTIFY, that all members of said Agency had due notice of said meeting, that the meeting was in all respects duly held and that, pursuant to Article 7 of the Public Officers Law (Open Meetings Law), said meeting was open to the general public, and that public notice of the time and place of said meeting was duly given in accordance with such Article 7.

I FURTHER CERTIFY, that there was a quorum of the members of the Agency present throughout said meeting.

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

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said Agency this 29 day of SEP, 2017,

  
Susan Gerry, Secretary

[SEAL]