

AGREEMENT FOR PAYMENT IN LIEU  
OF REAL ESTATE TAXES

This is an agreement dated as of April 1, 2022, between the WYOMING COUNTY INDUSTRIAL DEVELOPMENT AGENCY (the "Agency") and MARIMAX RESORTS, LLC (the "Lessee"); for the making by the Lessee of certain payments in lieu of real estate taxes, as required by the Agency Lease Agreement by and between the Agency, Lessee and Letchworth Valley Campground & Resort, LLC ("Letchworth"), entered into as of April 1, 2022, by which the Agency has leased certain premises to the Lessee and Letchworth (the "Lease Agreement"). The Agency and the Lessee each accept and agree to the following statements or terms. This Agreement will be referred to herein as the "PILOT Agreement".

Section 1. Definitions. Unless otherwise defined herein, the terms used in this PILOT Agreement shall have the meanings specified in the Lease Agreement.

Section 2. Agency Tax Exemption. Subject to the completion and filing of an Application for Tax Exemption by the Taxable Status Date and the approval of the Application for Tax Exemption by the Assessor, the Project shall be exempt from Real Estate Taxes commencing with the 2023 - 2024 tax fiscal year of the School District, the 2024 tax fiscal year of the Town and the 2024 tax fiscal year for the County. The Lessee shall provide the Agency with all information required to complete the Application for Tax Exemption and shall provide such additional information and take such actions as are required by the Assessor in order to process and approve the Application. In the event the exemption from Real Estate Taxes is denied for any reason, the Lessee agrees to pay all Real Estate Taxes levied upon the Project as they become due. To the extent permitted by law, the Lessee shall have the right to protest such denial subject, however, to the conditions set forth in Section 8.1 of the Lease Agreement. The Lessee hereby waives any claim or cause of action against the Agency and releases the Agency from any liability to the Lessee, arising from the denial of an exemption from Real Estate Taxes.

Section 3. Obligation of the Lessee to Make Payments in Lieu of Taxes. Subject to the approval of the Application for Tax Exemption, the Agency shall require and the Lessee agrees to make payments in lieu of real estate taxes to the appropriate taxing authorities pursuant to the terms of this PILOT Agreement.

Section 4. Taxing Authorities and Amounts.

(1) Until the commencement of the tax fiscal years set forth in subparagraph (a) hereof, the Lessee shall continue to pay all appropriate taxing authorities all taxes due as if the Agency did not have an interest in the Project. As set forth below, the total payments in lieu of taxes required under this PILOT Agreement are allocated among the affected tax jurisdictions in proportion to the amount of real property tax and other taxes which would have been received by each affected tax jurisdiction had the Project not been tax exempt due to the status of the Agency. Thereafter, the Lessee shall make payments in lieu of taxes to all appropriate taxing authorities on the land and buildings constituting the Project (SBLs # 178.2-8.1, 178.-2-29.12 & 179.9-1-5.1), as more particularly described on Schedule "A" attached hereto and made a part hereof, in accordance with this section. For each taxing authority, such payments in lieu of taxes shall have: (i) a component which shall be based upon the then current tax rate for the then current tax fiscal year applied against the assessed value of the tax parcels comprising the Project, which total pre-Project assessed value is \$202,426.00 (as such amount may be adjusted upward to reflect any increases in overall assessments to a full value basis) (the "Pre-Project Assessment"); and (ii) a variable component which shall be based upon the then current tax rate applied against the difference between the then current assessed valuation of all tax parcels comprising the Project (the "Full Assessed Value") and the Pre-Project Assessment.

For the periods of time indicated below, the Lessee shall make the indicated payments in lieu of taxes to the indicated taxing authorities:

(a) Payments in lieu of general levy real estate taxes to the County of Wyoming (the "County") for tax fiscal year 2023, to the Town of Pike (the "Town") for fiscal year 2023 and to the Letchworth Central School District (the "School District") for fiscal year 2022 – 2023 shall be in an amount equal to the Real Estate Taxes that would have been due if the Agency did not have an interest in the Project.

(b) Payments in lieu of general levy real estate taxes to the County for each of the tax fiscal years 2024 through and 2038, to the Town for each of the tax fiscal years 2024 through 2038 and to the School District for each of the tax fiscal years 2023 – 2024 through 2037 – 2038, or until termination of the Lease Agreement, whichever occurs first, shall be in an amount equal to the following:

(i) an amount equal to the tax rate then in effect for the applicable taxing jurisdiction for such tax fiscal year applied against the Pre-Project Assessment;

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(ii) an amount equal to the tax rate in effect for the applicable taxing jurisdiction for such tax fiscal year, applied to the product of (A) the difference between the Full Assessed Value and the Pre-Project Assessment, and (B) the percentage applicable to such tax fiscal year as shown on Schedule "B" attached hereto and made a part hereof.

