

LEASE TO AGENCY

THIS LEASE TO AGENCY ("Lease Agreement"), effective as of the 1st day of February, 2019, is by and between SULLIVAN RESORTS, LLC, a New York limited liability company having its principal offices at 7 Renaissance Square, 4th Floor, White Plains, New York 10601 and the COUNTY OF SULLIVAN INDUSTRIAL DEVELOPMENT AGENCY, a corporate governmental agency constituting a body corporate and politic and a public benefit corporation of the State of New York, having its principal offices at 548 Broadway, Monticello, New York 12701 ("Agency").

RECITALS

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

WHEREAS, the Enabling Act authorizes the creation of industrial development agencies for the benefit of the several counties, cities, villages and towns in the State and empowers such agencies, among other things, to acquire, construct, reconstruct, lease, improve, maintain, equip and sell land and any building or other improvement, and all real and personal properties, including, but not limited to, machinery and equipment deemed necessary in connection therewith, whether or not now in existence or under construction, which shall be suitable for manufacturing, warehousing, research, commercial or industrial facilities, in order to advance job opportunities, health, general prosperity and the economic welfare of the people of the State and to improve its standard of living; and

WHEREAS, the Enabling Act further authorizes each such agency to lease any or all of its facilities at such rentals and on such other terms and conditions as it deems advisable; and

WHEREAS, the Agency was created pursuant to and in connection with the provisions of the Enabling Act, Chapter 560 of the Laws of 1970 of the State (collectively, referred to as the "Act") and is empowered under the Act to undertake the providing, financing and leasing of the facility escribed below; and

WHEREAS, on or about June 23, 2018 Sullivan Resorts, LLC for itself or on behalf of one or more entities now existing or to be formed by it or on its behalf (collectively, the "Company") has submitted an application, requesting the Agency's assistance with respect to a certain project (the "Project") consisting of: (i) the demolition of unsafe structures and environmental remediation, located on approximately six (6) parcels of land containing in the aggregate approximately 582.61 acres located along New York State Routes 17 and 52 and Clements Road within the Town or Village of Liberty, Sullivan County, New York and being comprised of all or a portion of the commonly known Grossinger's Resort Hotel, all as more particularly identified as all or a portion of tax map numbers 23.-1-87, 23.-1-112.3, 29.-2-3, 29.-2-7, 30.-1-1.1, and 125.-1-1.2 (collectively, the "Land") and the existing building or structures located thereon (collectively, the "Existing Improvements"), (ii) the demolition of certain of the Existing Improvements (the "Building Demolition"), (iii) the construction, reconstruction, renovation

and/or repair of water and sewer infrastructure located on the Land (the "Infrastructure Improvements"), and the construction, reconstruction, renovation and/or repair of roadway and drainage infrastructure located on the Land; (iv) the construction, reconstruction, renovation and/or repair of lighting, electricity and connectivity infrastructures on the Land and the development of infrastructure; and (v) the acquisition and installation by the Company in and around the Existing Improvements, the Building Demolition and the Infrastructure Improvements of certain items of equipment and other tangible personal property (the "Equipment" and, collectively with the Land, the Existing Improvements, and the Infrastructure Improvements, the "Facility"); and

WHEREAS, at full-build of the Project, the Company proposes to invest approximately \$6,251,232, much of which is required in up-front investment, and

WHEREAS, by resolution adopted on July 9, 2018, the Agency authorized the Company to act as its agent for the purposes of undertaking the Project subject to the Company entering into this Lease Agreement; and

WHEREAS, in order to induce the Company to develop the Project, the Agency is willing to enter into a lease/leaseback transaction involving a lease of the Project from the Company to the Agency and a leaseback of the Project from the Agency to the Company; and

WHEREAS, the Company has agreed with the Agency, on behalf of the Agency and as the Agency's agent, to acquire, construct, reconstruct, renovate, rehabilitate, install and equip the Project in accordance with the plans and specifications presented to the Agency.

NOW THEREFORE, in consideration of the foregoing recitals and the mutual terms, conditions, limitations and agreements set forth herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, it is mutually agreed as follows:

ARTICLE I

REPRESENTATIONS AND COVENANTS

1.1. Representations and Covenants of the Agency. The Agency makes the following representations and covenants as the basis for the undertakings on its part herein contained:

- (a) The Agency is duly established under the provisions of the Act and has the power to enter into the transaction contemplated by this Lease Agreement and to carry out its obligations hereunder. Based upon the representations of the Company as to the utilization of the Project, the Agency has the authority to take the actions contemplated herein under the Act.
- (b) The Agency has been duly authorized to execute and deliver this Lease Agreement.
- (c) The Agency will lease the Land from the Company pursuant to this Lease Agreement and lease the Land back to the Company pursuant to the Leaseback

Agreement of even date herewith ("Leaseback Agreement") and designate the Company as its agent for purposes of the Project, all for the purpose of promoting the industry, health, welfare, convenience and prosperity of the inhabitants of the State and the County and improving their standard of living.

- (d) Neither the execution and delivery of this Lease Agreement, the consummation of the transactions contemplated hereby, nor the fulfillment of or compliance with the provisions of this Lease Agreement will conflict with or result in a breach of any of the terms, conditions or provisions of the Act or of any corporate restriction or any agreement or instrument to which the Agency is a party or by which it is bound, or will constitute default under any of the foregoing, or result in the creation or imposition of any lien of any nature upon any of the property of the Agency under the terms of any such instrument or agreement.
- (e) The Agency has been induced to enter into this Lease Agreement by the undertaking of the Company to acquire, construct, reconstruct, renovate, rehabilitate, install and equip the Project and the related jobs resulting therefrom in the County, State.

