CLOSING ITEM NO.: A-5

TOWN OF COLONIE INDUSTRIAL DEVELOPMENT AGENCY

AND

COLONIE SENIOR SERVICE CENTERS, INC.

PAYMENT IN LIEU OF TAX AGREEMENT

DATED AS OF MAY 1, 2016

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PAYMENT IN LIEU OF TAX AGREEMENT

THIS PAYMENT IN LIEU OF TAX AGREEMENT dated as of May 1, 2016 by and between TOWN OF COLONIE INDUSTRIAL DEVELOPMENT AGENCY, a corporate governmental agency constituting a body corporate and politic and a public benefit corporation organized and existing under the laws of the State of New York (hereinafter referred to as the "Agency"), having an office for the transaction of business located at 347 Old Niskayuna Road, Latham, New York 12110, COLONIE SENIOR SERVICE CENTERS, INC., a not-for profit corporation organized and existing under the laws of the State of New York (the "State") having an office for the transaction of business located at Six Winners Circle, Albany, New York 12205 (the "Company").

W I T N E S S E T H:

WHEREAS, the Agency is authorized and empowered by the provisions of Chapter 1030 of Laws of 1969 of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the "Enabling Act") and Chapter 232 of the Laws of 1977 of New York, as amended, constituting Section 911-d of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the "Act") to promote, develop, encourage and assist in the acquiring, constructing, renovating, improving, maintaining, equipping and furnishing of commercial facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, the Enabling Act further authorizes each such agency to lease or sell its projects, to charge and collect rent therefor, to mortgage any and all of its facilities and to enter into an agreement which includes provisions such as those contained herein (this PILOT Agreement being hereinafter referred to as the "Agreement"); and

WHEREAS, the Agency has determined to undertake a project on behalf of Colonie Senior Service Centers, Inc. (the "Company") (the "Project") consisting of the following: (A)(1) the acquisition of a leasehold interest in an approximately 14.13 acres of land located at 17 Elks Lane in the Town of Colonie, Albany County, New York (the "Land"), and the existing building located thereon (the "Existing Building"), (2) the demolition of the Existing Building, (3) construction of a one 3-story building consisting of (a) 96 units of affordable senior housing for senior citizens of low and moderate income, and (b) an approximately 5,000 square foot senior center (collectively, the "Facility"), and (4) the acquisition and installation therein and thereon of various machinery and equipment (the "Equipment") (the Land, the demolition of the Existing Buildings, the Facility and the Equipment being collectively referred to as the "Project Facility"); (B) the granting of certain other "financial assistance" (within the meaning of Section 854(14) of the New York State General Municipal Law) with respect to the foregoing, including potential exemptions from real estate transfer taxes and real property taxes (collectively, the "Financial Assistance"); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Institution or such other person as may be designated by the Company and agreed upon by the Agency; and

WHEREAS, the Company is a not-for profit corporation pursuant to Section 501(c)(3) of the Internal Revenue Code of 1986, as amended; and

WHEREAS, notwithstanding the not-for profit status of the Company, the assessor for the Town of Colonie (the "Assessor") has determined that the Project Facility is not eligible for listing on the exempt rolls for real property tax purposes (the "Determination of the Assessor"); and

WHEREAS, based on the Determination of the Assessor, members of the Agency have determined that the Project is not a "civic facility" and that the Project constitutes a "project" within the meaning of the Act; and

WHEREAS, in connection with the Project, the Agency intends to acquire a leasehold interest in certain real property more particularly described in Exhibit "A" attached hereto and the improvements located thereon (the "Improvements"), pursuant to the terms and conditions of a lease to agency dated as of May 1, 2016 (the "Underlying Lease") by and among the Company, as landlord and the Agency, as tenant; and

WHEREAS, the Agency proposes to sublease its interest in the Project Facility to the Company pursuant to the terms and conditions of a certain a lease agreement dated as of May 1, 2016 (the "Lease Agreement") by and between the Agency and the Company; and

WHEREAS, said Project is to be used for any legal purpose under the Act; and

WHEREAS, the Project is located within the boundaries of the Town of Colonie; and

WHEREAS, under the present provisions of the Act and Section 412-a of the Real Property Tax Law of the State of New York (the "RPTL"), the Agency is not required to pay Real Estate Taxes (hereinafter defined) upon any of the property acquired by it or under its jurisdiction or supervision or control; and

WHEREAS, the Agency has expressed its reluctance to enter into the Underlying Lease unless the Company shall agree to make payments in lieu of Real Estate Taxes ("PILOT Payments") pursuant to the this Agreement with respect to the Project; and

WHEREAS, the Agency has previously adopted a Uniform Tax Exemption Policy (the "Policy") to provided guidelines for the claiming of real property, sales and use tax and mortgage recording tax abatements; and

WHEREAS, this Agreement varies from the Policy;

WHEREAS, the Agency caused a letter dated April 4, 2014 (the "PILOT Deviation Letter") to be mailed to the chief executive officers of each of the Town of Colonie (the "Town"), the North Colonie Central School District (the "School District") and the County of Albany (the "County") (each a "Taxing Entity" and, collectively, the "Taxing Entities"), informing said Town, School District and County that the Agency would, at its meeting to be held on April 11, 2016, consider a proposed deviation from the Agency's uniform tax exemption policy with respect to the payment in lieu of tax agreement to be entered into by the Agency with respect to the Project Facility; and

WHEREAS, after considering the factors outlined in the Policy, by resolution duly adopted by the members of the Agency on April 11, 2016, the Agency has determined to deviate from the Policy; and

WHEREAS, the PILOT Payments contemplated by this Agreement are in lieu of Real Estate Taxes which may be payable with respect to the Project during the term of this Agreement;

NOW, THEREFORE, in consideration of the matters above recited, for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the parties, the parties hereto formally covenant, agree and bind themselves as follows to wit:

ARTICLE I

REPRESENTATIONS AND WARRANTIES OF THE COMPANY

SECTION 1.01. REPRESENTATIONS AND WARRANTIES OF THE COMPANY. The Company does hereby represent and warrant to the Agency as follows:

(A) Power: The Company has full legal power and authority to own its properties and conduct its business.

