

**HARRIS BEACH** PLLC  
ATTORNEYS AT LAW

June 3, 2016

99 GARNSEY ROAD  
PITTSFORD, NY 14534  
(585) 419-8800

**RACHEL BARANELLO ENDRESS**

DIRECT: (585) 419-8769  
FAX: (585) 419-8816  
RENDRESS@HARRISBEACH.COM

TO ALL ON THE ATTACHED DISTRIBUTION LIST:

Re: County of Monroe Industrial Development Agency ("COMIDA")  
Eduardo Bermudez  
63 North Plymouth Avenue in the City of Rochester, New York

Ladies and Gentlemen:

Enclosed herewith please find a copy of the PILOT Addendum for 63 N. Plymouth Avenue in the City of Rochester, New York (part of the residential project constructed by Plymouth Terrace, LLC), the Application for Real Property Tax Exemption and COMIDA Checklist with respect to the above-captioned matter. Also enclosed for your perusal are copies of the as recorded Deed, as-recorded Assignment and Assumption Agreement and original PILOT Agreement with respect to the Plymouth Terrace, LLC project.

Very truly yours,

  
Rachel Baranello Endress

MJT/lap

Enclosures

cc: COMIDA  
Eduardo Bermudez

DISTRIBUTION LIST

Hon. Cheryl Dinolfo, County Executive  
County Office Building  
39 West Main St.  
Rochester, New York 14614  
CERTIFIED MAIL RECEIPT #:  
7015 1520 0002 8537 2257

Ms. Lovely Warren, Mayor  
City Hall, Room 307A  
30 Church Street  
Rochester, New York 14614  
CERTIFIED MAIL RECEIPT #:  
7015 1520 0002 8537 2271

Mr. Thomas G. Huonker, Assessor  
City Hall  
30 Church Street  
Rochester, New York 14614  
CERTIFIED MAIL RECEIPT #:  
7015 1520 0002 8537 2295

Mr. Kevin Tubiolo  
Collector of Fees and Taxes  
B-3 County Office Building  
39 West Main Street  
Rochester, New York 14614  
CERTIFIED MAIL RECEIPT #:  
7015 1520 0002 8537 2264

Mr. Randy Webb  
City Hall, Room 106-A  
30 Church Street  
Rochester, New York 14614  
CERTIFIED MAIL RECEIPT #:  
7015 1520 0002 8537 2288

Linda Cimusz, Interim Superintendent  
Rochester City School District  
131 West Broad Street  
Rochester, New York 14614  
CERTIFIED MAIL RECEIPT #:  
7015 1520 0002 8537 2301

**PILOT ADDENDUM  
(EDUARDO BERMUDEZ)**

The City of Rochester's Core Housing Owner Incentive Exemption program ("CHOICE"), approved by Resolution No. 2007-14 of the City Council, offers property tax exemptions for the creation of market-rate owner-occupied residential units in the Center City District. It is the intent of the Rochester City Council to increase the number of owner occupants living in the downtown area.

The County of Monroe Industrial Development Agency (the "Agency") and Plymouth Terrace, LLC (the "Company"), previously entered into a Payment-In-Lieu-Of-Tax Agreement, dated as of July 1, 2011 and an Amended and Restated Payment In Lieu Of Tax Agreement, made as of March 13, 2013 but effective as of February 1, 2012 (as amended, the "PILOT Agreement"), in connection with the Company's residential project (the "Project"), located in the City of Rochester, New York and known as Plymouth Terrace, to make provisions for payments in lieu of real property taxes by the Company to Monroe County, New York and the City of Rochester, New York (together, the "Taxing Jurisdictions").