1.2. Representations and Covenants of the Company. The Company makes the following representations and covenants as the basis for the undertakings on its part herein contained:

- (a) Sullivan Resorts, LLC is a limited liability company duly organized, existing and in good standing under the laws of the State of New York has the authority to enter into this Lease Agreement and has duly authorized the execution and delivery of this Lease Agreement.
- (b) Neither the execution and delivery of this Lease Agreement, the consummation of the transactions contemplated hereby nor the fulfillment of or compliance with the provisions of this Lease Agreement will conflict with or result in a breach of any of the terms, conditions or provisions of any restriction or any agreement or instrument to which it is bound, or will constitute a default under any of the foregoing, or result in the creation or imposition of any lien of any nature upon any of the property of the Company under the terms of any such instrument or agreement.

ARTICLE II

DEMISING CLAUSES AND RENTAL PROVISIONS

2.1. Agreement to Transfer to Agency. The Company has leased or has caused to be leased to the Agency a leasehold interest in the real property, including any buildings, structures or improvements thereon, described in Schedule A attached hereto, and the Company has or will convey to the Agency all of its interest in the Equipment described in Schedule B. The Company agrees the Agency's interest in the Project resulting from said

conveyances will be sufficient for the purposes intended by this Lease Agreement and agrees that it will defend, indemnify and hold the Agency harmless from any expense or liability or loss or damage arising out of the lease or a defect in title or a lien adversely affecting the Project and will pay all reasonable expenses incurred by the Agency in defending any action respecting the lease or title to or a lien affecting the Project.

- 2.2. Demise of Facility. The Company hereby demises and leases the Facility to the Agency and the Agency hereby rents and leases the Facility from the Company upon the terms and conditions of this Lease Agreement.
- 2.3. Remedies to be Pursued Against Contractors and Subcontractors and its Sureties. In the event of a default by any contractor, subcontractor or any other person under any contract made by it in connection with the Project or in the event of a breach of warranty or other liability with respect to any materials, workmanship, or performance, or guaranty, the Company at its expense, either separately or in conjunction with others, may pursue any and all remedies available to them and the Agency, as appropriate, against the contractor, subcontractor, manufacturer, supplier or other person so in default and against such surety for the performance of such contract. The Company in its own name or in the name of the Agency, may prosecute or defend any action or proceeding or take any other action involving any such contractor, subcontractor, manufacturer, supplier or surety or other person which is reasonably necessary, and in such events the Agency, at the Company's expense, hereby agrees to cooperate fully with the Company and to take all action necessary to effect the substitution of the Company for the Agency (including but not limited to reasonable attorneys' fees) in any such action or proceeding.
- 2.4. Duration of Lease Term; Quiet Enjoyment.
- (a) The Company shall deliver to the Agency possession of the Land and Facility (subject to the provisions hereof) and the leasehold estate created hereby shall commence as of the date hereof.
 - (b) The leasehold estate created hereby shall terminate at 11:59 P.M. on February 1, 2022, or on such earlier date as may be permitted by Section 6.1 hereof.
 - (c) The period commencing on the date described in Section 2.4(a) herein through the date described in Section 2.4(b) herein shall be herein defined as the "Lease Term".
- 2.5. Rents. The rental under this Lease Agreement shall be One (\$1.00) Dollar and other good and valuable consideration, receipt of which is hereby acknowledged by the Company.
- 2.6. Use; Lease Agreement.
- (a) The Agency shall hold and use the Project only for leaseback to the Company under the Leaseback Agreement and otherwise shall not sell or assign its rights hereunder nor the leasehold estate created thereby.

- (b) Contemporaneously with the execution and delivery of this Lease Agreement, the Agency shall enter into the Leaseback Agreement, pursuant to which the Company as agent of the Agency agrees to undertake and complete the Project. Pursuant to the Leaseback Agreement, the Company, as tenant of the Agency under the Leaseback Agreement, is required to perform all of the Agency's obligations under this Lease Agreement. Accordingly, and notwithstanding anything to the contrary contained in this Lease Agreement, the Company shall not be entitled to declare a default hereunder or exercise any rights or remedies hereunder, if any asserted default by the Agency hereunder relates to a failure by the Company, as tenant of the Agency under the Leaseback Agreement, to perform its corresponding obligations under the Leaseback Agreement.
- (c) Title to any improvements hereinafter constructed by the Agency and/or Company on the Land or related to the Facility shall vest in the Company or its successors and assigns as and when the same are constructed thereon, and shall immediately thereupon become subject to the leasehold interest created by this Lease Agreement.
- (d) The Company, as agent of the Agency hereunder, shall have the right, from time to time, to make such changes, additions, improvements and alterations, demolition or new construction, structural or otherwise, to the Improvements, the Land or the Facility as the Company shall deem necessary or desirable in its discretion.

ARTICLE III

DAMAGE, DESTRUCTION AND CONDEMNATION

3.1. Damage or Destruction.

- (a) If the Project shall be damaged or destroyed (in whole or in part) at any time during the term of this Lease Agreement:
 - (i) the Agency shall have no obligation to replace, repair, rebuild or restore the Project; and
 - (ii) there shall be no abatement or reduction in the amounts payable by the Company under the Leaseback Agreement.
- (b) All such replacements, repairs, rebuilding or restoration made pursuant to this Section 3.1, whether or not requiring the expenditure of the Company's own money, shall automatically become a part of the Project as if the same were specifically described herein.