(B) Authorization: The Company has the legal power under the laws of the State to enter into this Agreement and the transactions contemplated hereby and to perform and carry out all covenants and obligations on its part to be performed under and pursuant to this Agreement. The Company has duly authorized the execution, delivery and performance of this Agreement and the consummation of the transactions herein contemplated. The Company is not prohibited from entering into this Agreement and discharging and performing all covenants and obligations on its part to be performed under and pursuant to this Agreement by (and the execution, delivery and performance of this Agreement, the consummation of the transactions contemplated hereby and the fulfillment of the compliance with the provisions of this Agreement will not conflict with or violate or constitute a breach of or a default under) the terms, conditions or provision of any law, rule, regulation or order of any court or other agency or authority of government, or any contractual limitation, restriction or outstanding indenture, deed of trust, mortgage, loan agreement, other evidence of indebtedness or any other agreement or instrument to which the Company is a party or by which it or any of its property is bound, and neither the Company's entering into this Agreement nor the Company's performing all covenants and obligations on its part to be performed under and pursuant to this Agreement will be in conflict with or result in a breach of or constitute (with due notice and/or lapse of time) 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 of the foregoing. This Agreement is the legal, valid and binding obligation of the Company enforceable in accordance with its terms.

(C) Governmental Consent: No consent, approval or authorization of, or filing, registration or qualification with, any Governmental Authority on the part of the Company is required as a condition to the execution, delivery or performance of this Agreement by the Company or as a condition to the validity of this Agreement.

ARTICLE II

COVENANTS AND AGREEMENTS

SECTION 2.01. TAX-EXEMPT STATUS OF PROJECT FACILITY.

(A) Assessment of Project Facility: Pursuant to Section 874 of the Act and Section 412-a of the Real Property Tax Law, the parties hereto understand that, upon acquisition of a leasehold interest in the Project Facility, as defined in the Underlying Lease, by the Agency, and for so long thereafter as the Agency shall have a leasehold interest in the Project Facility, the Project Facility shall be assessed by the Town of Colonie, Albany County, New York (hereinafter referred to as the "Town") and by the various other taxing entities having jurisdiction over the Project Facility, including, without limitation, any county, school district, or other political unit or units wherein the Project Facility is located (the Town and such other taxing entities being sometimes collectively referred to as the "Taxing Entities", and each of such Taxing Entities being sometimes individually referred to as a "Taxing Entity") as exempt upon the assessment rolls of the respective Taxing Entities prepared subsequent to the acquisition by the Agency of the leasehold interest in the Project Facility. The Company shall, promptly following acquisition by the Agency of the leasehold interest, take such action as may be necessary to ensure that the Project Facility shall be assessed as exempt upon the assessments rolls of the respective Taxing Entities prepared subsequent to such acquisition by the Agency and, for so long thereafter as the Agency shall have a leasehold interest in the Project Facility, the Company shall take such further action as may be necessary to maintain such exempt assessment with respect to each Taxing Entity. The parties hereto understand that the Project Facility shall not be entitled to such exempt status on the tax rolls of any Taxing Entity until the first tax year of such Taxing Entity following the tax status date of such Taxing Entity occurring subsequent to the date upon which the Agency obtains of record a leasehold interest in the Project Facility. Pursuant to the provisions of the Lease Agreement, the Company will be required to pay all taxes and assessments lawfully levied and/or assessed against the Project Facility, including taxes and assessments levied for the current tax year and all subsequent tax years until the Project Facility shall be entitled to exempt status on the tax rolls of the respective Taxing Entities. Subject to Section 3.01 hereof, the Agency will reasonably cooperate with the Company to preserve the tax-exempt status of the Project Facility and to achieve the purposes and effect of this Agreement.

(B) Special Assessments: The parties hereto understand that the tax exemption extended to the Agency by Section 874 of the Act and Section 412-a of the Real Property Tax Law does not entitle the Agency to exemption from special assessments and special ad valorem levies. Pursuant to the Lease Agreement, the Company shall pay all special assessments and special ad valorem levies lawfully levied and/or assessed against the Project Facility.

SECTION 2.02. PAYMENTS IN LIEU OF TAXES.

(A) Agreement to Make Payments: The Company agrees that it shall make annual payments in lieu of property taxes in the amounts hereinafter provided to the respective Taxing Entities entitled to receive same pursuant to the provisions hereof. The Company also agrees to give the Assessors a copy of this Payment in Lieu of Tax Agreement. The payments due hereunder shall be paid by the Company to the respective appropriate officer or officers of the respective Taxing Entities charged with receiving payments of taxes for such Taxing Entities (such officers being collectively hereinafter referred to as the "Receivers of Taxes") for distribution by the Receivers of Taxes to the appropriate Taxing Entities entitled to receive same pursuant to the provisions hereof. The Company shall pay interest and late charges as required by Section 874 of the Act.

