
MEMORANDUM OF LEASE AGREEMENT

BY

ULSTER COUNTY, NEW YORK

TO

GOLDEN HILL LOCAL DEVELOPMENT CORPORATION

DATED AS OF JUNE 1, 2012

THIS DOCUMENT IS INTENDED TO CONSTITUTE A MEMORANDUM OF A LEASE FOR AN INTEREST IN REAL ESTATE, AND IS INTENDED TO BE RECORDED IN LIEU OF SUCH LEASE AGREEMENT, IN ACCORDANCE WITH THE PROVISIONS OF SECTION 291(c) OF THE NEW YORK REAL PROPERTY LAW.

Record and Return to:

Harris Beach PLLC
677 Broadway, Suite 1101
Albany, New York 12207
Attn: Justin S. Miller, Esq.

Tax Map Numbers:

Section: 56.40
Block: 1
Lot: 19 (portion)
City of Kingston
Ulster County

**MEMORANDUM OF LEASE PURSUANT TO
SECTION 291-c OF THE REAL PROPERTY LAW
(County to GHLDC)**

THIS MEMORANDUM OF LEASE, dated as of June 1, 2012 by and between the COUNTY OF ULSTER, a municipal corporation of the State of New York (the "State") having offices at 244 Fair Street Kingston, New York 12401 (herein, the "County" or "Lessor") and GOLDEN HILL LOCAL DEVELOPMENT CORPORATION, a not-for-profit local development corporation duly organized and validly existing under the laws of the State, having an office for the transaction of business at 244 Fair Street, Kingston, New York 12401 (herein, the "Corporation" or "Lessee").

1. Reference to Lease: Lease Agreement with Exclusive Option to Purchase, dated as of June 1, 2012 (the "Lease"), whereby the County leases to the Corporation certain real property.

2. Description of the Leased Premises: Certain real property and improvements located in the City of Kingston, Ulster County, New York, as more particularly described on Schedule A attached hereto (the "Leased Premises").

3. Term of Lease: Commencing June 1, 2012, and ending June 1, 2111.

4. Date of Commencement: June 1, 2012.

5. Date of Termination: June 1, 2111, or earlier pursuant to terms of Lease.

6. Rights of Extension or Renewal: None.

7. Option Rights: Exclusive Option to Purchase Leased Premises included in Lease.

[THE BALANCE OF THIS PAGE INTENTIONALLY LEFT BLANK]

Record and Return to:

Harris Beach PLLC
677 Broadway, Suite 1101
Albany, New York 12207
Attn: Justin S. Miller, Esq.

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

COUNTY OF ULSTER

By: _____

Name: Michael Hein

Title: County Executive

GOLDEN HILL LOCAL DEVELOPMENT
CORPORATION

By: _____

Name: Robert Sudlow

Title: Chief Executive Officer

[Acknowledgment Page to Memorandum of Lease Agreement]

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

On the 12 day of June in the year 2012 before me, the undersigned, personally appeared Michael Hein, 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 (s)he executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Laurie A. Sheeley
Notary Public
LAURIE A. SHEELEY
Notary Public, State of New York
No. 01SH5014207
Qualified in Ulster County
Commission Expires 7.15.2015

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

On the 12 day of June in the year 2012 before me, the undersigned, personally appeared Robert Sudlow, 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 (s)he executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Laurie A. Sheeley
Notary Public

LAURIE A. SHEELEY
Notary Public, State of New York
No. 01SH5014207
Qualified in Ulster County
Commission Expires 7.15.2015

Schedule A

Leased Premises

DESCRIPTION OF LEASE AREA ON LANDS OF
ULSTER COUNTY INFIRMARY, GOLDEN HILL
CITY OF KINGSTON, ULSTER COUNTY, NEW YORK
PARCEL I

Beginning at a point on the Southerly side of Glen Street, said point also being on the Easterly line of lands of Christopher and Kathy Jo Franco, Liber 3513 Page 248, and running:

- 1) thence from said point of beginning along the Southerly side of Glen Street South $61^{\circ} 50' 00''$ East, 247.39 feet to a point;
- 2) thence along the Westerly side of Glen Street South $42^{\circ} 41' 43''$ East, 231.60 feet to a point;
- 3) thence through the lands of County of Ulster the following courses and distances: South $50^{\circ} 40' 14''$ East, 59.25 feet to a point;
- 4) thence along the Southerly side of an access road, known as Golden Hill Drive, the following courses and distances: South $70^{\circ} 34' 47''$ East, 45.10 feet to a point;
- 5) thence Northeasterly on a curve to the left having a radius of 335.00 feet, 264.68 feet to a point;
- 6) thence North $64^{\circ} 09' 06''$ East, 215.56 feet to a point;
- 7) thence leaving the Southerly side of the aforementioned access road, known as Golden Hill Drive, and continuing through the lands of County of Ulster the following courses and distances: Southwesterly on a curve to the right having a radius of 325.00 feet, 154.51 feet to a point;
- 8) thence South $20^{\circ} 08' 53''$ West, 374.82 feet to a point;
- 9) thence North $75^{\circ} 55' 30''$ West, 65.22 feet to a point;
- 10) thence South $14^{\circ} 05' 50''$ West, 17.42 feet to a point;

11) thence South 80° 34' 08" West, 335.87 feet to a point;
12) thence South 47° 43' 46" West, 108.21 feet to a point;
13) thence South 78° 31' 00" West, 202.34 feet to a point;
14) thence South 9° 39' 05" East, 236.60 feet to a point;
15) thence South 32° 44' 00" East, 90.92 feet to a point;
16) thence South 61° 13' 40" West, 108.04 feet to a point on the Northeasterly line of lands of Ralph and Nancy Palen, Liber 1387 Page 1004;

17) thence along the Northeasterly line of lands of Palen and running along a portion of stone walls North 32° 44' 00" West, 742.80 feet to a point;

18) thence along the approximate Corporate Boundary Line between the Town of Ulster and the City of Kingston along the Easterly line of other lands of the County of Ulster North 16° 09' 40" West, 691.89 feet to a point on the Southerly line of lands of Gary Gubinski, Liber 4447 Page 230;

19) thence along the Southerly line of lands of Gubinski North 50° 47' 50" East, 205.50 feet to a recovered pipe in a stone wall on the Southerly line of lands of Franco;

20) thence along the Southerly line of lands of Franco and generally along a portion of a stone wall the following courses and distances: South 43° 48' 30" East, 270.97 feet to a point;

21) thence South 50° 53' 00" East, 340.47 feet to a point;

22) thence along the Easterly line of lands of Franco North 39° 31' 00" East, 333.16 feet to the place of beginning.

CONTAINING: 20.393 Acres

All bearings are referred to Magnetic North 1968.

The above described premises are subject to any easements of record and subject to any statements of fact that a title search may reveal.

The above described premises have the use of Goldin Hill Drive for ingress and egress to the above described premises.

The above described premises are subject to any rights utility company may have for overhead utility lines crossing said premises.

MARCH 23, 2012

CHRISTOPHER J. ZELL, P.L.S.
BRINNIE and LARIOS, P.C.

DESCRIPTION OF LEASE AREA ON LANDS OF
ULSTER COUNTY INFIRMARY, GOLDEN HILL
CITY OF KINGSTON, ULSTER COUNTY, NEW YORK
PARCEL II

Beginning at a recovered monument on the Easterly side of Glen Street, said point also being the Southwesterly corner of lands of Christopher and Donna Smedman, Liber 1410 Page 483, and running:

- 1) thence from said point of beginning along the Southerly line of lands of Smedman and the Southerly line of lands of City of Kingston the following courses and distances: South 35° 33' 30" East, 208.81 feet to a point;
- 2) thence North 52° 12' 30" East, 41.94 feet to a point;
- 3) thence South 66° 44' 30" East, 94.51 feet to a point;
- 4) thence South 83° 25' 30" East, 155.54 feet to a point;
- 5) thence continuing along lands of City of Kingston South 5° 05' 16" West, 84.08 feet to a point on the Northerly side of an access road;
- 6) thence along the Northerly side of said access road, known as Golden Hill Drive, the following courses and distances: Southwesterly on a curve to the left having a radius of 610.00 feet, 186.54 feet to a point;
- 7) thence Southwesterly on a curve to the left having a radius of 925.00 feet, 216.57 feet to a point;
- 8) thence South 64° 09' 06" West, 237.04 feet to a point;
- 9) thence Northwesterly on a curve to the right having a radius of 285.00 feet, 225.17 feet to a point;
- 10) thence Northwesterly on a curve to the right having a radius of 20.00 feet, 39.54 feet to a point;

11) thence along the Easterly side of Glen Street the following courses and distances: North 70° 34' 47" West, 3.18 feet to a point;

12) thence North 42° 41' 43" East, 160.21 feet to a point;

13) thence South 61° 50' 00" East, 10.81 feet to a point;

14) thence North 44° 13' 14" East, 467.90 feet to the place of beginning.

CONTAINING: 3.756 Acres

All bearings are referred to Magnetic North 1968.

The above described premises are subject to any easements of record and subject to any statements of fact that a title search may reveal.

The above described premises have the use of Goldin Hill Drive for ingress and egress to the above described premises.

The above described premises are subject to any rights utility company may have for overhead utility lines crossing said premises.

MARCH 23, 2012

CHRISTOPHER J. ZELL, P.L.S
BRINNIER and LARIOS, P.C.



BRINNER & LARIOS, P. C.

MAP
SHOWING LEASE LINES
LANDS OF
ULSTER COUNTY INFIRMARY
GOLDEN HILL
CITY OF KINGSTON ULSTER COUNTY NEW YORK
MARCH 22, 2012 SCALE: 1" = 100'

WFP



Combined Real Estate Transfer Tax Return, Credit Line Mortgage Certificate, and Certification of Exemption from the Payment of Estimated Personal Income Tax

Recording office time stamp

See Form TP-584-I, Instructions for Form TP-584, before completing this form. Please print or type.

Schedule A — Information relating to conveyance

| | | |
|---|--|--|
| Grantor/Transferor <input type="checkbox"/> Individual <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Estate/Trust <input type="checkbox"/> Other | Name (if individual; last, first, middle initial) Ulster County, New York | Social security number |
| | Mailing address 244 Fair Street | Social security number |
| | City State ZIP code Kingston NY 12401 | Federal employer ident. number 14-6002575 |
| Grantee/Transferee <input type="checkbox"/> Individual <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Estate/Trust <input type="checkbox"/> Other | Name (if individual; last, first, middle initial) Golden Hill Local Development Corporation | Social security number |
| | Mailing address 244 Fair Street | Social security number |
| | City State ZIP code Kingston NY 12401 | Federal employer ident. number 45-5029389 |

Location and description of property conveyed

| Tax map designation | | | Address | City/village | Town | County |
|---------------------|-------|-----|--------------|--------------|------|--------|
| Section | Block | Lot | (PORTION OF) | Kingston | | Ulster |
| 56.40 | 1 | 19 | | | | |

Type of property conveyed (check applicable box)

| | | | |
|---|---|--|--|
| 1 <input type="checkbox"/> One- to three-family house 2 <input type="checkbox"/> Residential cooperative 3 <input type="checkbox"/> Residential condominium 4 <input type="checkbox"/> Vacant land | 5 <input type="checkbox"/> Commercial/Industrial 6 <input type="checkbox"/> Apartment building 7 <input type="checkbox"/> Office building 8 <input checked="" type="checkbox"/> Other <u>Home for Aged</u> | Date of conveyance <div style="border: 1px solid black; padding: 2px; display: inline-block;"> 6 12 month day year </div> | Percentage of real property conveyed which is residential real property <u>0.00</u> % <i>(see instructions)</i> |
|---|---|--|--|

Condition of conveyance (check all that apply)