ARTICLE IV

SPECIAL COVENANTS

- 4.1. Hold Harmless Provisions. The Company hereby releases the Agency from, agrees that the Agency shall not be liable for, and agrees to indemnify, defend and hold harmless the Agency, its chief executive officer, executive director, directors, officers, employees, members, agents (except the Company), representatives, and their respective successors and assigns and personal representatives from and against any and all (i) liability for loss or damage to property or injury to or death of any and all persons that may be occasioned by any cause whatsoever pertaining to the Project or arising by reason of or in connection with the occupation or the use thereof or the presence on, in or about the Project or (ii) liability arising from or expense incurred by the Agency's and financing of the Project, including without limiting the generality of the foregoing, all causes of action and reasonable attorneys' fees and any other expenses incurred in defending any suits or actions which may arise as a result of any of the foregoing. The foregoing indemnities shall apply notwithstanding the breach of a statutory obligation or the application of any rule of comparative or apportioned liability. The foregoing obligations of the Company shall remain in full force and effect after the termination of this Lease Agreement.

ARTICLE V

ASSIGNMENTS AND SUBLEASING; MORTGAGE AND PLEDGE OF INTERESTS

- 5.1. Assignment and Subleasing. This Lease Agreement may not be assigned in whole or in part, and the Project may not be leased, in whole or in part, except that the Agency shall lease the leasehold interest created hereunder to the Company pursuant to the Leaseback Agreement.

ARTICLE VI

TERMINATION

- 6.1. Early Termination of Lease Agreement. The Company shall have the option at any time to terminate this Lease Agreement upon filing with the Agency a certificate signed by an authorized representative of the Company stating the Company's intention to do so pursuant to this Section 6.1 and upon compliance with the requirements set forth in Section 6.2 hereof.
- 6.2. Option to Terminate. Upon termination of this Lease Agreement in accordance with Section 6.1 hereof, the Company shall pay to the Agency all sums due under Sections 2.5, 3.3 and 3.7 of the Leaseback Agreement and all other sums due under the Leaseback Agreement ("Termination Payment").

6.3. Termination of Lease Agreement.

- (a) Pursuant to Section 6.2 hereof, the Agency shall deliver to the Company all necessary documents to reflect termination or amendment of this Lease Agreement, subject only to the following:
- (i) any liens to which the Project was subject when leased to the Agency,
 - (ii) any liens created at the request of the Company or to the creation of which the Company consented or in the creation of which the Company acquiesced, and
 - (iii) any liens resulting from the failure of the Company to perform or observe any of the agreements on its part contained in this Lease Agreement.
- (b) The Agency shall release and convey to the Company all of the Agency's rights and interest in and to any rights of action or any net proceeds of insurance or condemnation awards in the event of a total, substantial or partial taking by eminent domain or for any public or quasi-public use under statute, with respect to the Project (specifically excluding all rights of the Agency hereunder including its rights to indemnification hereunder).

ARTICLE VI

GENERAL PROVISIONS

- 7.1. Notices. All notices provided for by this Lease Agreement shall be made in writing, and shall be deemed to have been given on the date of delivery if personally served on the party to whom notice is to be given, or on the next day after mailing if mailed to the party to whom notice is to be given by overnight courier of national reputation providing evidence of receipt and properly addressed, or on the third day after mailing if mailed to the party to whom notice shall be given by First Class, Certified mail, postage prepaid and properly addressed to the following:

If to the Agency:

County of Sullivan Industrial Development Agency
548 Broadway
Monticello, New York 12701
Attn: Chief Executive Officer

with a copy to:

GARIGLIANO LAW OFFICES, LLP
449 Broadway
P.O. Drawer 1069
Monticello, New York 12701-1069
Attn: Agency Counsel

to the Company:

Sullivan Resorts, LLC
7 Renaissance Square, 4th Floor
White Plains, New York 10601
Attn: Louis R. Cappelli, Manager

with a Copy to:

DelBello Donnellan Weingarten Wise & Wiederkehr, LLP
One North Lexington Avenue, 11th Floor
White Plains, New York 10601
Attn: Peter Wise, Esq.

or at such other address and/or addresses as any party may from time to time furnish to the other party by notice given in accordance with the provisions of this Section. All notices shall be deemed given when mailed or personally delivered in the manner provided in this Section.

- 7.2. Binding Effect. This Lease Agreement shall inure to the benefit of and shall be binding upon the Agency, the Company and its respective permitted successors and assigns.
- 7.3. Waiver. No waiver of any of the provisions of this Lease Agreement shall be deemed to or shall constitute a waiver or any other provision, whether or not similar, nor shall any waiver constitute a continuing waiver.
- 7.4. Severability. If any provision of this Lease Agreement shall be determined to be illegal and unenforceable by any court of law or any competent governmental or other authority, the remaining provisions shall be severable and enforceable in accordance with its terms so long as this Lease Agreement without such terms or provisions does not fail of its essential purpose or purposes. The parties will negotiate in good faith to replace any such illegal or unenforceable provision or provisions with suitable substitute provisions which will maintain the economic purposes and intentions of this Lease Agreement.
- 7.5. Governing Law, Venue. This Lease Agreement shall be governed, construed and enforced in accordance with the laws of the State for contracts to be wholly performed therein. The parties hereby designate a court of proper jurisdiction in Sullivan County, State of New York as the exclusive venue for resolution of any disputes which may arise under or by reason of this Lease Agreement.
- 7.6. Section Headings Not Controlling. The headings of the several sections in this Lease Agreement have been prepared for convenience of reference only and shall not control,

affect the meaning or be taken as an interpretation of any provision of this Lease Agreement.