(B) Amount of Payments in Lieu of Taxes: The payments in lieu of taxes to be paid by the Company to the various Receivers of Taxes annually on behalf of each Taxing Entity pursuant to the terms of this Payment in Lieu of Tax Agreement shall be as follows:

(1) For each roll year beginning on and after March 1, 2017 until the CO Date (as hereinafter defined), the Company shall make annual payments in lieu of taxes equal to $6,750.00. The CO Date shall mean the February 28 immediately following the date of issuance by the Town of a certificate of occupancy for the Project Facility.

(2) For each roll year beginning on the March 1 immediately following the CO Date, the Company shall make a payment in lieu of taxes (each a "Regular PILOT Payment") as follows:

Roll Year following CO Date	PILOT PAYMENT
1	$65,000
2	65,650
3	66,306
4	66,970
5	67,639
6	68,316
7	68,999
8	69,689
9	70,386
10	71,090
11	71,800
12	72,518
13	73,244
14	73,976
15	74,716
16	75,463
17	76,218
18	76,980
19	77,750
20	78,527
21	79,312

22	80,105
23	80,907
24	81,716
25	82,533
26	83,358
27	84,192
28	85,034
29	85,884
30	86,743

All Regular PILOT payments and any additional payment required to be made by the Company pursuant to subsection (D) of Section 5.01 hereof shall be allocated among the "affected tax jurisdictions" pro-rata in accordance with the applicable tax rates.

(C) Additional Amounts in Lieu of Taxes. Commencing on the first tax year following the date on which any material modification or any structural addition shall be made to the Project Facility or any portion thereof or any additional building or other structure shall be constructed on the Land that is not included in the definition of "Project Facility" (such structural additions and additional buildings and other structures being hereinafter referred to as "Additional Facilities") the Company agrees to make additional annual payments in lieu of property taxes with respect to such Additional Facilities (such additional payments being hereinafter collectively referred to as "Additional Payments") to the Receiver of Taxes with respect to such Additional Facilities, such Additional Payments to be computed separately for each Taxing Entity as follows:

(1) Determine the amount of general taxes and general assessments (hereinafter referred to as the "Additional Normal Tax") which would be payable to each Taxing Entity with respect to such Additional Facilities if such Additional Facilities were owned by the Company and the Agency did not have a leasehold interest therein as follows: (a) multiply the Additional Assessed Value (as hereinafter defined) of such Additional Facilities determined pursuant to subsection (D) of this Section 2.02 by (b) the tax rate or rates of such Taxing Entity that would be applicable to such Additional Facilities if such Additional Facilities were owned by the Company and the Agency did not have a leasehold interest therein, and (c) reduce the amount so determined by the amounts of any tax exemptions that would be afforded to the Company by such Taxing Entity if such Additional Facilities were owned by the Company and the Agency did not have a leasehold interest therein.

(2) In each fiscal tax year during the term of this Payment in Lieu of Tax Agreement (commencing in the fiscal tax year when such Additional Facilities would first appear on the assessment roll of any Taxing Entity if such Additional Facilities were owned by the Company and the Agency did not have a leasehold interest therein), the amount payable by the Company to the Receivers of Taxes on behalf of each Taxing Entity as a payment in lieu of property tax with respect to such Additional Facilities pursuant to this Payment in Lieu of Tax Agreement shall be an amount equal to one hundred percent (100%) of the Normal Tax due each Taxing Entity with respect to such Additional Facilities for such

fiscal tax year (unless the Agency and the Company shall enter into a separate written Agreement regarding payments in lieu of property taxes with respect to such Additional Facilities, in which case the provisions of such separate written Agreement regarding payments in lieu of property taxes with respect to such Additional Facilities, in which case the provisions of such separate written Agreement shall control).

(D) Valuation of Additional Facilities.

(1) The value of Additional Facilities for purposes of determining payments in lieu of taxes due under Section 2.02(C) hereof shall be determined by the Assessors of each respective Taxing Entity. The parties hereto agree that the Assessors shall (a) appraise the Additional Facilities in the same manner as other similar properties in the general area of the Project Facility, and (b) place a value for assessment purposes (hereinafter referred to as the "Additional Assessed Value") upon the Additional Facilities, equalized if necessary by using the appropriate equalization rates as apply in the assessment and levy of real property taxes. The Company shall be entitled to written notice of the initial establishment of such Additional Assessed Value and of any change in such Additional Assessed Value.

(2) If the Company is dissatisfied with the amount of the Additional Assessed Value of the Additional Facilities as initially established or as changed, the Company shall have the right to contest the Additional Assessed Value of the Project Facility made for purposes of determining any payments due hereunder and to seek a refund of any such payments made hereunder. The Company's challenge to the Additional Assessed Value of the Project Facility and its determination to seek a refund of any payments made hereunder shall be made in accordance with New York Real Property Tax Law.

(E) Statements: The Agency agrees to give the appropriate officer of officers of the respective Taxing Entities responsible for preparing the tax rolls for said Tax Entities a copy of this Agreement and request that said officers submit to the Company and to the Receiver of Taxes periodic statements specifying the amount and due date or dates of the payments due each Taxing Entity hereunder, such periodic statements to be submitted to the Company at approximately the times that tax bills are mailed by such Taxing Entities.