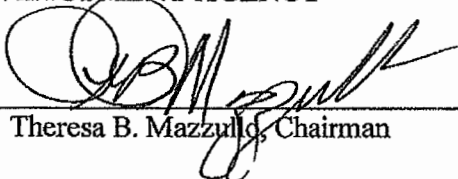
The Company has since completed the construction and equipping of its Project and is ready to sell each of the residential units. The CHOICE program allows for the continued partial real property tax abatement for each individual unit as long as that unit remains the purchaser's primary residence. The exemption applies only to the increase in assessed value resulting from the Project. The exemption applies to property tax levies of the Taxing Jurisdictions. See the attached Schedule A for a description of the CHOICE program and the exemption schedule.

**The below named purchaser hereby certifies that the property commonly known as 63 North Plymouth Avenue, Rochester, New York [Tax Account No. 121.220-0001-055.017] is his primary residence and agrees to notify the City of Rochester's Bureau of Assessment of any change in occupancy.**

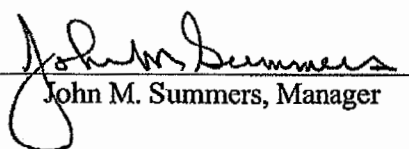
*[Remainder of Page Intentionally Left Blank]*

The Agency, the Company and the below named purchaser have each executed this Addendum as of the 26 day of May, 2016.


**COUNTY OF MONROE INDUSTRIAL  
DEVELOPMENT AGENCY**

By:   
Theresa B. Mazzullo, Chairman

**PLYMOUTH TERRACE, LLC**

By:   
John M. Summers, Manager

**PURCHASER OF 63 NORTH PLYMOUTH  
AVENUE, ROCHESTER, NEW YORK  
[Tax Account No. 121.220-0001-055.017]**

By:   
Eduardo Bermudez

**SCHEDULE A**

Description of CHOICE Program

[See Attached]

# CORE HOUSING OWNER INCENTIVE EXEMPTION – CHOICE

The Core Housing Owner Incentive Exemption (CHOICE) offers property tax exemptions for the creation of market-rate owner-occupied residential units in the Center City District. The intent of the program is to increase the number of owner occupants living in the downtown area. The program was adopted by a resolution approved by the Rochester City Council, and is implemented through the County of Monroe Industrial Development Agency (COMIDA) through a Payment in Lieu of Tax Agreement and sale leaseback arrangement. A copy of COMIDA application is attached. Additional benefits available under from COMIDA may include a sales tax exemption on construction materials and mortgage tax exemptions.

Eligible Area: Center City District

Project Qualifications: The exemption applies to any new owner occupied unit created from new construction or renovation. The exemption also applies to the conversion from existing residential rental units to owner occupied units. The exemption only applies to the increased in assessed value attributable to the project. If there is minimal or no increase in assessment resulting from the project, the exemption would not likely provide a benefit for the applicant. Every project seeking assistance under this program must use local labor for the construction of new, expanded or renovated facilities (see Appendix B of the COMIDA application).

Exemption: The exemption applies to the increase in assessed value resulting from the project. The exemption applies to City of Rochester, Rochester City School and County of Monroe property tax levies. The exemption schedule is as follows:

<u>Year of Exemption</u>	<u>Exemption</u>
1	90%
2	80%
3	70%
4	60%
5	50%
6	40%
7	30%
8	20%
9	10%
10	0%

Application: Applications must be submitted and approved by COMIDA prior to the commencement of construction. Applications for COMIDA assistance are available at: [www.growmonroe.org/application.asp](http://www.growmonroe.org/application.asp) or at:

City Place  
Suite 8100  
50 West Main Street  
Rochester, NY 14614



INDUSTRIAL DEVELOPMENT AGENCIES
APPLICATION FOR REAL PROPERTY TAX EXEMPTION
(Real Property Tax Law, Section 412-a and General Municipal Law, Section 874)

1. INDUSTRIAL DEVELOPMENT AGENCY (IDA)

Name County of Monroe Industrial Develop. Agency
Street 8100 CityPlace, 50 West Main Street
City Rochester
Telephone no. Day (585) 419-8656
Evening ( )
Contact Rachel Baranello Endress
Title Agency Counsel

2. OCCUPANT (IF OTHER THAN IDA)

(If more than one occupant attach separate listing)