- 7.7. Recording and Filing. This Lease Agreement, or a memorandum thereof, shall be recorded or filed, as the case may be, in the Office of the Clerk of Sullivan County, State of New York, or in such other office as may at the time be provided by law as the proper place for the recordation or filing thereof.
- 7.8. No Recourse; Special Obligation. Notwithstanding anything to the contrary contained herein, the obligations and agreements of the Agency and the Company contained herein and in any other agreement executed by the Agency and the Company and in any other instrument or document supplemental thereto executed in connection herewith or therewith shall be deemed the obligation and agreements of the Agency and the Company, and not of any chief executive officer, executive director, director, officer, employee, member, agent (except the Company), representative, or their respective successors and assigns and personal representatives in his or her individual capacity, and the chief executive officer, executive director, directors, officers, employees, members, agents (except the Company), representatives, and their respective successors and assigns and personal representatives of the Agency and the Company shall not be liable personally thereon or be subject to any personal liability or accountability based upon or in respect hereof or thereof or of any transaction contemplated hereby or thereby. The obligations and agreements of the Agency contained herein or therein shall not constitute or give rise to an obligation of the State of New York, the County of Sullivan, or any of the taxing jurisdictions and neither the State of New York, the County of Sullivan, or any of the taxing jurisdictions shall be liable thereon, and, further, such obligations and agreements shall not constitute or give rise to a general obligation of the Agency, but rather shall constitute a limited obligation of the Agency payable solely from revenues derived from the sale of the Agency's interest in the Project.
- 7.9. Counterparts. This Lease Agreement may be executed in any number of counterparts each of which shall be deemed an original but which together shall constitute a single instrument.
- 7.10. Entire Agreement. This Lease Agreement together with the Master Development and Agent Agreement, Lease Agreement, Leaseback Agreement and the Payment In Lieu of Tax Agreement sets forth the entire agreement and understanding between the parties relating to the subject matter hereof and supersedes all prior discussions and negotiations between them. This Lease Agreement may not be amended in any respect except by a written amendment expressly referring to this Lease Agreement and executed by the parties to be bound thereby.

IN WITNESS WHEREOF, the Company and the Agency have caused this Lease Agreement to be executed in their respective names, all as of the date first written above.

SULLIVAN RESORTS, LLC
By: Grossinger Catskill Resort Group, LLC, Sole
Member



By: Louis R. Cappelli, Manager

COUNTY OF SULLIVAN INDUSTRIAL
DEVELOPMENT AGENCY



By: Edward T. Sykes, Chief Executive Officer

LEGAL DESCRIPTION OF THE SULLIVAN RESORTS, LLC PROJECT SITE

PARCEL 1

ALL that certain tract or parcel of land situate in the Town of Liberty, County of Sullivan, State of New York, being situate partly within the Village of Liberty, bounded and described as follows:

BEGINNING at a point in the center of traveled way of New York State Route 52 at the center of a bridge crossing the outlet brook from Grossinger's Lake, said point of beginning being the southeasterly corner of lands of Benton as described in Liber 743 of deeds at page 486, said point of beginning being further described as North 42 degrees 46 minutes 48 seconds West 82.69 feet as measured along the center of traveled way of said road from a point at the most westerly corner of lands of Ward as described in Liber 733 of deeds at page 1103 and running thence from said point of beginning the following courses and describes upstream along the center of said brook, it being the easterly line of lands of said Benton;

North 47 degrees 58 minutes 07 seconds East 15.43 feet; North 89 degrees 25 minutes 40 seconds East 44.05 feet; North 2 degrees 05 minutes 09 seconds West 94.51 feet; South 78 degrees 12 minutes 31 seconds East 64.64 feet; North 34 degrees 40 minutes 58 seconds East 64.35 feet; North 30 degrees 40 minutes 07 seconds West 88.93 feet; North 21 degrees 00 minutes 43 seconds East 128.71 feet; North 13 degrees 48 minutes 03 seconds East 63.72 feet; South 86 degrees 56 minutes 02 seconds East 104.32 feet; North 30 degrees 47 minutes 14 seconds East 108.00 feet; North 11 degrees 51 minutes 47 seconds East 63.58 feet; North 33 degrees 04 minutes 15 seconds East 190.20 feet;

North 15 degrees 26 minutes 39 seconds West 149.83 feet; and

North 13 degrees 51 minutes 19 seconds East 13.82 feet to a point in the center of said brook at the most northerly corner of said Benton Parcel;

THENCE leaving said brook and running South 52 degrees 17 minutes 00 seconds West 879.19 feet passing through the base of a hemlock stump found and passing generally along a wire fence line evidencing the northwesterly line of said Benton parcel to a point in the center of traveled way of New York State Route 52;

THENCE the following courses and distances along the center of traveled way of said road:

North 37 degrees 03 minutes 52 seconds West 37.70 feet; North 36 degrees 30 minutes 51 seconds West 177.83 feet; North 41 degrees 07 minutes 13 seconds West 144.64 feet; North 48 degrees 44 minutes 58 seconds West 106.94 feet; North 52 degrees 13 minutes 50 seconds West 148.54 feet; and

North 58 degrees 29 minutes 01 seconds West 101.35 feet to a point in the center of traveled way of said road at the southeast corner of lands of Orseck Realities Inc. as described in Liber 775 of deeds at page 511 and Liber 771 of deeds at page 1021;

THENCE leaving said road and running North 17 degrees 29 minutes 59 seconds East 91.06 feet passing to and along the highway bounds of New York State Route 52 to a point;

THENCE leaving said road and running North 2 degrees 50 minutes 57 seconds West 248.06 feet passing along the easterly line of said Orseck Parcel to a point;

THENCE North 31 degrees 22 minutes 04 seconds East 135.93 feet continuing along lands of said Orseck to a point;

THENCE North 36 degrees 03 minutes 03 seconds West 237.83 feet passing along the northerly line of said Orseck parcel to and along the northerly line of lands of Howmar Realty Inc. to a point;

THENCE North 1 degree 55 minutes 00 seconds West 557.00 feet passing along the easterly line of said Howmar Realty Inc. parcel to a point on the easterly bounds of Subdivision Map Parcel No. 3-A 40.12 acre parcel as shown on a subdivision map entitled "Subdivision Map Grossinger's Associates" filed in the Sullivan County Clerk's Office as Map No. 4-308 and Map No. 4-360;