Payments for each County and Town fiscal year must be made by January 31 of that year and payments for each School District tax fiscal year must be made by September 30 of that year (or such later date as may be permitted by the tax jurisdiction) or such payment shall be considered delinquent.

(c) In addition to the foregoing, the Lessee shall pay all special assessments and charges that are levied against the Project as if the Agency did not have an interest in the Project.

(2) The payments required under Paragraph (1) of this section shall in no event be more than

would be otherwise payable as taxes if the Agency did not have an interest in the Project.

(3) Each of the foregoing payments shall be made on or before the date specified herein.

(4) Upon the termination of the periods shown in Paragraph (1) of this section, for the respective taxing authorities, the Lessee shall make full payment in lieu of all taxes on the Project as if the Agency did not have an interest in the Project.

Section 5. Proration.

During the last year of the term of the Lease Agreement the Lessee may prorate any of its payments in lieu of taxes on the basis of the actual period during which the Agency has an interest in the Project so that there shall exist no period of time for which the Lessee is obliged to make payments in lieu of taxes in addition to the actual tax payments to which the Project is subject, under current law, at the time the Agency's interest in the Project is terminated.

Section 6. Obligations and Rights of the Lessee Relating to Tax Assessments and Levies.

(1) Subject to the provisions of the Lease Agreement, the Lessee in cooperation with the Agency shall:

(a) cause the appropriate real estate tax assessment and tax levy officers to assess the Project and apply tax rates to the respective assessments as if the Agency did not have an interest in the Project.

(b) cause the appropriate real estate tax officers to submit to the Lessee, when the respective types of taxes are levied on privately owned property, statements specifying the respective amounts and due dates of taxes involved in this PILOT Agreement which the appropriate taxing authorities would receive if the Agency did not have an interest in such property; and

(c) file any accounts or tax returns required with the appropriate officer or officers.

(2) The payments the Lessee is required to make under this PILOT Agreement are subject to the

Lessee's rights, hereby granted, (a) to obtain reductions in the assessed valuation of the Project or to obtain exemptions and discounts, if any, which are afforded to the Lessee as a private owner of the Project (excluding, however, any, discount or reduction afforded by Section 485-b of the New York Real Property Tax Law), and (b) to seek to obtain refunds of any such payments made including payments made pursuant to this PILOT Agreement. The Agency shall join in any procedure for obtaining relief under this paragraph to the extent that the Agency's consent is required for the Lessee to undertake such procedure; provided, however, that the Lessee shall continue to make the payments in lieu of taxes required by this PILOT Agreement adjusted for any reduction as provided above so long as the Lease Agreement shall remain in effect.

Section 7. Default in Payment in Lieu of Taxes. In the event the Lessee fails to make any such payments in lieu of taxes when due, whether for a full tax fiscal year or years or for a portion of a tax fiscal year pursuant to Sections 4 or 5 hereof, the amount or amounts so in default shall continue as an obligation of the Lessee until fully paid. In addition, if any payment is not received by the affected taxing jurisdiction or jurisdictions when due, the Lessee shall pay (i) a late payment penalty equal to five (5%) percent of the delinquent amount, and (ii) for each month, or part thereof, that the payment is delinquent beyond the first month, interest on the total amount due plus the late payment penalty, equal to one (1%) percent per month until the payment is made. The Agency and the Lessee hereby acknowledge the right of the Town, the County and the School District to recover directly from the Lessee any amounts so in default pursuant to General Municipal Law §874(6). The Lessee shall promptly notify the Agency of any action brought, or other measure taken, by a taxing authority to recover such amounts. It is understood that the right of any taxing authority herein acknowledged is in addition to, and shall not impair, the Agency's own rights arising from a breach of this PILOT Agreement. Should the Agency or the Town, the County or the School District commence any action to recover directly from the Lessee any amounts so in

default, such parties shall be entitled to recover from the Lessee the amount due, the late payment penalty, interest, expenses, costs and disbursements, together with the reasonable attorneys' fees necessary to prosecute such action or proceeding.

Section 8. Effect of Fulfillment of the Requirement. Once having paid the amounts required by this PILOT Agreement, the Lessee shall not be required to pay any real estate taxes for which payments in lieu of taxes have been made.

Section 9. Effect of Events of Default.

(1) The following shall constitute "Event(s) of Default" hereunder:

(a) The Lessee fails to make any payments in lieu of taxes required hereunder or fails to perform any other obligation imposed on the Lessee hereunder following receipt of written notice and a reasonable opportunity to cure. Notwithstanding the foregoing, to the extent that the Lessee is contesting in good faith any related property assessment or tax, the non-payment of such amounts shall not constitute a default.