Name Eduardo Bermudez
Street 630 Alhambra Blvd.
City Sacramento, California 95816
Telephone no. Day ( )
Evening ( )
Contact
Title Buyer

3. DESCRIPTION OF PARCEL

a. Assessment roll description (tax map no./roll year)
121.220-0001-055.017
b. Street address
63 North Plymouth Avenue
c. City, Town or Village City of Rochester

d. School District Rochester
e. County Monroe
f. Current assessment
g. Deed to IDA (date recorded; liber and page)
Deed to Buyer recorded w/Monroe County Clerk
on June 2, 2016.

4. GENERAL DESCRIPTION OF PROPERTY (if necessary, attach plans or specifications)

a. Brief description (include property use) purchase of 63 North Plymouth Avenue, Rochester, NY
b. Type of construction
c. Square footage
d. Total cost
e. Date construction commenced
f. Projected expiration of exemption (i.e. date when property is no longer possessed, controlled, supervised or under the jurisdiction of IDA)
May 31, 2027

5. SUMMARIZE AGREEMENT (IF ANY) AND METHOD TO BE USED FOR PAYMENTS TO BE MADE TO MUNICIPALITY REGARDLESS OF STATUTORY EXEMPTION

(Attach copy of the agreement or extract of the terms relating to the project).

a. Formula for payment Please see attached document
b. Projected expiration date of agreement May 31, 2027

c. Municipal corporations to which payments will be made

	Yes	No
County <u>Monroe</u>	X	
Town/City <u>Rochester</u>	X	
Village <u>N/A</u>		X
School District _____		

d. Person or entity responsible for payment

Name Eduardo Bermudez  
 Title Buyer  
 Address 63 N. Plymouth Avenue  
Rochester, New York 14608

e. Is the IDA the owner of the property? Yes/No (circle one)  
If "No" identify owner and explain IDA rights or interest in an attached statement.

Telephone \_\_\_\_\_

**IDA has a leasehold interest in the Plymouth Terrace, LLC residential project, and Eudardo Bermudez owns 63 N. Plymouth Avenue.**

6. Is the property receiving or has the property ever received any other exemption from real property taxation? (check one) Yes No

If yes, list the statutory exemption reference and assessment roll year on which granted:  
exemption Section 874 of GML assessment roll year 2011

7. A copy of this application, including all attachments, has been mailed or delivered on 06/03/2016 (date) to the chief executive official of each municipality within which the project is located as indicated in Item 3.

**CERTIFICATION**

I, Rachel Baranello Endress, Agency Counsel of \_\_\_\_\_  
Name Title  
County of Monroe Industrial Development Agency hereby certify that the information  
Organization

on this application and accompanying papers constitutes a true statement of facts.

06/02/2016  
Date

Rachel Baranello Endress  
Signature

**FOR USE BY ASSESSOR**

1. Date application filed \_\_\_\_\_
2. Applicable taxable status date \_\_\_\_\_
- 3a. Agreement (or extract) date \_\_\_\_\_
- 3b. Projected exemption expiration (year) \_\_\_\_\_
4. Assessed valuation of parcel in first year of exemption \$ \_\_\_\_\_
5. Special assessments and special as valorem levies for which the parcel is liable:

\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
Date

\_\_\_\_\_  
Assessor's signature



# MEMORANDUM

June 3, 2016

TO: Kevin Tubiolo, Monroe County Treasury  
FROM: Rachel Baranello Endress  
RE: COMIDA Checklist

- 
1. NAME OF OCCUPANTS: Eduardo Bermudez
  2. MONTH & YEAR OPENED: June, 2016
  3. YEAR OF FIRST BILLING: 2017
  4. YEAR COMIDA ENDING: 2027
  5. SPECIAL INSTRUCTIONS: Please see attached PILOT Addendum & Agreement
  6. TAX ACCOUNT NUMBER: 121.220-0001-055.017