THENCE the following courses and distances along the bounds of said 40.12 acre parcel:

North 3 degrees 01 minutes 00 seconds East 322.11 feet; North 56 degrees 20 minutes 00 seconds West 535.84 feet; North 48 degrees 44 minutes 00 seconds West 250.14 feet; North 30

EXHIBIT A

degrees 41 minutes 00 seconds West 411.60 feet; North 56 degrees 32 minutes 00 seconds West 215.78 feet; North 1 degree 24 minutes 00 seconds West 123.04 feet; North 42 degrees 21 minutes 00 seconds West 198.91 feet; South 49 degrees 20 minutes 00 seconds West 102.83 feet; South 29 degrees 08 minutes 00 seconds West 139.67 feet; South 10 degrees 58 minutes 00 seconds West 99.82 feet; South 25 degrees 55 minutes 00 seconds East 118.97 feet; South 13 degrees 21 minutes 00 seconds East 220.97 feet; South 23 degrees 21 minutes 00 seconds East 95.85 feet; South 51 degrees 19 minutes 00 seconds West 289.55 feet; South 10 degrees 24 minutes 00 seconds West 49.82 feet; and South 40 degrees 11 minutes 48 seconds West 415.24 feet to a point in the center of traveled way of New York State Route 52;

THENCE the following courses and distances along the center of traveled way of said road: North 57 degrees 47 minutes 58 seconds West 85.89 feet; North 70 degrees 37 minutes 32 seconds West 101.83 feet; North 77 degrees 52 minutes 44 seconds West 158.87 feet; North 70 degrees 55 minutes 06 seconds West 99.72 feet; North 54 degrees 53 minutes 52 seconds West 104.78 feet; and

North 42 degrees 22 minutes 55 seconds West 52.64 feet to a point in the center of traveled way of said road;

THENCE the following courses and distances along the northeasterly bounds of said highway; North 27 degrees 32 minutes 04 seconds West 272.00 feet; North 44 degrees 49 minutes 56 seconds West 157.00 feet; North 30 degrees 51 minutes 56 seconds West 125.00 feet; North 26 degrees 55 minutes 18 seconds West 51.00 feet; and

North 14 degrees 43 minutes 05 seconds West 138.00 feet to a point on the easterly bounds of said highway at the southwesterly corner of lands of Pesin as described in Liber 791 of deeds at page 888;

THENCE leaving said highway bounds and running North 63 degrees 04 minutes 54 seconds East 293.78 feet passing along the southerly line of said Pesin parcel to a point at the southeast corner of same;

THENCE North 39 degrees 24 minutes 36 seconds West 76.80 feet passing within an old roadway and passing along the east line of said Pesin parcel to a point;

THENCE South 71 degrees 19 minutes 58 seconds West 255.00 feet passing along the northerly line of said Pesin parcel to a point on the easterly bounds of Old New York State Route 17;

THENCE the following courses and distances' along said highway bounds:

North 11 degrees 37 minutes 04 seconds West 239.00 feet; North 57 degrees 04 minutes 54 seconds East 63.00 feet; North 34 degrees 40 minutes 21 seconds East 49.50 feet;

North 53 degrees 49 minutes 01 seconds West 206.58 feet to a point at the most southerly corner of lands of Rosch & Weston as described in Liber 793 of deeds at page 1155-1165 and Liber 949 of deeds at page 158;

THENCE North 60 degrees 57 minutes 57 seconds East 252.14 feet passing along the southerly line of said Rosch and Weston parcel to a point in the center of old roadway at the southeasterly corner of said Rosch and Weston parcel;

THENCE 39 degrees 22 minutes 52 seconds West 175.27 feet passing along the center of traveled way of said road to a point in the center of traveled way of Clements Road-Town Road No. 15;

THENCE North 21 degrees 05 minutes 05 seconds East 155.00 feet along the southeasterly line of lands of Rosenberg (see Liber 1139 of deeds at page 26) to an iron pin found at the most easterly corner of said parcel;

THENCE North 69 degrees 26 minutes 42 seconds West 60.00 feet passing along the northerly line of said Rosenberg parcel to an iron pin found at the most northerly corner of said parcel;

THENCE South 21 degrees 04 minutes 36 seconds West 168.23 feet passing along the northwesterly line of said Rosenberg parcel to a point on the northerly bounds of Clements Road;

THENCE South 58 degrees 15 minutes 15 seconds West 195.87 feet passing along the northerly bounds of said road to a point on the easterly bounds of New York State Route 117 Quickway

Entrance Road;

THENCE the following courses and distances along the easterly bounds of said New York State Route 17 Quickway parcel;

North 28 degrees 55 minutes 10 seconds West 140.00 feet; North 9 degrees 28 minutes 59 seconds East 286.00 feet; North 14 degrees 35 minutes 51 seconds West 104.00 feet; South 85 degrees 05 minutes 29 seconds West 24.00 feet; South 49 degrees 04 minutes 16 seconds West 22.00 feet; South 7 degrees 05 minutes 46 seconds West 133.00 feet; North 48 degrees 06 minutes 57 seconds West 128.00 feet; North 4 degrees 20 minutes 00 seconds West 419.00 feet; North 0 degrees 16 minute 52 seconds East 438.22 feet; North 0 degrees 37 minutes 08 seconds West 62.03 feet; North 1 degree 46 minutes 52 seconds East 148.00 feet; North 4 degrees 43 minutes 56 seconds West 152.00 feet; North 87 degrees 31 minutes 53 seconds East 114.00 feet; North 6 degrees 11 minutes 58 seconds West 398.00 feet; North 2 degrees 56 minutes 17 seconds West 562.84 feet; North 6 degrees 25 minutes 42 seconds East 597.53 feet; and North 12 degrees 54 minutes 00 seconds East 617.02 feet to a point in the center of the Mongaup River;