- | | | |
|--|--|--|
| a. <input type="checkbox"/> Conveyance of fee interest b. <input type="checkbox"/> Acquisition of a controlling interest (state percentage acquired _____%) c. <input type="checkbox"/> Transfer of a controlling interest (state percentage transferred _____%) d. <input type="checkbox"/> Conveyance to cooperative housing corporation e. <input type="checkbox"/> Conveyance pursuant to or in lieu of foreclosure or enforcement of security interest (attach Form TP-584.1, Schedule E) | f. <input type="checkbox"/> Conveyance which consists of a mere change of identify or form of ownership or organization (attach Form TP-584.1, Schedule F) g. <input type="checkbox"/> Conveyance for which credit for tax previously paid will be claimed (attach Form TP-584.1, Schedule G) h. <input type="checkbox"/> Conveyance of cooperative apartment(s) i. <input type="checkbox"/> Syndication j. <input type="checkbox"/> Conveyance of air rights or development rights k. <input type="checkbox"/> Contract assignment | l. <input type="checkbox"/> Option assignment or surrender m. <input type="checkbox"/> Leasehold assignment or surrender n. <input checked="" type="checkbox"/> Leasehold grant o. <input type="checkbox"/> Conveyance of an easement p. <input checked="" type="checkbox"/> Conveyance for which exemption from transfer tax claimed (complete Schedule B, Part III) q. <input type="checkbox"/> Conveyance of property partly within and partly outside the state r. <input type="checkbox"/> Other (describe) _____ |
|--|--|--|

| | | | |
|-----------------------------|--|---------------|--------------------|
| For recording officer's use | Amount received Schedule B., Part I \$ _____ Schedule B., Part II \$ _____ | Date received | Transaction number |
|-----------------------------|--|---------------|--------------------|

Schedule B — Real estate transfer tax return (Tax Law, Article 31)

Part I — Computation of tax due

| | | |
|--|----|---|
| 1 Enter amount of consideration for the conveyance (if you are claiming a total exemption from tax, check the exemption claimed box, enter consideration and proceed to Part III) <input checked="" type="checkbox"/> Exemption claimed | 1. | 0 |
| 2 Continuing lien deduction (see instructions if property is taken subject to mortgage or lien) | 2. | 0 |
| 3 Taxable consideration (subtract line 2 from line 1) | 3. | 0 |
| 4 Tax: \$2 for each \$500, or fractional part thereof, of consideration on line 3..... | 4. | 0 |
| 5 Amount of credit claimed (see instructions and attach Form TP-584.1, Schedule G) | 5. | 0 |
| 6 Total tax due* (subtract line 5 from line 4) | 6. | 0 |

Part II — Computation of additional tax due on the conveyance of residential real property for \$1 million or more

| | | |
|--|----|--|
| 1 Enter amount of consideration for conveyance (from Part I, line 1) | 1. | |
| 2 Taxable consideration (multiply line 1 by the percentage of the premises which is residential real property, as shown in Schedule A) ... | 2. | |
| 3 Total additional transfer tax due* (multiply line 2 by 1% (.01)) | 3. | |

Part III — Explanation of exemption claimed on Part I, line 1 (check any boxes that apply)

The conveyance of real property is exempt from the real estate transfer tax for the following reason:

- a. Conveyance is to the United Nations, the United States of America, the state of New York, or any of their instrumentalities, agencies, or political subdivisions (or any public corporation, including a public corporation created pursuant to agreement or compact with another state or Canada)..... a
- b. Conveyance is to secure a debt or other obligation..... b
- c. Conveyance is without additional consideration to confirm, correct, modify, or supplement a prior conveyance..... c
- d. Conveyance of real property is without consideration and not in connection with a sale, including conveyances conveying realty as bona fide gifts..... d
- e. Conveyance is given in connection with a tax sale..... e
- f. Conveyance is a mere change of identity or form of ownership or organization where there is no change in beneficial ownership. (This exemption cannot be claimed for a conveyance to a cooperative housing corporation of real property comprising the cooperative dwelling or dwellings.) Attach Form TP-584.1, Schedule F..... f
- g. Conveyance consists of deed of partition..... g
- h. Conveyance is given pursuant to the federal Bankruptcy Act..... h
- i. Conveyance consists of the execution of a contract to sell real property, without the use or occupancy of such property, or the granting of an option to purchase real property, without the use or occupancy of such property..... i
- j. Conveyance of an option or contract to purchase real property with the use or occupancy of such property where the consideration is less than \$200,000 and such property was used solely by the grantor as the grantor's personal residence and consists of a one-, two-, or three-family house, an individual residential condominium unit, or the sale of stock in a cooperative housing corporation in connection with the grant or transfer of a proprietary leasehold covering an individual residential cooperative apartment..... j
- k. Conveyance is not a conveyance within the meaning of Tax Law, Article 31, section 1401(e) (attach documents supporting such claim)..... k
- l. Other (attach explanation)..... l