(F) Time of Payments: Subject to Section 2.03(B) hereof and with the exception of the payments due in 2017, the Company agrees to pay the amounts due hereunder to the appropriate Receiver of Taxes within the period that such Taxing Entity allows payment of taxes levied in such fiscal tax year without penalty. The Company shall be entitled to receive receipts for such payments. The Company acknowledges that the payment due on February 1, 2017 is payable hereunder notwithstanding that the Project Facility will on such date be listed on the taxable rolls of each of the Taxing Entities and, therefore, the Company will be required to pay real estate taxes until the first tax status date after the date hereof.

(G) Method of Payment: All payments by the Company hereunder shall be paid to the Receivers of Taxes by check in lawful money of the United States of America. The Receivers of Taxes shall in turn distribute the amounts so paid to the various Taxing Entities entitled to same.

(H) Transfer to Company: In the event the Agency no longer has a leasehold interest in the Project Facility, the Facility shall be immediately subject to taxation pursuant to Section 302 and Section 520 of the Real Property Tax Law, as amended. However, with the exception of the calendar year 2017, in no event shall the Company be required to pay both payments in lieu of taxes and real property taxes for a concurrent tax year or any portion thereof. Therefore, should the Facility be conveyed to the Company and thus become taxable pursuant to Real Property Tax Law Section 520, the Taxing Entities agree that any payments payable under this Agreement as payments in lieu of taxes shall be reduced by the amount of any taxes which are required to be paid under Real Property Tax Law Section 520 for any such concurrent tax year or any portion thereof, and should such payments in lieu of taxes already have been made, the Taxing Entities shall refund any such amounts owing to the Company.

SECTION 2.03. CREDIT FOR TAXES PAID. (A) Credits: The parties hereto acknowledge and agree that the obligation of the Company to make the payments provided in Section 2.02 of this Agreement shall be in addition to any and all other taxes and governmental charges of any kind whatsoever which the Company may be required to pay under the Lease Agreement. It is understood and agreed, however, that, with the exception of the calendar year 2017, should the Company pay in any calendar year to any Taxing Entity any amounts in the nature of general property taxes, general assessments, service charges or other governmental charges of a similar nature levied and/or assessed upon the Project Facility or the interest therein of the Company or the occupancy thereof by the Company (but not including, by way of example, sales and use taxes, or special assessments and special ad valorem levies described in Section 2.01(B) above) then the Company's obligation to make payments in lieu of property taxes for such calendar year to such Taxing Entity hereunder shall be reduced by the amounts which the Company shall have so paid to such Taxing Entity in such calendar year, but there shall be no cumulative or retroactive credit as to any payment in lieu of property taxes due to any other Taxing Entity or as to any payment in lieu of property taxes due to such Taxing Entity in any other calendar year.

(B) Method of Claiming Credits: If the Company desires to claim a credit against any particular payment in lieu of tax due hereunder, the Company shall give the governing body of the affected Taxing Entity prior written notice of its intention to claim any credit pursuant to the provisions of this Section 2.03, said notice to be given by the Company at least thirty (30) days prior to the date on which such payment in lieu of tax is due pursuant to the provisions of Section 2.02(G) hereof. In the event that the governing body of the appropriate Taxing Entity desires to contest the Company's right to claim such credit, then said governing body, the Agency and the Company shall each select an arbitrator in accordance with the rules of the American Arbitration Association, which arbitrators shall, at the sole cost and expense of the Company, determine whether the Company is entitled to claim any credit pursuant to the provisions of this Section 2.03 and, if so, the amount of the credit to which the Company is entitled. It is understood that the arbitrators are empowered to confirm the amount of the credit claimed by the Company or to determine a lower or higher credit.

When the Company shall have given notice, as provided herein, that it claims a credit, the amount of any payment in lieu of property taxes due hereunder against which the credit may be claimed may be withheld (to the extent of the credit claimed by the Company, but only to the extent that such credit may be claimed against said payment in lieu of taxes pursuant to the provisions of this Section 2.03) until the decision of the arbitrators is rendered. After the decision of the arbitrators is rendered, the payment in lieu of taxes due with respect to any reduction or disallowance by the arbitrators in the amount of the credit claimed by the Company shall, to the extent withheld as aforesaid, be immediately due and payable, together with interest thereon from the date such payment in lieu of tax was originally due, at the rate of eighteen percent (18%) per annum, and such amount and shall be paid by the Company within thirty (30) days of said decision.

SECTION 2.04. INTEREST. If the Company shall fail to make any payment required by this Agreement when due, its obligation to make the payment so in default shall continue as an obligation of the Company until such payment in default shall have been made in full, and the Company shall pay the same together with late charges and interest thereon, as required by Section 874 of the Act and as more fully described in Section 4.05 hereof.

