

June 30, 2025

**HARRIS BEACH MURTHA**  
ATTORNEYS AT LAW

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**PILOT AGREEMENT**

**VIA FEDERAL EXPRESS**

**#3904-0528-9915**

Ms. Stephanie Vanderpool  
City Assessor  
Mt. Vernon City Hall  
1 Roosevelt Square North  
Mount Vernon, New York 10550

Re: Agency: City of Mount Vernon Industrial Development Agency  
Occupant: QWest Towers LLC  
Premises: 1 North Macquesten Parkway and 25 North Macquesten Parkway  
S/B/L: Section: 164.68, Block: 1073, Lots: 20, 21, 24, 25 and 26

Dear Ms. Vanderpool:

On behalf of the City of Mount Vernon Industrial Development Agency, I have enclosed for you, as the Assessor of the jurisdiction within which the above-referenced Premises is located, a completed and signed "Application for Real Property Tax Exemption" on NYS Form RP-412-a with a copy of the underlying executed PILOT Agreement.

Should you have questions, please contact me at (914) 298-3023. Thank you.

Very truly yours,



Adriana M. Baranello

Enclosures

cc: Affected Taxing Jurisdiction Officials  
indicated on Schedule A attached hereto (w/encs. – copies)

**Via Certified Mail**

**9489-0090-0027-6674-8638-24**

Westchester County Executive  
Michaelian Office Building  
148 Martine Avenue, 9<sup>th</sup> Floor  
White Plains, New York 10601

**Via Certified Mail**

**9489-0090-0027-6674-8638-48**

County Attorney  
Westchester County Attorney's Office  
Contracts and Real Estate Bureau  
148 Martine Avenue, 6th Floor  
White Plains, New York 10601

**Via Certified Mail**

**9489-0090-0027-6674-8638-62**

Westchester County Tax Commission  
Attn: Executive Director  
110 Dr. Martin Luther King Jr. Blvd.  
Room L-222  
White Plains, New York 10601

**Via Certified Mail**

**9489-0090-0027-6674-8638-86**

Mount Vernon City School District  
Attn: Superintendent  
165 North Columbus Avenue  
Mount Vernon, New York 10553

**Via Certified Mail**

**9489-0090-0027-6674-8639-09**

Mount Vernon City School District  
Attn: District Clerk  
165 North Columbus Avenue  
Mount Vernon, New York 10553

**Via Certified Mail**

**9489-0090-0027-6674-8638-31**

Westchester County Board of Legislators  
Attn: Chair  
800 Michaelian Office Building  
148 Martine Avenue, 8th Floor  
White Plains, New York 10601

**Via Certified Mail**

**9489-0090-0027-6674-8638-55**

Westchester County Department of Finance  
Attn: Commissioner of Finance  
148 Martine Avenue, Suite 720  
White Plains, New York 10601

**Via Certified Mail**

**9489-0090-0027-6674-8638-79**

City of Mount Vernon  
Attn: Mayor  
Mt. Vernon City Hall  
1 Roosevelt Square North  
Mount Vernon, New York 10550

**Via Certified Mail**

**9489-0090-0027-6674-8638-93**

Mount Vernon City School District  
Attn: President of the Board of Education  
165 North Columbus Avenue  
Mount Vernon, New York 10553



**NYS DEPARTMENT OF TAXATION & FINANCE  
OFFICE OF REAL PROPERTY TAX SERVICES**

**RP-412-a (1/95)**

**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 City of Mount Vernon IDA  
Street 1 Roosevelt Square North (City Hall)  
City Mount Vernon, NY 10550  
Telephone no. Day (914 ) 465-2994  
Evening ( ) \_\_\_\_\_  
Contact Robin Mack  
Title Director of Business Development

**2. OCCUPANT (IF OTHER THAN IDA)**

(If more than one occupant attach separate listing)

Name Qwest Towers LLC  
Street 1250 Waters Place, PH1  
City Bronx, New York 10465  
Telephone no. Day ( ) \_\_\_\_\_ (914) 879-5750  
Evening ( ) \_\_\_\_\_  
Contact Kathleen Bradshaw  
Title Primary Contact

**3. DESCRIPTION OF PARCEL**

- a. Assessment roll description (tax map no./roll year) 164.68-1073-20; -21, -24, -25 and -26
- b. Street address 1 North Macquesten Parkway and  
25 North Macquesten Parkway
- c. City, Town or Village City of Mount Vernon
- d. School District Mount Vernon
- e. County Westchester
- f. Current assessment N/A
- g. Deed to IDA (date recorded; liber and page)  
Lease to IDA (pending; pending)

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

- a. Brief description (include property use) Property is site of proposed construction of  
229 affordable residential rental units as described in attached PILOT Agreement
- b. Type of construction Affordable Housing
- c. Square footage \_\_\_\_\_
- d. Total cost Approx. \$163,000,000
- e. Date construction commenced Immediately
- f. Projected expiration of exemption (i.e. date when property is no longer possessed, controlled, supervised or under the jurisdiction of IDA)  
June 30, 2059