(b) The occurrence and continuance of any other Event of Default as defined in the Lease Agreement.

(2) If the Project is not being used in accordance with the Act or the Lease Agreement, or if an Event of Default occurs, the Lessee shall make payments in lieu of taxes on the Project in such amounts as would be payable as real estate taxes levied on the Project if the Agency did not have an interest in the Project. The applicable tax assessment and tax levy rates shall be those in effect in the records of the appropriate taxing authorities.

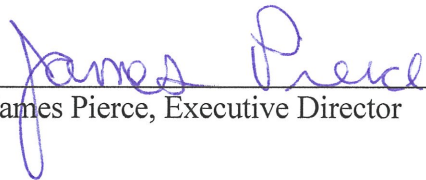
(3) The period for the payments required by Paragraph (2) of this section shall commence on the date the Agency determines that an Event of Default has occurred and is continuing.

Section 10. Survival of the Lessee's Obligations. The obligations of the Lessee under this PILOT

Agreement shall survive the termination or expiration of the Lease Agreement, for whatever reason terminated or expired.

IN WITNESS WHEREOF, the Agency and the Lessee have caused this PILOT Agreement to be executed by their Authorized Representatives, all as of the date first above written.

WYOMING COUNTY INDUSTRIAL  
DEVELOPMENT AGENCY

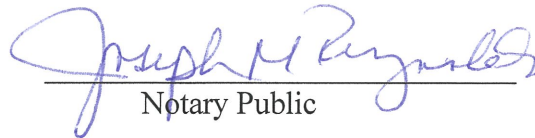
By: \_\_\_\_\_  
James Pierce, Executive Director

MARIMAX RESORTS, LLC

By: \_\_\_\_\_  
William Proietti, Managing Member

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

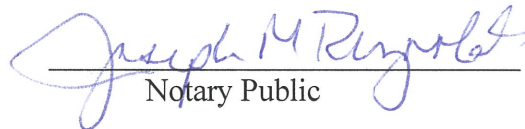
On the 27 day of April, in the year 2022 before me, the undersigned, personally appeared **JAMES PIERCE**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed this instrument.

  
 Notary Public

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

JOSEPH M. REYNOLDS  
 Notary Public of New York  
 Qualified in Erie County  
 My Commission Expires 4/12/ 23

On the 27 day of April, in the year 2022, before me, the undersigned, personally appeared **WILLIAM PROIETTI**, 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 this instrument.

  
 Notary Public

JOSEPH M. REYNOLDS  
 Notary Public of New York  
 Qualified in Erie County  
 My Commission Expires 4/12/ 23



SCHEDULE "A"

## PROPERTY DESCRIPTION

Beginning at an iron pin found on the east line of Lot 53 and the west line of Lot 45 in the Town of Pike at its intersection with the south line of the Bliss- Pike State Highway, said point of beginning being the southeast corner of lands appropriated by the State of New York for highway purposes in liber 346 at page 177 and shown as parcel 48 on map 47R-1, and being 75 feet southerly from the center of the highway;

Thence S00°35'46"E along the east line of Lot 53 a distance of 185.10 feet to an angle iron post;

Thence S56°08'06"E along an old abandoned road and crossing the Wiscoy Creek a distance of 854.03 feet;

Thence S70°37'26"E a distance of 33.00 feet to a capped iron pin;

Thence S31°52'26"E along an old abandoned road a distance of 368.00 feet to a capped iron pin;

Thence S45°52'26"E and crossing from Lot 45 into Lot 44a distance of 438.00 feet to the center of North Water Street;

Thence S31°52'26"E along the center of the street a distance of 95.00 feet to an angle in the street;

Thence S34°22'26"E along the center of the street a distance of 71.00 feet to an angle in the street;

Thence S26°29'57"E along the center of the street a distance of 214.37 feet to the northeast corner of lands described in a deed from The Genesee Conference of the Free Methodist Church of North America to Wyoming County Fair Association, Inc., in liber 776 at page 350;

Thence S51°15'31"W leaving the street along the north line of lands deeded in liber 776 at page 350 as aforesaid and crossing the Wiscoy Creek a distance of 464.55 feet to a capped iron pin at the northwest corner thereof;

Thence N55°15'00"W along a northeasterly line of lands described in a deed from The Genesee Conference of the Free Methodist Church of North America to Wayne D. & Mary Jane Meeder in liber 656 at page 140 a distance of 96.06 feet to a capped iron pin;

Thence continuing along the east, north and west lines of lands deeded in liber 656 at page 140 the following 5 courses