ARTICLE III

LIMITED OBLIGATION OF THE AGENCY

SECTION 3.01. NO RECOURSE; LIMITED OBLIGATION OF THE AGENCY. Notwithstanding anything contained in this Agreement to the contrary:

(A) No Recourse: All covenants, stipulations, promises, agreements and obligations of the Agency contained in this Agreement shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the Agency, and not of any member, officer, agent (other than the Company), servant or employee of the Agency in his individual capacity, and no recourse under or upon any obligation, covenants or Agreement contained in this Agreement, or otherwise based upon or in respect of this Agreement, or for any claim based thereon or otherwise in respect thereof, shall be had against any past, present or future member, officer, agent (other than the Company), servant or employee, as such, of the Agency or any successor public benefit corporation or political subdivision or any person executing this Agreement on behalf of the Agency, either directly or through the Agency or any successor public benefit corporation or political subdivision or any person so executing this Agreement, it being expressly understood that this Agreement is a corporate obligation, and that no such personal liability whatever shall attach to, or is or shall be incurred by, any such member, officer, agent (other than the Company), servant or employee of the Agency or of any successor public benefit corporation or political subdivision or any person so executing this Agreement under or by reason of the obligations, covenants or agreements contained in this Agreement or implied therefrom; and that any and all such personal liability of, and any and all such rights and claims against, every such member, officer, agent (other than the Company), servant or employee under or by reason of the obligations, covenants or agreements contained in this Agreement or implied therefrom are, to the extent permitted by law, expressly waived and released as a condition of, and as a consideration for, the execution of this Agreement.

(B) Limited Obligation: The obligations and agreements of the Agency contained herein shall not constitute or give rise to an obligation of the State of New York or the Town of Colonie, New York, and neither the State of New York nor the Town of Colonie, New York 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 limited obligations of the Agency payable solely from the revenues of the Agency derived and to be derived from the lease, sale or other disposition of the Project Facility.

(C) Further Limitation: Notwithstanding any provision of this Agreement to the contrary, the Agency shall not be obligated to take any action pursuant to any provision hereof unless (1) the Agency shall have been requested to do so in writing by the Company, and (2) if compliance with such request is reasonably expected to result in the incurrence by the Agency (or any of its members, officers, agents, servants or employees) of any liability, fees, expenses (including, without limitation, attorneys' fees and expenses) or other costs, the Agency shall have received from the Company security or indemnity and an Agreement from the Company to defend and hold harmless the Agency satisfactory to the Agency for protection against all such liability, however remote, and for the reimbursement of all such fees, expenses and other costs.

ARTICLE IV

EVENTS OF DEFAULT

SECTION 4.01. EVENTS OF DEFAULT. Any one or more of the following events shall constitute an event of default under this Agreement, and the terms "Event of Default" or "Default" shall mean, whenever they are used in this Agreement, any one or more of the following events:

(A) Failure of the Company to pay any amount due and payable by it pursuant to this Agreement and continuance of said failure for a period of fifteen (15) days after written notice to the Company stating that such payment is due and payable;

(B) Failure of the Company to observe and perform any other covenant, condition or Agreement on its part to be observed and performed hereunder (other than as referred to in subsection (A) above) and continuance of such failure for a period of thirty (30) days after written notice to the Company specifying the nature of such failure and requesting that it be remedied; provided that if such default cannot reasonably be cured within such thirty (30) day period, the Company shall have commenced action to cure the breach of covenant, condition or Agreement within said thirty (30) day period and thereafter diligently and expeditiously proceeds to cure the same;

(C) Any warranty, representation or other statement by or on behalf of the Company contained in this Agreement shall prove to have been false or incorrect in any material respect on the date when made or on the effective date of this Agreement; or

(D) The occurrence and continuance of an "Event of Default" under the Lease Agreement, beyond any applicable cure period (if any).

SECTION 4.02. REMEDIES ON DEFAULT. Whenever any Event of Default shall have occurred with respect to this Agreement, then the Agency (or if such Event of Default concerns a payment required to be made hereunder to any Taxing Entity, then with respect to such Event of Default such Taxing Entity) may take whatever action at law or in equity as may appear necessary or desirable to the Agency or such Taxing Entity, as the case may be, to collect the amount then in default or to enforce the performance and observance of the obligations, agreements and covenants of the Company under this Agreement, including without limitation, terminating the Company's status as agent of the Agency and causing the Surrender of Underlying Lease to be duly recorded. Each such Event of Default shall give rise to a separate cause of action hereunder and separate suits may be brought hereunder as each cause of action arises. The Company irrevocably agrees that any suit, action or other legal proceeding arising out of this Agreement may be brought in the courts of record of the State of New York, consents to the jurisdiction of each such court in any such suit, action or proceeding, and waives any objection which it may have to the laying of the venue of any such suit, action or proceeding in any of such courts.

SECTION 4.03. PAYMENT OF ATTORNEY'S FEES AND EXPENSES. If the Company should default in performing any of its obligations, covenants or agreements under this Agreement and the Agency or any Taxing Entity should employ attorneys or incur other expenses for the collection of any amounts payable hereunder or for the enforcement of performance or observance of any obligation or Agreement on the part of the Company herein contained, the Company agrees that it will, on demand therefor, pay to the Agency or such Taxing Entity, as the case may be, the reasonable expenses so incurred, whether or not an action is commenced together with interest thereon at the maximum rate allowed by law.

SECTION 4.04. REMEDIES; WAIVER AND NOTICE. (A) No Remedy Exclusive: No remedy herein conferred upon or reserved to the Agency or any Taxing Entity is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity or by statute.

(B) Delay: No delay or omission in exercising any right or power accruing upon the occurrence of any Event of Default hereunder shall impair any such right or power or shall be construed to be a waiver thereof, but any such right or power may be exercised from time to time and as often as may be deemed expedient.

(C) Notice Not Required: In order to entitle the Agency or any Taxing Entity to exercise any remedy reserved to it in this Agreement, it shall not be necessary to give any notice, other than such notice as may be expressly required in this Agreement or the Act.