THENCE upstream along the center of said river the following courses and distances:

North 50 degrees 27 minutes 06 seconds East 98.10 feet;
North 34 degrees 33 minutes 56 seconds East 118.89 feet; and
North 58 degrees 16 minutes 08 seconds East 113.19 feet to a point in the center of said river at the most easterly corner of lands of Asthalter as described in Liber 709 of deeds at page 516 and page 930;

THENCE leaving said river and running the following courses and distances along the northerly bounds of said Asthalter parcel:

North 58 degrees 16 minutes 56 seconds West 152.32 feet;
North 31 degrees 43 minutes 02 seconds East 75.00 feet;
North 58 degrees 47 minutes 55 seconds West 163.00 feet to a point on the easterly bounds of said New York State Route 17-Quickway;

THENCE North 11 degrees 21 minutes 00 seconds East 328.00 feet passing along the easterly bounds of said highway to a point;

THENCE leaving said highway bounds and running South 47 degrees 57 minutes 58 seconds East 148.00 feet passing along the southwesterly line of lands of Asthalter to a point at the most southerly corner of same;

THENCE North 45 degrees 27 minutes 02 seconds East 276.00 feet passing along the southeasterly line of said Asthalter to and along the southeasterly line of lands of Kahn to a point;

THENCE North 49 degrees 07 minutes 01 seconds East 343.55 feet passing along the southeasterly line of lands of Beiling to an iron pin set;

THENCE North 12 degrees 14 minutes 53 seconds East 122.66 feet passing along the easterly line of said Beiling parcel to a concrete highway monument found;

THENCE North 62 degrees 29 minutes 00 seconds East 60.32 feet passing along the southerly bounds of the Neversink Road County Road No. 16 to highway monument found beneath the grounds surface at the northwest corner of Delamarter (see Liber 730 of Deeds at page 365);

THENCE South 12 degrees 14 minutes 57 seconds West 187.12 feet passing along the westerly line of said Delamarter parcel to and along a parcel having been referred to as under contract to Bijeman to a point at the southwesterly corner of said parcel;

THENCE South 74 degrees 10 minutes 57 seconds East 93.00 feet along the southerly bounds of said contract parcel to a point on the westerly line of lands of Schmidt (see Liber 709 of Deeds at page 390);

THENCE South 29 degrees 34 minutes 08 seconds West 103.00 feet passing along the northwesterly line of said Schmidt parcel to an iron pin set;

THENCE South 58 degrees 26 minutes 03 seconds East 213.84 feet passing along the southwest line of said Schmidt parcel to an iron pin set;

THENCE South 29 degrees 33 minutes 31 seconds West 20.72 feet to a point;
THENCE continuing along lands of said Schmidt South 56 degrees 49 minutes 00 seconds East 1320.49 feet to and along the southerly line of lands reputedly of Mariner, said parcel having been described in Liber 213 of deeds at page 267 to a point;
THENCE North 31 degrees 21 minutes 00 seconds East 720.22 feet passing along the easterly line of lands of said Mariner to a point at the southwesterly corner of lands of Hasbrouck;
THENCE South 69 degrees 03 minutes 00 seconds East 243.61 feet passing along the southerly line of said Hasbrouck to and along the southerly line of lands of Davis to a point;
THENCE South 73 degrees 14 minutes 00 seconds East 103.00 feet passing along the southerly line of lands of Mase to a point;
THENCE North 31 degrees 21 minutes 00 seconds East 200.00 feet passing along the east line of said Mase parcel to a point;
THENCE South 59 degrees 53 minutes 00 seconds East 270.00 feet passing along the southerly line of said Mase to and along the southerly line of lands of Knight to a point;
THENCE North 16 degrees 36 minutes 39 seconds East 145.34 feet passing along the easterly line of lands of said Knight to a point at the southwesterly corner of lands of Hook;
THENCE North 86 degrees 46 minutes 00 seconds East 343.00 feet passing along the southerly line of said Hook parcel to a point at the southeasterly corner of same;
THENCE North 20 degrees 32 minutes 00 seconds East 243.00 feet passing along the east line of said Hook parcel to a point;
THENCE South 53 degrees 31 minutes 22 seconds East 391.79 feet passing along the southerly line of lands of Kip to a point;
THENCE South 32 degrees 04 minutes 00 seconds West 264.00 feet passing along the westerly line of lands of Simpson as described in Liber 279 of deeds at page 573 to a point;
THENCE South 57 degrees 54 minutes 00 seconds East 330.00 feet passing along the southerly line of said Simpson parcel to a point;
THENCE North 32 degrees 04 minutes 00 seconds East 264.00 feet passing along the easterly line of said Simpson parcel to a point;
THENCE South 57 degrees 54 minutes 00 seconds East 16.50 feet passing along a south line of lands of said Simpson as described in Liber 207 of deeds at page 257 to a point;
THENCE North 51 degrees 06 minutes 00 seconds East 87.68 feet passing along the east line of remaining lands of said Simpson to a point in the center of traveled way of Town Road No. 31;
THENCE South 40 degrees 42 minutes 02 seconds East 78.65 feet and South 46 degrees 34 minutes 58 seconds East 125.78 feet passing along the center of traveled way of said road to a point;
THENCE leaving said road and running South 33 degrees 03 minutes 00 seconds West 391.21 feet passing along the westerly line of lands of Finkelstein as described in Liber 709 of deeds at page 198 to a point;
THENCE South 67 degrees 19 minutes 00 seconds East 18.50 feet passing along the southerly line of said Finkelstein parcel to a point at the northwesterly corner of lands of Netsky as described in Liber 455 of deeds at page 324;
THENCE South 42 degrees 56 minutes 00 seconds West 235.58 feet passing along the westerly line of said Netsky parcel to a point;
THENCE North 56 degrees 30 minutes 00 seconds West 242.34 feet passing along a line of certification to a point; said course passing along lands of said Netsky;
THENCE South 31 degrees 55 minutes 07 seconds West 369.39 feet continuing along a certification line, the intention being to pass along the westerly line of land of said Netsky as further described in Liber 1035 of deeds at page 221 to a point;
THENCE South 62 degrees 16 minutes 00 seconds East 299.57 feet passing along a wire fence line evidencing the possession line of lands of said Netsky to a point;
THENCE South 30 degrees 54 minutes 00 seconds West 260.59 feet passing along westerly line of lands of LaMariana to a point at the southwesterly corner of same;