1. N31°19'00"W a distance of 132.63 feet to a capped iron pin;

2. N85°17'40"W a distance of 183.13 feet to a capped iron pin;

3. S62°35'40"W a distance of 262.20 feet to a capped iron pin;

4. S22°01'40"W a distance of 193.81 feet to an iron pin;

5. S14°57'04"E a distance of 424.63 feet to a capped iron pin;

Thence S36°08'53"W along a southeasterly line in lands described in a deed from Mollie W. Patterson to Genesee Conference of the Free Methodist Church of North America in liber 568 at page 100, a distance of 807.24 feet (record 806.0 feet) to a found iron pin;

Thence N90°00'00"W a distance of 43.00 feet to a capped iron pin found on the east line of Lot 52 and the west line of Lot 44;

Thence S00°33'00"E along the lot line and along the east line of lands described in a deed from

Wayne D. & Mary Jane Meeder to The Genesee Conference of the Free Methodist Church of North America in liber 656 at page 143 a distance of 266.45 feet to a capped iron pin at the southeast corner thereof;

Thence S89°02'48"W a distance of 948.41 feet to a capped iron pin at the southwest corner of lands deeded in liber 656 at page 143;

Thence N01°48'49"W a distance of 683.84 feet to a capped iron pin at the northwest corner thereof;

Thence S88°53'11"W along the south line of lands described in a deed from Mollie W. Patterson to Genesee Conference of the Free Methodist Church of North America in liber 568 at page 100, a distance of 986.69 feet to a point in the center of Albro Road and passing through a capped iron pin set 24.75 feet easterly therefrom, said point being 2390.16 feet northerly from the intersection of the center of Albro Road with the center of Telegraph Road;

Thence N00°41'49"W along the center of Albro Road a distance of 910.00 feet to a northwest corner in lands deeded in liber 568 at page 100 as aforesaid;

Thence N82°23'11"E leaving the road and passing through an iron pin found at 18.6 feet and continuing for a total distance of 72.00 feet to a small stream;

Thence along the center of the small stream the following 4 courses;

1. N54°38'11"E a distance of 310.00 feet;
2. N25°38'11"E a distance of 596.00 feet;
3. N27°23'11"E crossing from Lot 52 into Lot 53 a distance of 190.00 feet;
4. N14°53'11"E a distance of 104.00 feet;

Thence N87°39'05"E leaving the stream and passing through a capped iron pin set at 20.8 feet and continuing for a total distance of 640.00 feet to a found iron pin;

Thence N19°14'45"E and crossing the Wiscoy Creek a distance of 482.20 feet to a set capped iron pin;

Thence N77°24'46"W a distance of 154.39 feet to a 8 foot diameter 5 bole willow tree;

Thence N25°30'14"E a distance of 299.00 feet to a point and passing through an iron pin 25.8 feet southwesterly therefrom;

Thence S54°50'46"E a distance of 124.36 feet to a set capped iron pin;

Thence N21°55'14"E along the east line lands deeded to the Town of Pike for highway purposes in liber 212 at page 373 a distance of 220.30 feet to a capped iron pin set on the south line of Bliss-Pike State Highway and being 75 feet southerly from the center of the highway;

Thence S67°40'46"E along the south line of the highway, being the south line of lands appropriated by the State of New York for highway purposes in liber 346 at page 177 and shown as parcel 48 on map 47R-1 a distance of 302.00 feet to the point of beginning.

Containing within said bounds 143.52 Acres of land.

Intending to describe the lands conveyed by Mollie W. Patterson to Genesee Conference of the Free Methodist Church of North America in liber 568 at page 100, along with the land conveyed by Wayne D. & Mary Jane Meeder to The Genesee Conference of the Free Methodist Church of North America in liber 656 at page 143, excepting the lands conveyed by The Genesee Conference of the Free Methodist Church of North America to Wayne D. & Mary Jane Meeder in liber 656 at page 140 and the lands conveyed by The Genesee Conference of the Free Methodist Church of North America to Wyoming County Fair Association, Inc., in liber 776 at page 350;

SCHEDULE "B"

<u>TAX FISCAL YEAR</u>			<u>APPLICABLE PERCENTAGE</u>
<u>Town</u>	<u>County</u>	<u>School</u>	
2023	2023	2022-23	Pay an amount equal to full taxes
2024	2024	2023-24	100%
2025	2025	2024-25	100%
2026	2026	2025-26	100%
2027	2027	2026-27	100%
2028	2028	2027-28	100%
2029	2029	2028-29	50%
2030	2030	2029-30	50%
2031	2032	2030-31	50%
2032	2033	2031-32	50%
2033	2033	2032-33	50%
2034	2034	2033-34	25%
2035	2035	2034-35	25%
2036	2036	2035-36	25%
2037	2037	2036-37	25%
2038	2038	2037-38	25%
2039	2039	2038-39	0%

Lease Expiration Date: February 28, 2038