

PILOT for North District Lofts

57-65 Park Avenue, Bay Shore, NY 11706

Definitions

X = \$73,600

Y = increase in assessment above X resulting from the acquisition, construction and equipping of the Facility.

Year

|                   |   |
|-------------------|---|
| 1                 | 100% normal tax on X and 0% normal tax on Y   |
| 2                 | 100% normal tax on X and 10% normal tax on Y  |
| 3                 | 100% normal tax on X and 20% normal tax on Y  |
| 4                 | 100% normal tax on X and 30% normal tax on Y  |
| 5                 | 100% normal tax on X and 40% normal tax on Y  |
| 6                 | 100% normal tax on X and 50% normal tax on Y  |
| 7                 | 100% normal tax on X and 60% normal tax on Y  |
| 8                 | 100% normal tax on X and 70% normal tax on Y  |
| 9                 | 100% normal tax on X and 80% normal tax on Y  |
| 10                | 100% normal tax on X and 90% normal tax on Y  |
| 11 and thereafter | 100% normal tax on X and 100% normal tax on Y |

Company to pay X during construction period. PILOT to commence in tax year following company receipt of C of O