THENCE South 56 degrees 30 minutes 00 seconds East 77.45 feet passing along the southerly line of said LaMariana parcel to a point at the northwesterly corner of lands of Lombardo (see Liber 1013 of deeds at page 29);

THENCE South 56 degrees 49 minutes 00 seconds East 267.97 feet passing along the southerly line of said Lombardo parcel to a point in the center of traveled way of Clements Road;

South 31 degrees 31 minutes 00 seconds West 318.83 feet and South 31 degrees 56 minutes 19 seconds West 135.74 feet passing along the center of traveled way of said road to a point at the northeast corner of lands of Meadow;

THENCE leaving said road and running North 55 degrees 35 minutes 00 seconds West 309.69 feet passing along the northerly line of said Meadow parcel to a point at the northwesterly corner of same;

THENCE South 34 degrees 00 minutes 00 seconds West 120.00 feet passing along the westerly line of said Meadow parcel to a point;

THENCE North 55 degrees 35 minutes 00 seconds West 185.70 feet passing along the northerly line of lands of Pollack to a point on the easterly line of lands of Ackerman as described in Liber 451 of deeds at page 386;

THENCE North 31 degrees 56 minutes 00 seconds East 234.19 feet passing along said easterly line to a point at the northeasterly corner of lands of said Ackerman;

THENCE North 58 degrees 04 minutes 00 seconds West 1242.17 feet passing along the northerly line of said Ackerman as described in Liber 451 of deeds at page 386 and Liber 507 of deeds at page 593 to a point at the northwesterly corner of same;

THENCE South 32 degrees 54 minutes 00 seconds West 535.82 feet passing along the westerly line of said Ackerman parcel to a point;

THENCE continuing along said westerly line South 32 degrees 04 minutes 59 seconds West 496.19 feet to a point;

THENCE South 61 degrees 35 minutes 16 seconds East 600.00 feet passing along the south line of said Ackerman parcel to a point;

THENCE South 2 degrees 15 minutes 56 seconds East 861.94 feet passing along lands of Clements to a point;

THENCE South 58 degrees 06 minutes 01 seconds East 430.00 feet passing along the south line of lands of said Clements to a point in the center of traveled way of Clements Road;

THENCE the following courses and distances along the center of traveled way of said road:

South 56 degrees 23 minutes 00 seconds West 85.84 feet;

South 57 degrees 43 minutes 49 seconds West 94.76 feet; and

South 58 degrees 14 minutes 17 seconds West 87.17 feet to a point in the center of traveled way of said road;

THENCE leaving said road and running South 49 degrees 36 minutes 38 seconds East 396.12 feet passing along the southerly line of other lands of Clements to a point;

THENCE South 57 degrees 50 minutes 00 seconds East 835.72 feet passing to and along the south line of lands of Grossinger Development Corp. as described in Liber 1344 of deeds at page 66 to a point;

THENCE North 33 degrees 38 minutes 08 seconds East 1405.00 feet passing along the easterly line of said Grossinger Development Corp. parcel to a point;

THENCE South 57 degrees 48 minutes 28 seconds East 320.00 feet passing along a southerly line of said Grossinger Development Corp. parcel to a point;

THENCE South 0 degrees 06 minutes 50 seconds West 290.42 feet to and along the shoreline of Grossinger Lake to a point;

THENCE South 16 degrees 57 minutes 30 seconds West 237.64 feet passing along the easterly shore line of said Lake to a point;

THENCE South 57 degrees 55 minutes 35 seconds East 206.23 feet passing along a common line parcel between Parcel No. 1 and Parcel No. 2 of the Grossinger's Lot Improvement Nat as filed in the Sullivan County Clerk's Office in Plat Cabinet No. 6 as Map No. 309 to a point in the center of a 50

foot wide right of way leading northeasterly to Airport Road;
THENCE continuing said course South 57 degrees 55 minutes 35 seconds East 449.78 feet to an iron pin set;
THENCE North 32 degrees 04 minutes 25 seconds East 933.25 feet continuing along a common line between said Parcel No. 1 and Parcel No. 2 to an iron pin set;
THENCE continuing along said common boundary South 57 degrees 55 minutes 35 seconds East 331.90 feet to an iron pin set;
THENCE South 32 degrees 04 minutes 25 seconds West 400.00 feet passing along the northwesterly line of lands of the County of Sullivan to an iron pin found;
THENCE South 57 degrees 55 minutes 35 seconds East 93.10 feet continuing along said County lands to an iron pin found;
THENCE South 32 degrees 04 minutes 25 seconds West 1463.91 feet still along said County lands to an iron pin found;
THENCE South 57 degrees 50 minutes 00 seconds East 892.49 feet passing along the southwesterly line of lands of the County of Sullivan as evidenced part of the way by a wire fence line to an iron pin set at the most northerly corner of lands of Hinds;
THENCE South 27 degrees 25 minutes 00 seconds West 3282.38 feet passing along the westerly line of lands of said Hinds, the Town of Liberty, and Kraut to a point on the northeasterly line of lands of Ward;
THENCE North 43 degrees 13 minutes 29 seconds West 78.29 feet passing along lands of said Ward to a point;
THENCE South 46 degrees 41 minutes 02 seconds West 231.00 feet passing along the northwesterly line of lands of said Ward to a point in the center of traveled way of New York State Route 52;
THENCE North 42 degrees 46 minutes 48 seconds West 82.69 feet passing along the center of traveled way of said road to the point or place of BEGINNING.