*Please make check(s) payable to the county clerk where the recording is to take place. If the recording is to take place in New York City, make check(s) payable to the **NYC Department of Finance**. If a recording is not required, send this return and your check(s) made payable to the **NYS Department of Taxation and Finance**, directly to the NYS Tax Department, RETT Return Processing, PO Box 5045, Albany NY 12205-5045.

Schedule C — Credit Line Mortgage Certificate (Tax Law, Article 11)

Complete the following only if the interest being transferred is a fee simple interest.

I (we) certify that: (check the appropriate box)

1. The real property being sold or transferred is not subject to an outstanding credit line mortgage.
2. The real property being sold or transferred is subject to an outstanding credit line mortgage. However, an exemption from the tax is claimed for the following reason:
 - The transfer of real property is a transfer of a fee simple interest to a person or persons who held a fee simple interest in the real property (whether as a joint tenant, a tenant in common or otherwise) immediately before the transfer.
 - The transfer of real property is (A) to a person or persons related by blood, marriage or adoption to the original obligor or to one or more of the original obligors or (B) to a person or entity where 50% or more of the beneficial interest in such real property after the transfer is held by the transferor or such related person or persons (as in the case of a transfer to a trustee for the benefit of a minor or the transfer to a trust for the benefit of the transferor).
 - The transfer of real property is a transfer to a trustee in bankruptcy, a receiver, assignee, or other officer of a court.
 - The maximum principal amount secured by the credit line mortgage is \$3,000,000 or more, and the real property being sold or transferred is **not** principally improved nor will it be improved by a one- to six-family owner-occupied residence or dwelling.

Please note: for purposes of determining whether the maximum principal amount secured is \$3,000,000 or more as described above, the amounts secured by two or more credit line mortgages may be aggregated under certain circumstances. See TSB-M-96(6)-R for more information regarding these aggregation requirements.

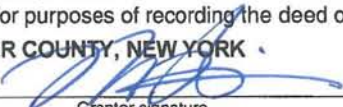
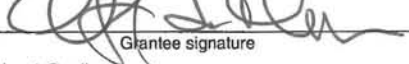
 - Other (attach detailed explanation).
3. The real property being transferred is presently subject to an outstanding credit line mortgage. However, no tax is due for the following reason:
 - A certificate of discharge of the credit line mortgage is being offered at the time of recording the deed.
 - A check has been drawn payable for transmission to the credit line mortgagee or his agent for the balance due, and a satisfaction of such mortgage will be recorded as soon as it is available.
4. The real property being transferred is subject to an outstanding credit line mortgage recorded in _____ (insert liber and page or reel or other identification of the mortgage). The maximum principal amount of debt or obligation secured by the mortgage is _____. No exemption from tax is claimed and the tax of _____ is being paid herewith. (Make check payable to county clerk where deed will be recorded or, if the recording is to take place in New York City, make check payable to the **NYC Department of Finance**.)

Signature (both the grantor(s) and grantee(s) must sign)

The undersigned certify that the above information contained in schedules A, B, and C, including any return, certification, schedule, or attachment, is to the best of his/her knowledge, true and complete, and authorize the person(s) submitting such form on their behalf to receive a copy for purposes of recording the deed or other instrument effecting the conveyance.