MONROE COUNTY CLERK'S OFFICE

ROCHESTER, NY

THIS IS NOT A BILL. THIS IS YOUR RECEIPT

Receipt # 1423625

Index DEEDS

Book 11705 Page 495

No. Pages : 3

Instrument DEED

Date : 06/02/2016

Time : 03:50:52PM

Control # 201606020818

TT # TT0000017094

Ref 1 #

Employee : BridgetH

Return To:

63 NORTH PLYMOUTH AVENUE  
ROCHESTER, NY 14614-

PLYMOUTH TERRACE LLC

BERMUDEZ, EDUARDO

COUNTY FEE TP584	\$	5.00
COUNTY FEE NUMBER PAGES	\$	10.00
RECORDING FEE	\$	45.00
RP5217 COUNTY FEE	\$	9.00
RP5217 STATE EQUALIZATION FE	\$	116.00
STATE FEE TRANSFER TAX	\$	1,036.00

Total \$ 1,221.00

State of New York

MONROE COUNTY CLERK'S OFFICE

WARNING - THIS SHEET CONSTITUTES THE CLERKS  
ENDORSEMENT, REQUIRED BY SECTION 317-a(5) &  
SECTION 319 OF THE REAL PROPERTY LAW OF THE  
STATE OF NEW YORK. DO NOT DETACH OR REMOVE.

TRANSFER AMT

TRANSFER AMT \$259,000.00

TRANSFER TAX \$1,036.00

ADAM J BELLO

MONROE COUNTY CLERK



**WARRANTY DEED**

THIS INDENTURE, made the 17 day of May, 2016,

**BETWEEN** **Plymouth Terrace, LLC**, with offices at  
1001 Lexington Avenue, Rochester, New York 14606

**Grantor,**

and

Eduardo Bermudez, residing at 630 Alhambra Boulevard,  
Sacramento, CA 95816

**Grantee,**

**WITNESSETH**, that the Grantor, in consideration of One or more Dollars, paid by the Grantee, hereby releases unto the Grantee, the heirs or successors and assigns of the Grantee forever,

**ALL THAT TRACT OR PARCEL OF LAND**, situate in the City of Rochester, County of Monroe, and State of New York known as Lot Number 17 of the North Plymouth Terrace Subdivision and being more particularly described on a Subdivision Map titled North Plymouth Terrace Subdivision Map filed in the Monroe County Clerk's Office in Liber 340 of Maps at page 71.

**BEING AND HEREBY INTENDING** to convey part of the same premises as conveyed to the Grantor by Bargain and Sale Deed dated May 19, 2011 and recorded in the Monroe County Clerk's Office on May 20, 2011 in Liber 10999 of Deeds at page 11.

**SUBJECT TO** all covenants, easements and restrictions of record and the same deed restrictions recorded in Liber 11110 of Deeds, page 149.

The Grantor reserves the right to dedicate to the City of Rochester all streets and proposed streets as shown on said map, together with the right to grant and convey any and all easements, sidewalk easements and easements for public utility purposes as shown on said map.

TAX ACCOUNT NUMBER: 121.22-1-55.017  
TAX MAILING ADDRESS: 63 North Plymouth Avenue, Rochester, NY 14614  
PROPERTY ADDRESS: 63 North Plymouth Avenue, City of Rochester, NY

**TOGETHER** with the appurtenances and the estate and rights of the Grantor in and to said premises.

2016 MAY 17 3:50

RECORDED

**TO HAVE AND TO HOLD** the premises herein granted unto the Grantee, the heirs or successors and assigns of the Grantee forever.

**AND** the Grantor covenants as follows:

**FIRST.** The Grantee shall quietly enjoy the said premises;

**SECOND.** The Grantor will forever warrant the title to said premises;

This deed is subject to the trust provisions of Section 13 of the Lien Law. The words "Grantor" and "Grantee" shall be construed to read in the plural whenever the sense of this deed so requires.