(D) No Waiver: In the event any provision contained in this Agreement should be breached by either party and thereafter duly waived by the other party so empowered to act, such waiver shall be limited to the particular breach so waived and shall not be deemed to be a waiver of any other breach hereunder. No waiver, amendment, release or modification of this Agreement shall be established by conduct, custom or course of dealing.

SECTION 4.05. PAYMENT OF INTEREST AND PENALTIES. Pursuant to Section 874(5) of the General Municipal Law of New York, as amended, if the Company shall fail to make or cause to be made any such payments in lieu of real estate taxes when due, the amount or amounts so in default shall continue as an obligation of the Company until fully paid, and the Company hereby agrees to pay or cause to be paid the same, together with a late payment penalty equal to five percent (5%) of the amount due. Additionally, if the Company shall fail to make any payment required by this Section 4.05 when due and such delinquency shall continue beyond the first month, the Company's obligation to make the payment so in default shall continue as an obligation of the Company to the affected Taxing Entity until such payment in default shall have been made in full, and the Company shall pay the same to the affected Taxing Entity together with (1) a late payment penalty of one percent (1%) per month for each month, or part thereof, that the payment due hereunder is delinquent beyond the first month, plus (2) interest thereon, to the extent permitted by law, at the same rate per annum which would be payable if such amounts were delinquent taxes, until so paid in full.

ARTICLE V

TENANT INCOME LIMITATIONS

SECTION 5.01. TENANT INCOME LIMITATIONS. (A) The Company shall limit occupancy of the rental units in the Project Facility to persons who, upon initial occupancy are 55 years of age or older and have maximum federal adjusted gross income (the "Income Requirement") that do not exceed five (5) times the annual rent for the unit being occupied. For units being occupied by more than one person, the income of all persons occupying the unit shall be aggregated to determine if the Income Requirement is satisfied. A tenant who, upon initial occupancy, meets the Income Requirement but in any subsequent year has federal adjusted gross income in excess of the Income Requirement shall not be required to vacate the unit; provided however, that the Company shall be required to lease the next available unit in the Project Facility to a tenant who satisfies the Income Requirement.

(B) The Company shall, upon initial occupancy of a unit in the Project Facility by a tenant and annually thereafter, obtain from each tenant (1) a certificate certifying to the tenant's federal adjusted gross income (the "Tenant Certificate"); and (2) documentation to support the Tenant Certificate (for example, a copy of the tenant's federal income tax return) (the "Tenant Documentation").

(C) The Company shall submit to the Agency on an annual basis no later than March 31 of each year (1) a certificate certifying that as of December 31 of the immediately prior year not less than 95% of the units in the Project Facility were occupied by tenants who satisfied the Income Requirement (the "Annual Requirement"); and (2) a copy of each Tenant Certificate and the Tenant Documentation.

(D) To the extent that the Company does not satisfy the Annual Requirement in any year because less than 95% of the units in the Project Facility were occupied by tenants who satisfied the Income Requirement, the Company shall make an additional payment in lieu of taxes in the amount calculated as follows:

(Number of units in the Project Facility that satisfied the Income Requirement divided by the total number of units in the Project Facility) multiples by the Regular PILOT Payment

plus

(Number of units in the Project Facility that did NOT satisfy the Income Requirement[1] divided by the total number of units in the Project Facility) multiplied by Normal Taxes (as hereinafter defined)

less

Regular PILOT Payment

(E) For purposes of calculating the amount due pursuant to subsection (D) of this Section 5.01, Normal Taxes shall calculated as follows: (a) multiply the Normal Assessed Value of the Project Facility determined pursuant to subsection (F) of this Section 5.01 by (b) the tax rate or rates of such Taxing Entity that would be applicable to such Project Facility if such Project Facility were owned by the Company and the Agency did not have a leasehold interest therein.

(F) (1) Normal Assessed Value of the Project Facility shall be determined by the Assessors of each respective Taxing Entity as if the Project Facility were owned by the Company and the Agency did not have a leasehold interest. The parties hereto agree that the Assessors shall (a) appraise the Project Facility in the same manner as other similar properties in the general area of the Project Facility, and (b) place a value for assessment purposes (hereinafter referred to as the "Normal Assessed Value") upon the Project Facility, equalized if necessary by using the appropriate equalization rates as apply in the assessment and levy of real property taxes. The Company shall be entitled to written notice of the initial establishment of such Normal Assessed Value and of any change in such Normal Assessed Value.

(2) If the Company is dissatisfied with the amount of the Normal Assessed Value of the Project Facility as initially established or as changed, the Company shall have the right to contest the Normal Assessed Value of the Project Facility made for purposes of calculating any payments due under subsection (D) of this Section 5.01 and to seek a refund of any such payments made hereunder. The Company's challenge to the Normal Assessed Value of the Project Facility and its determination to seek a refund of any payments made hereunder shall be made in accordance with New York Real Property Tax Law.

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[1]The formula may need to be adjusted to take into account different unit sizes.

SECTION 5.02. (A) During the term of this Agreement, the monthly rents for each unit in the Project Facility shall not exceed the following amounts plus the Annual Allowable Increase (as defined below):

Type of Unit	Monthly Rent
2 Bedroom/ 1Bathroom with Balcony/Patio	$1,200
2 Bedroom/ 1Bathroom	$1,100
2 Bedroom/ 2.0 Bathroom	$1,300
2 Bedroom/ 1.5 Bathroom	$1,250
1 Bedroom/ 1Bathroom with Balcony/Patio	$ 950
1 Bedroom/1 Bathroom	$ 850

(B) For purposes of paragraph (A) of this Section 5.02, the Annual Allowable Increase shall mean the greater of (x) an amount that does not exceed 2% of the annual rent for the applicable unit for the prior calendar year; and (y) an amount approved by resolution of the members of the Agency.