ULSTER COUNTY, NEW YORK

GOLDEN HILL LOCAL DEVELOPMENT CORPORATION

| | | | |
|---|--|---|-----------------------|
| By:  _____ Grantor signature Michael Hein | County Exec. By: _____ _____ Title | By:  _____ Grantee signature Robert Sudlow | CEO _____ Title |
| _____ | _____ | _____ | _____ |
| Grantor signature | Title | Grantee signature | Title |

Reminder: Did you complete all of the required information in Schedules A, B, and C? Are you required to complete Schedule D? If you checked e, f, or g in Schedule A, did you complete Form TP-584.1? Have you attached your check(s) made payable to the county clerk where recording will take place or, if the recording is in New York City, to the **NYC Department of Finance**? If no recording is required, send your check(s), made payable to the **Department of Taxation and Finance**, directly to the NYS Tax Department, RETT Return Processing, PO Box 5045, Albany NY 12205-5045.

Schedule D - Certification of exemption from the payment of estimated personal income tax (Tax Law, Article 22, section 663)

Complete the following only if a fee simple interest or a cooperative unit is being transferred by an individual or estate or trust.

Part I - New York State residents

If you are a New York State resident transferor(s)/seller(s) listed in Schedule A of Form TP-584 (or an attachment to Form TP-584), you must sign the certification below. If one or more transferors/sellers of the real property or cooperative unit is a resident of New York State, **each** resident transferor/seller must sign in the space provided. If more space is needed, please photocopy this Schedule D and submit as many schedules as necessary to accommodate all resident transferors/sellers.

Certification of resident transferor(s)/seller(s)

This is to certify that at the time of the sale or transfer of the real property or cooperative unit, the transferor(s)/seller(s) as signed below was a resident of New York State, and therefore is not required to pay estimated personal income tax under Tax Law, section 663(a) upon the sale or transfer of this real property or cooperative unit.

| | | |
|-----------|-----------------|------|
| Signature | Print full name | Date |
| Signature | Print full name | Date |
| Signature | Print full name | Date |
| Signature | Print full name | Date |

Note: A resident of New York State may still be required to pay estimated tax under Tax Law, section 685(c), but not as a condition of recording a deed.

Part II - Nonresidents of New York State

If you are a nonresident of New York State listed as a transferor/seller in Schedule A of Form TP-584 (or an attachment to Form TP-584) but are not required to pay estimated personal income tax because one of the exemptions below applies under Tax Law, section 663(c), check the box of the appropriate exemption below. If any one of the exemptions below applies to the transferor(s)/seller(s), that transferor(s)/seller(s) is not required to pay estimated personal income tax to New York State under Tax Law, section 663. **Each** nonresident transferor/seller who qualifies under one of the exemptions below must sign in the space provided. If more space is needed, please photocopy this Schedule D and submit as many schedules as necessary to accommodate all nonresident transferors/sellers.

If none of these exemption statements apply, you must complete Form IT-2663, *Nonresident Real Property Estimated Income Tax Payment Form*, or Form IT-2664, *Nonresident Cooperative Unit Estimated Income Tax Payment Form*. For more information, see *Payment of estimated personal income tax*, on page 1 of Form TP-584-I.

Exemption for nonresident transferor(s)/seller(s)

This is to certify that at the time of the sale or transfer of the real property or cooperative unit, the transferor(s)/seller(s) (grantor) of this real property or cooperative unit was a nonresident of New York State, but is not required to pay estimated personal income tax under Tax Law, section 663 due to one of the following exemptions:

- The real property or cooperative unit being sold or transferred qualifies in total as the transferor's/seller's principal residence (within the meaning of Internal Revenue Code, section 121) from _____ Date to _____ Date (see instructions).
- The transferor/seller is a mortgagor conveying the mortgaged property to a mortgagee in foreclosure, or in lieu of foreclosure with no additional consideration.
- The transferor or transferee is an agency or authority of the United States of America, an agency or authority of the state of New York, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Government National Mortgage Association, or a private mortgage insurance company.

| | | |
|-----------|-----------------|------|
| Signature | Print full name | Date |
| Signature | Print full name | Date |
| Signature | Print full name | Date |
| Signature | Print full name | Date |