*This conveyance does not represent all of the assets of said company.*

**IN WITNESS WHEREOF**, the Grantor has executed this deed the day and year first above written.

Plymouth Terrace, LLC

By: John M. Summers  
John M. Summers, Manager

**STATE OF NEW YORK)  
COUNTY OF MONROE ) ss:**

On the 16 day of May, in the year 2016 before me, the undersigned, personally appeared, John M. Summers, 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 which the individual acted, executed the instrument.

WENDY S. DIDAS  
Notary Public, State of New York  
# 01DI5032731  
Qualified in Genesee County  
Commission Expires August 29, 2018

Wendy S. Didas  
NOTARY PUBLIC

MONROE COUNTY CLERK'S OFFICE

ROCHESTER, NY

THIS IS NOT A BILL. THIS IS YOUR RECEIPT

Receipt # 1423625

Index DEEDS

Book 11705 Page 498

No. Pages : 4

Instrument ASSIGNMENT OF LEASE

Date : 06/02/2016

Time : 03:50:52PM

Control # 201606020819

TT # TT0000017095

Ref 1 #

Employee : BridgetH

Return To:

63 NORTH PLYMOUTH AVENUE  
ROCHESTER, NY 14614-

PLYMOUTH TERRACE LLC

BERMUDEZ, EDUARDO

COUNTY FEE TP584	\$	5.00
MISCELLANEOUS COUNTY FEE	\$	0.00
COUNTY FEE NUMBER PAGES	\$	15.00
RECORDING FEE	\$	45.00
STATE FEE TRANSFER TAX	\$	0.00

Total \$ 65.00

State of New York

TRANSFER AMT

MONROE COUNTY CLERK'S OFFICE

WARNING - THIS SHEET CONSTITUTES THE CLERKS  
ENDORSEMENT, REQUIRED BY SECTION 317-a(5) &  
SECTION 319 OF THE REAL PROPERTY LAW OF THE  
STATE OF NEW YORK. DO NOT DETACH OR REMOVE.

TRANSFER AMT

\$1.00

ADAM J BELLO

MONROE COUNTY CLERK



## ASSIGNMENT AND ASSUMPTION

THIS ASSIGNMENT AND ASSUMPTION, made May 26, 2016 (the "Assignment"), is by PLYMOUTH TERRACE, LLC, a New York limited liability company with an address of 1001 Lexington Avenue, Rochester, New York 14606 (the "Company" or "Assignor") to EDUARDO BERMUDEZ, an individual residing at 630 Alhambra Blvd., Sacramento, California 95816 (the "Assignee").

### BACKGROUND:

The County of Monroe Industrial Development Agency, a New York public benefit corporation ("Agency"), is the lessee and the Company is the lessor under a certain lease agreement, dated as of July 1, 2011 (the "Lease Agreement"), a Memorandum of which was recorded with the Monroe County Clerk on July 11, 2011 in Liber 11017 of Deeds, at Page 64; and the Agency is the lessor and the Company is the lessee under a certain leaseback agreement, dated as of July 1, 2011 (the "Leaseback Agreement") a Memorandum of which was recorded with the Monroe County Clerk on July 11, 2011 in Liber 11017 of Deeds, at Page 68; each in connection with a housing project located in the City of Rochester, New York and known as Plymouth Terrace. Assignor desires to assign its interest in, to and under the Lease Agreement and the Leaseback Agreement as they relate to one of the residential units of this project having a street address of 63 North Plymouth Avenue, Rochester, New York [Tax Account No. 121.220-0001-055.017], and Assignee desires to assume Assignor's rights and obligations under the Lease Agreement and Leaseback Agreement as they relate to 63 North Plymouth Avenue, Rochester, New York [Tax Account No. 121.220-0001-055.017].