ARTICLE VI

MISCELLANEOUS

SECTION 6.01. TERM OF AGREEMENT. General: This Agreement shall become effective and the obligations of the Company shall arise absolutely and unconditionally upon the approval of this Agreement by resolution of the Agency and the execution and delivery of this Agreement by the Company and the Agency. Unless otherwise provided by amendment hereof, this Agreement shall continue to remain in effect until the earliest to occur of (1) the date on which the Agency's interest in the Project Facility pursuant to the Underlying Lease is terminated, or (2) the occurrence of an Event of Default hereunder.

SECTION 6.02. FORM OF PAYMENTS. The amounts payable under this Agreement shall be payable by check in such coin and currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts.

SECTION 6.03. COMPANY ACTS. Where the Agency is required to do or accomplish any act or thing hereunder, the Company may, with the prior written consent of the Agency, cause the same to be done or accomplished with the same force and effect as if done or accomplished by the Agency.

SECTION 6.04. AMENDMENT OF AGREEMENT. This Agreement may not be amended, changed, modified, altered or terminated unless such amendment, change, modification, alteration or termination is in writing and, in the case of any amendment, change, modification or alteration of this Agreement, unless the Company and its successors and assigns shall assume in writing the obligations of such amended, changed, modified or altered Agreement.

SECTION 6.05. NOTICES. (A) All notices, certificates or other communications hereunder shall be in writing and shall be sufficiently given and shall be deemed given when (1) received at the applicable address stated below by registered or certified mail, postage prepaid, return receipt requested, or by such other means as shall provide the sender with documentary evidence of such delivery, or (2) delivery is refused by the addressee, as evidenced by the affidavit of the person who attempted to effect such delivery. The addresses to which notices, certificates and other communications hereunder shall be delivered are as follows:

If to the Agency:

Town of Colonie Industrial Development Agency
347 Old Niskayuna Road
Latham, New York 12110
Attention: Executive Director

With a copy to:

M. Cornelia Cahill, Esq.
Barclay Damon, LLP
80 State Street
Albany, New York 12207

With a copy to:

Assessor
Town of Colonie
Memorial Town Hall
534 Loudon Road
Newtonville, New York 12128

If the Company:

Colonie Senior Service Centers, Inc.
Six Winners Circle
Albany, New York 12205

With a copy to:

Richard E. Rowlands, Esq.
Rowlands & Lebrou, PLLC
11 British American Blvd.
Latham, New York 12110

and

James Carminucci, Esq.
Lemery Greisler LLC
60 Railroad Place, Suite 502
Saratoga Springs, New York 12866

(B) Any notice given to the Agency hereunder also shall be sent to the Town of Colonie (the "Town") at the address set forth above.

(C) The Agency, the Company and the Town may notice given hereunder to each of the others, designate any further of different addresses to which subsequent notices, certificates or other communications to them shall be sent.

SECTION 6.06. BINDING EFFECT. This Agreement shall inure to the benefit of, and shall be binding upon, the Agency, the Company and their respective successors and assigns. The provisions of this Agreement are intended to be for the benefit of the Agency and the respective Taxing Entities.

SECTION 6.07. SEVERABILITY. If any article, section, subsection, subdivision, paragraph, sentence, clause, phrase, provision or portion of this Agreement shall for any reason be held or adjudged to be invalid or illegal or unenforceable by any court of competent jurisdiction, such article, section, subsection, subdivision, paragraph, sentence, clause, phrase, provision or portion so adjudged invalid, illegal or unenforceable shall be deemed separate, distinct and independent and the remainder of this Agreement shall be and remain in full force and effect and shall not be invalidated or rendered illegal or unenforceable or otherwise affected by such holding or adjudication.

SECTION 6.08. COUNTERPARTS. This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute by one and the same instrument.

SECTION 6.09. APPLICABLE LAW. This Agreement shall be governed by and construed in accordance with the laws of the State of New York.

SECTION 6.10 DEFINITIONS. Capitalized terms used but not otherwise defined herein shall have the same meanings ascribed to them in the Lease Agreement dated as of May 1, 2016, by and between the Company and the Agency unless the context requires otherwise.

[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the Agency and the Company have caused this Agreement to be executed in their respective names, by their duly authorized representatives, all being done as of the date first above written.

TOWN OF COLONIE INDUSTRIAL DEVELOPMENT AGENCY

By: ______________________
Chairman

COLONIE SENIOR SERVICE CENTERS, INC.

By: ______________________
Authorized Representative

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

On the 4th day of May in the year 2016 before me, the undersigned, a notary public in and for the State of New York, personally appeared John Kearney, 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 upon behalf of the which the individual acted, executed the instrument.

Jo Ann Kilmer
Notary Public

JO-ANN KILMER
NOTARY PUBLIC STATE OF NEW YORK
NO. 01K1 052388
QUALIFIED IN SARATOGA COUNTY
COMMISSION EXPIRES NOV. 20, 2017

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

On the 6th day of May in the year 2016 before me, the undersigned, a notary public in and for the State of New York, personally appeared Peter J. Campito, 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 upon behalf of the which the individual acted, executed the instrument.