**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 PILOT Agreement  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

- b. Projected expiration date of agreement June 30, 2059

c. Municipal corporations to which payments will be made

	Yes	No
County <u>Westchester</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Town/City <u>City of Mount Vernon</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Village _____	<input type="checkbox"/>	<input checked="" type="checkbox"/>
School District <u>Mount Vernon</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

d. Person or entity responsible for payment

Name Qwest Towers LLC  
 Title Attn: Kathleen Bradshaw  
 Address 1250 Waters Place, PH1  
Bronx, New York 10465

e. Is the IDA the owner of the property? ☐ Yes ☒ No (check one)

If "No" identify owner and explain IDA rights or interest

Telephone (914) 879-5750

in an attached statement. No - IDA has a leasehold in the property

pursuant to lease from Occupant (lease/leaseback transaction)

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 \_\_\_\_\_ assessment roll year \_\_\_\_\_

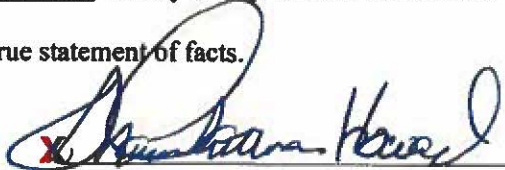
7. A copy of this application, including all attachments, has been mailed or delivered on June 30, 2025 (date) to the chief executive official of each municipality within which the project is located as indicated in Item 3.

### CERTIFICATION

I, Shawyn Patterson-Howard, Chairperson \_\_\_\_\_ of  
 Name Title  
City of Mount Vernon Industrial Development Agency hereby certify that the information  
 Organization  
 on this application and accompanying papers constitutes a true statement of facts.

June 26, 2025

Date

  
 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 ad valorem levies for which the parcel is liable:

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

Date

Assessor's signature



**Execution Version**

**CITY OF MOUNT VERNON INDUSTRIAL DEVELOPMENT AGENCY  
AND  
QWEST TOWERS LLC**

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**PAYMENT IN LIEU OF TAX AGREEMENT**

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**Street Address:**

1 North Macquesten Parkway  
25 North Macquesten Parkway  
Mount Vernon, New York

**Tax Map Number(s):**

Section: 164.68, Block: 1073, Lots 20, 21, 24, 25 and 26

**Affected Taxing Jurisdictions:**

County of Westchester  
City of Mount Vernon  
Mount Vernon City School District

**Dated as of June 1, 2025**

## PAYMENT IN LIEU OF TAX AGREEMENT

THIS PAYMENT IN LIEU OF TAX AGREEMENT, dated as of June 1, 2025 (the "Agreement"), is by and between the **CITY OF MOUNT VERNON INDUSTRIAL DEVELOPMENT AGENCY**, a public benefit corporation of the State of New York, with offices at Mount Vernon City Hall, 1 Roosevelt Square North, Mount Vernon, New York 10550 (the "Agency"), and **QWEST TOWERS LLC**, a New York limited liability company with offices at 1250 Waters Place, PH1, Bronx, New York 10465 (the "Company").

### WITNESSETH:

WHEREAS, the Agency was created by Chapter 786 of the Laws of 1976 of the State of New York pursuant to Title I of Article 18-A 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 Company has requested the Agency's assistance with a certain project consisting of: (1) the Agency taking title, possession or control (by deed, lease, license or otherwise) of certain land located at 1 North Macquesten Parkway and 25 North Macquesten Parkway, Mount Vernon, New York (Section: 164.68, Block: 1073, Lots 20, 21, 24, 25 and 26) and any lands located in the City of Mount Vernon and occupied by license or easement during construction or improved by third parties for the benefit of the Project (the "Land"); (B) the construction, improving, maintaining and equipping on the Land of: (i) two buildings containing an aggregate of approximately 229 affordable residential rental units, (ii) associated amenities, including laundry rooms and recreation space, and (iii) approximately 3,000 square feet of commercial space, and (iv) the residential rental units will be provided to tenants earning up 80% of area median income ("AMI"), and one unit will be a superintendent's unit (the "Improvements"); and (C) the acquisition and installation in and around the Land and Improvements of certain items of equipment and other tangible personal property (the "Equipment", which together with the Land and Improvements are the "Facility"); and

WHEREAS, in order to induce the Company to acquire, renovate, construct and equip the Facility, the Agency is willing to take a leasehold interest in the Facility and lease said Facility back to the Company pursuant to the terms and conditions of a certain Leaseback Agreement, dated as of June 1, 2025 (as may be amended, supplemented and/or modified from time to time, the "Leaseback Agreement"), between the Agency as lessor and the Company as lessee; and

WHEREAS, pursuant to Section 874(1) of the Act, the Agency is exempt from the payment of taxes imposed upon real property and improvements owned by it or under its jurisdiction, control or supervision, other than special ad valorem levies, special assessments and service charges against real property which are or may be imposed for special improvements or special district improvements; 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 Agency for the benefit of Westchester County (the "County"), the City of Mount Vernon (the "City") and the

Mount Vernon City School District (the "School District"; and, collectively with the County, and the City, the "Affected Tax Jurisdictions").