### AGREEMENT:

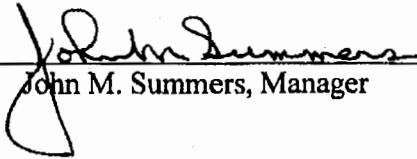
NOW, THEREFORE, in consideration of the mutual covenants herein contained, the parties hereto agree as follows:

1. Assignment of Lease Agreement. Assignor hereby assigns to Assignee all of Assignor's rights, obligations and interest in, to and under the Lease Agreement as it relates to 63 North Plymouth Avenue, Rochester, New York [Tax Account No. 121.220-0001-055.017].
2. Assignment of Leaseback Agreement. Assignor hereby assigns to Assignee all of Assignor's rights, obligations and interest in, to and under the Leaseback Agreement as it relates to 63 North Plymouth Avenue, Rochester, New York [Tax Account No. 121.220-0001-055.017].
3. No Liability for Assignor. This Assignment is made without warranty or representation of any kind on the part of the Assignor.
4. Certification of Assignee. The undersigned Assignee hereby certifies that the property commonly known as 63 North Plymouth Avenue, Rochester, New York [Tax Account No. 121.220-0001-055.017] is his primary residence and agrees to notify the City of Rochester's Bureau of Assessment of any change in occupancy.

IN WITNESS WHEREOF, the Assignor and Assignee have executed this Assignment as of the day and year first set forth above.

**ASSIGNOR:**

**PLYMOUTH TERRACE, LLC**

By:   
John M. Summers, Manager

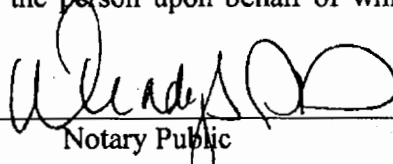
**ASSIGNEE:**

By: \_\_\_\_\_  
EDUARDO BERMUDEZ

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

On the 16 day of May, 2016, before me, the undersigned, a Notary Public in and for said State, personally appeared **JOHN M. SUMMERS**, 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 which the individual acted, executed the instrument.

Wendy S. Didas  
Notary Public, State of New York  
Qualified in Genesee County  
Commission Expires August 29, 2019

  
Notary Public

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

On the \_\_\_\_\_ day of May, 2016, before me, the undersigned, a Notary Public in and for said State, personally appeared **EDUARDO BERMUDEZ**, 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 which the individual acted, executed the instrument.

\_\_\_\_\_  
Notary Public

IN WITNESS WHEREOF, the Assignor and Assignee have executed this Assignment as of the day and year first set forth above.

ASSIGNOR:

PLYMOUTH TERRACE, LLC

By: *John M. Summers*  
John M. Summers, Manager

ASSIGNEE:

By: *Eduardo Bermudez*  
EDUARDO BERMUDEZ

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

On the 16 day of May, 2016, before me, the undersigned, a Notary Public in and for said State, personally appeared **JOHN M. SUMMERS**, 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 which the individual acted, executed the instrument.

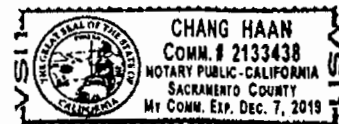
Wendy S. Didas  
Notary Public, State of New York  
Qualified in Genesee County  
Commission Expires August 29, 2018

*Wendy S. Didas*  
Notary Public

STATE OF ~~NEW YORK~~ ) *California*  
COUNTY OF ~~MONROE~~ ) ss.: *Sacramento*

On the 26 day of May, 2016, before me, the undersigned, a Notary Public in and for said State, personally appeared **EDUARDO BERMUDEZ**, 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 which the individual acted, executed the instrument.

*Chang Haan*  
Notary Public





## **PAYMENT IN LIEU OF TAX AGREEMENT**

**THIS PAYMENT IN LIEU OF TAX AGREEMENT** (the "PILOT Agreement") made as of July 1, 2011, is by and between the **COUNTY OF MONROE INDUSTRIAL DEVELOPMENT AGENCY**, a public benefit corporation of the State of New York, having its offices at 8100 CityPlace, 50 West Main Street, Rochester, New York 14614 (the "Agency") and **PLYMOUTH TERRACE, LLC**, a limited liability company formed and existing under the laws of the State of New York with offices at 1001 Lexington Avenue, Rochester, New York 14606 (the "Company").