Jo Ann Kil

Notary Public

JO-ANN KILMER
NOTARY PUBLIC, STATE OF NEW YORK
NO. 01KI 052368
QUALIFIED IN SARATOGA COUNTY
COMMISSION EXPIRES NOV. 20, 20 17

EXHIBIT “A”

DESCRIPTION OF THE LAND

- EXHIBIT A

Legal Description

ALL THAT PARCEL OF LAND, situate, lying in the Town of Colonie, County of Albany, State of New York, and bounded and described as follows:

BEGINNING at a point in the southeasterly line of lands of Colonie Elks BPOE 2192 said point of beginning being mire particularly described as follows:

COMMENCING at the most northeasterly corner of a parcel of land conveyed to Colonie Elks BPOE 2192 by deed filed in the Office of the Clerk of Albany County in Book 2338 of Deeds and Page 583;

THENCE South 43°50'55" West and running along the southeasterly line of said parcel a distance of 217.28 feet to a point in the southeasterly line of lands of Colonie Elks BPOE 2192;

Thence along the southeasterly line of lands of Colonie Elks BPOE 2192; South 22°42'00" West a distance of 225.43 feet to a point

Thence along the easterly line of lands of Colonie Elks BPOE 2192; South 16°19'24" West a distance of 24.71 feet to the first mentioned Point of Beginning which point is the Point of Beginning of the parcel herein described;

THENCE along the easterly line of lands of Colonie Elks BPOE 2192; South 16°19'24" West a distance of 907.22 feet to a point;

Thence along the southerly line of lands of Colonie Elks BPOE 2192; North 77°23'00" West a distance of 323.25 feet to a point

Thence along the southerly line of lands of Colonie Elks BPOE 2192; North 59°23'00" West a distance of 552.44 feet to a point

Thence along the northwesterly line of lands of Colonie Elks BPOE 2192; North 40°32'00" East a distance of 867.94 feet to a point

Thence through the lands now or formerly of Colonie Elks BPOE 2192, South 73°41'29" East a distance of 501.98 feet to the POINT AND PLACE OF BEGINNING.

CONTAINING 14.13 acres of land, more or less.

SUBJECT to all easements, restrictions and rights-of-way of record.

TOGETHER with an easement from the Elks to the Grantee, its officers, employees, residents, invitees and successors and assigns, for ingress and egress and a utility easement for the installation, construction, and maintenance of utilities including but not limited to, water lines, sanitary sewer lines, storm sewer lines, drainage basins, television and cable, electric and gas over the following described premises:

ALL THAT PARCEL OF LAND FOR INGRESS AND EGRESS TO LOT 17 AND UTILITIES 11 Elks Lane and 17 Elks Lane, situate, lying in the Town of Colonie, County of Albany, State of New York, and bounded and described as follows:

BEGINNING at the most northeasterly corner of a parcel of land conveyed to Colonie Elks BPOE 2192 by deed filed in the Office of the Clerk of Albany County in Book 2338 of Deeds and Page 583;

THENCE South 43°50'55" West and running along the southeasterly line of said parcel a distance of 217.28 feet to a point;

Thence through the lands now or formerly of Colonie Elks BPOE 2192 by the following twelve (12) courses and distances;

1. South 35° 01'09" West a distance of 55.59 feet to a point;
2. South 27° 01'13" West a distance of 68.82 feet to the point of curve of a circular curve having a radius of 159.75 feet;
3. thence curving to the right along the arc of said circular curve having a radius of 159.75 feet for an arc distance of 94.18 feet to a point of reverse curve, said arc being subtended by a central angle of 33°46'40";
4. thence curving to the left along the arc of a circular curve having a radius of 31.00 feet for an arc

distance of 42.09 feet to a point of compound curve, said arc being subtended by a central angle of 77°47'12";

5. thence curving to the right along the arc of a circular curve having a radius of 103.00 feet for an arc distance of 8.69 feet to a point in the proposed northerly property line of No. 17 Elks Lane, said arc being subtended by a central angle of 4°50'00";
6. North 73°41'29" West and running along the proposed northerly property line of No. 17 Elks Lane a distance of 207.57 feet to a point on a circular curve having a radius of 127.00 feet;
7. thence curving to the right along the arc of said circular curve having a radius of 127.00 feet for an arc distance of 45.18 feet to a point of tangency of said curve, said arc being subtended by a central angle of 20°23'02";
8. South 85°02'41" East a distance of 78.03 feet to the point of curve of a circular arc having a radius of 129.75 feet;
9. thence curving to the left along the arc of said circular curve having a radius of 129.75 feet for an arc distance of 154.23 feet to the point of tangency of said curve, said arc being subtended by a central angle of 68°06'17";
10. North 27°01'13" East a distance of 69.48 feet to a point;
11. North 34°03'28" East a distance of 58.85 feet to a point;
12. North 40°38'36" East a distance of 168.18 feet to a point in the northeasterly line of a parcel of land conveyed to Colonie Elks BPOE 2192 by deed filed in the Office of the Clerk of Albany County in Book 2338 of Deeds and Page 583;

thence curving to the left along the arc of a circular curve having a radius of 200.00 feet being the northeasterly line of a parcel of land conveyed to Colonie Elks BPOE 2192 by deed filed in the Office of the Clerk of Albany County in Book 2338 of Deeds and Page 583 for an arc distance of 66.98 feet to the POINT AND PLACE OF BEGINNING, said arc being subtended by a central angle of 19°11'16"