PARCEL II

ALL that certain tract or parcel of land situate in the Town of Liberty, County of Sullivan, State of New York, being bounded and described as follows:

BEGINNING at a point in the center of traveled way of Clements Road Town Road No. 15, said point of beginning being the southeasterly corner of lands of Pollack (see Liber 765 of deeds at page 974) and

RUNNING THENCE from said place of beginning South 31 degrees 56 minutes 00 seconds West 70.71 feet passing along the center of traveled way of said road to a point at the northeast corner of lands of Ackerman (see Liber 394 of deeds at page 493);

THENCE leaving said road and running North 58 degrees 04 minutes 00 seconds West 499.20 feet passing along the northerly line of said Ackerman parcel and other lands of Ackerman to a point;

THENCE North 31 degrees 56 minutes 00 seconds East 92.36 feet passing along an east line of said Ackerman to a point at the southwest corner of lands of said Pollack;

THENCE South 55 degrees 35 minutes 00 seconds East 499.67 feet passing along the south line of said Pollack to the point or place of BEGINNING.

PARCEL III

ALL that certain tract or parcel of land situate in the Town of Liberty, County of Sullivan, State of New York, being bounded and described as follows:

BEGINNING at a point in the center of traveled way of Old Route 17, now lying between the westerly bounds of New York State Route 17-Quickway and the easterly bounds of New York State Route 52, said parcel being on a dead end roadway, said point of beginning being the southeasterly corner of lands of Finn as described in Liber 1080 of deeds at page 159 and

RUNNING THENCE from said place of beginning the following courses and distances along the center of traveled way of Old Route 17;

North 22 degrees 53 minutes West 60.31 feet;
North 23 degrees 59 minutes 49 seconds West 303.92 feet and
North 29 degrees 37 minutes 54 seconds West 153.15 feet to a point in the center of traveled way
of said old roadway;
THENCE leaving said roadway and running North 51 degrees 28 minutes 58 seconds East 271.06
feet passing along the southerly bounds of an exit ramp on said Quickway to a highway monument
found;
THENCE South 4 degrees 24 minutes 29 seconds East 663.40 feet passing along the westerly
bounds of said Quickway to a highway monument found;
THENCE South 67 degrees 07 minutes 23 seconds West 26.91 feet to a point in the center of
traveled way of said Old Route 17;
THENCE South 22 degrees 52 minutes 34 seconds East 30.09 feet along the center of traveled way of
said road to a point at the northeast corner of lands of Isacowitz as described in Liber 793 of deeds at
page 1126;
THENCE leaving said roadway and running South 68 degrees 29 minutes 56 seconds West 186.35 feet
passing along the northerly line of said Isacowitz parcel to a point on the easterly bounds of New York
State Route 52;
THENCE North 6 degrees 57 minutes 04 seconds West 72.30 feet passing along said easterly
bounds to a point at the southwesterly corner of lands of said Finn;
THENCE North 68 degrees 30 minutes 01 seconds East 166.50 feet passing along the southerly
bounds of said Finn parcel to the point or place of BEGINNING.
EXCEPTING therefrom Parcel III so much that was appropriated by The People of the State of New
York recorded 5/5/2004 in Liber 2760 Page 567.
TOGETHER with the benefits and subject to the burdens of the following:
Declaration of Easement (the "Temporary Construction Easement") in Liber 1660 Page 372. Declaration
of Easement (the "Golf Course Roadway Easement") in Liber 1660 Page 227. Declaration of
Easement (the "STP Easement") in Liber 1660 Page 275.
Declaration of Easement (the "Utility/Encroachment Easement") in Liber 1660 Page 304.
Declaration of Easement (the "Route 52 Access Easement") in Liber 1660 Page 325.
Declaration of Easement (the "Parcel B Access Easement") in Liber 1660 Page 349. Declaration
of Easement (the "Town Road No. 31 Access Easement") in Liber 1660 Page 212. Sewer Easement
recorded in Liber 932 Page 106.



SCHEDULE B

DESCRIPTION OF THE EQUIPMENT

All equipment, furniture, fixtures, machines, building materials and items of personal property and all appurtenances (A) acquired, constructed, reconstructed, renovated, rehabilitated, installed and equipped and/or intended to be acquired, constructed, reconstructed, renovated, rehabilitated, installed or equipped in connection with acquisition, construction, reconstruction, renovation, rehabilitation, installation and equipping of the Sullivan Resorts, LLC ("Company") project located on the real property described on Schedule A hereto, said Project to be acquired, constructed, reconstructed, renovated, rehabilitated, installed and equipped by the Company as agent of the Agency pursuant to the Master Development and Agent Agreement, dated as of August 1, 2018; and (B) now or hereafter attached to, contained in or used in connection with the Land or placed on any part thereof, though not attached thereto, including but not limited to, pipes, screens, fixtures, heating, lighting, plumbing, ventilation, air conditioning, compacting and elevator plants, telephone and information systems, furniture, rugs, movable partitions, cleaning equipment, maintenance equipment, shelving, signs, waste containers, outdoor benches, drapes, blinds and accessories, sprinkler systems and other fire prevention and extinguishing apparatus.