### **WITNESSETH:**

**WHEREAS**, the Agency was created by Chapter 55 of the Laws of 1972 of the State of New York pursuant to Title I of Article 18A of the General Municipal Law of the State of New York (collectively, the "Act") as a body corporate and politic and as a public benefit corporation of the State of New York; and

**WHEREAS**, the Agency has agreed to acquire an interest in a parcel of land located at 116 West Main Street in the City of Rochester, County of Monroe and State of New York, more particularly described in Exhibit A attached hereto, and to assist in the construction and equipping of 24 attached row houses thereon (the "Facility"), a description of which is annexed hereto as Exhibit B); and related site work, for lease to certain as-yet unknown owner occupants; each owner occupant will be required to execute an addendum to this PILOT Agreement substantially in the form attached hereto as Exhibit C; and

**WHEREAS**, the Agency has agreed to lease the Facility to the Company; and

**WHEREAS**, pursuant to Section 874(1) of the Act, the Agency is exempt from the payment of taxes and assessments imposed upon real property and improvements owned by it; and

**WHEREAS**, the Facility meets the criteria of the City of Rochester Choice Tax Abatement Policy pursuant to City of Rochester Resolution No. 2007-14, a copy of which is annexed hereto and made a part hereof; and

**WHEREAS**, the Agency and the Company deem it necessary and proper to enter into an agreement making provisions for payments in lieu of taxes by the Company to the County of Monroe, the City of Rochester and the Rochester City School District (collectively, the "Taxing Jurisdictions").

**NOW, THEREFORE**, in consideration of the Agency providing the Facility and in consideration of the covenants herein contained, it is mutually agreed as follows:

1. (a) **City of Rochester, Choice Tax Abatement Policy**. As long as the Facility is leased by the Agency and leased back to the Company, the Company agrees to pay annually to the Taxing Jurisdictions as a payment in lieu of taxes, an amount equal to 100% of the taxes, service charges, special ad valorem levies, special assessments and improvement district

charges or similar tax equivalents, less the percentages of exemption set forth on the schedule below, with respect to taxes and special ad valorem levies on that portion of the Facility within the description contained in paragraph 5 of Section 485-b (notwithstanding that the procedural steps to obtain an exemption may not have been complied with) which would be levied upon or with respect to the Facility by the Taxing Jurisdictions if the Facility were owned by the Company and not by the Agency, following next applicable tax status date:

YEARS OF EXEMPTION	PERCENTAGE OF EXEMPTION
1	90%
2	80%
3	70%
4	60%
5	50%
6	40%
7	30%
8	20%
9	10%
10	0%

provided however, that the Company need not comply with procedures to obtain such exemption as provided in the New York Real Property Tax Law, and provided further that the Company and/or the Agency, at the request of the Company, shall do all things necessary and shall make application and follow such procedures to obtain such exemption to the extent that the Company shall determine necessary.

Further, provided that:

(i) The payments required hereunder for any non-compliance shall be paid by the Company to any and all affected taxing jurisdictions whether or not billed.

(ii) The tax benefits provided for herein shall be deemed to commence in the first year in which the Company receives any tax benefits relative to the Facility, whether under this PILOT Agreement, another agreement, or any statutory exemption. In no event shall the Company be entitled to receive tax benefits relative to the Facility for more than ten (10) consecutive years. The Company agrees that it will not seek any tax exemption for the Facility which would provide benefits for more than ten (10) consecutive years.

(b) Special district charges, unless otherwise exempt, and Monroe County Pure Waters charges are to be paid in full in accordance with normal billing practices.

(c) The Company shall pay, within the applicable grace period and without penalty, the amounts set forth in Paragraphs 1(a) and 1(b) hereof applicable to taxes, special ad valorem levies, special assessments or similar tax equivalents, less the percentages of exemption on similar property subject to taxation by the Taxing Jurisdictions, as appropriate.