NOW, THEREFORE, in consideration of the covenants herein contained, and other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, it is mutually agreed as follows:

Section 1 - Payment in Lieu of Ad Valorem Taxes:

Section 1.1 A. Subject to the completion and filing by the Agency by the taxable status date (**May 1, 2026**) (the "Taxable Status Date") of New York State Form RP-412-a "Application For Real Property Tax Exemption" (the "Exemption Application") under Section 412-a of the New York State Real Property Tax Law and Section 874 of the Act and the approval of the Exemption Application by the appropriate assessors or Board of Assessment Review, the Facility shall be exempt from Real Estate Taxes (as defined below) commencing with the (i) the **2027** County and City tax year, and (ii) the **2027-2028** School District tax year. The Agency shall provide courtesy notice to the Lender and Investor Member that the RP-412-a has been filed. For purposes of the foregoing "Real Estate Taxes" means all general levy real estate taxes levied against the Facility by the County, City and School District. The Company shall provide to the Agency with the information necessary for the completion and filing of the Exemption Application and shall provide such additional information and take such actions as are required by the appropriate assessors or Board of Assessment Review to process and approve the Exemption Application. Notwithstanding anything contained herein or in the Leaseback Agreement to the contrary, in the event the exemption from Real Estate Taxes is denied for any reason, the Company shall pay (and hereby agrees to pay) all Real Estate Taxes levied upon the Facility as they become due. After giving written notice to the Agency, the Company may in good faith contest the denial of the Exemption Application, provided that (i) the overall operating efficiency of the Facility is not impaired and the Facility continues to qualify as a "project" under the Act; (ii) neither the Facility nor any part of or interest in it would be in any danger of being sold, forfeited or lost; or (iii) neither the Company nor the Agency, as a result of such contest, shall be in any danger of any civil or criminal liability. The Company hereby waives any claim or cause of action against the Agency, and releases the Agency from any liability to the Company, arising from the denial of an exemption from Real Estate Taxes.

B. Agreement to Make Payments. As long as the Facility is owned by or leased to the Agency or under its jurisdiction, control or supervision, the Company shall pay, or cause to be paid, an amount equal to the PILOT Payment, (the "PILOT Payment"). The Company shall make all payments due hereunder without further notice or invoicing from the Agency, any Affected Tax Jurisdiction or any other party.

(i) The parties agree and acknowledge that payments made under this Agreement are for purposes of obtaining revenues for public purposes, and to provide a revenue source that the Affected Tax Jurisdictions would otherwise lose because the subject parcels are exempt from the payment of real property taxes pursuant to Section 412-a of the RPTL and Section 874 of the General Municipal Law. The Company shall pay to the Agency, on July 1 ("Payment Date") of each year beginning on **July 1, 2027** (for the benefit of the Affected Taxing Jurisdictions), as an in lieu of tax payment, an amount equal to the

PILOT Payments as set forth in this Section 1.1(B) for the periods described in Section 1.5.

(ii) (a) Timing of Payments: For purposes of this PILOT Agreement, each payment hereunder:

- i. From the date of this PILOT Agreement and at all times prior to December 31, 2026 (i.e. for County and City Tax years 2025, and 2026, and School District Tax years 2025-2026 and 2026-2027), the Company shall make payments in the amounts, and the in the manner as if this Agreement were not in effect, and as if the Agency did not have a leasehold interest in the Facility.
- ii. In Construction Year 3 and Construction Year 4 (County and City tax years 2027 and 2028 and School District tax years 2027-2028 and 2028-2029), the PILOT Payment shall be an amount equal to 100% of Land Taxes.
- iii. For PILOT Years 1 through 30 ,the PILOT Payment shall be equal to the Shelter Rent multiplied by ten percent (10%) (the "PILOT Term"). The term "Shelter Rent" shall mean the total rents received from the occupants of the Facility minus the cost of providing electricity, gas, heat and other utilities but shall not include (A) the cost of any insurance in connection with the Facility or (B) any utility or related costs incurred by any tenants or other occupants residing at the Facility.
- iv. From and after January 1, 2059 with respect to the County and City, and from and after July 1, 2059 with respect to the School District, the Company shall make payments in the amounts, and the in the manner as if this Agreement were not in effect, and as if the Agency did not have a leasehold interest in the Facility as of the Taxable Status Date for City and County tax year 2059, and School District tax year 2059-2060.

(b) The PILOT Payment shall be calculated on a calendar year.

(c) The PILOT Payments required hereunder shall be made in arrears to the Agency each July 1 during the term hereof. In order to calculate the PILOT Payments, the Company agrees to provide unaudited financial statements to the Agency by March 15 of each year of the PILOT Term together with a certificate executed by the Company's chief financial or other similar officer showing the Company's calculation of the PILOT Payment.

1.2 Allocation. The Agency shall remit to the Affected Tax Jurisdictions amounts received hereunder within thirty (30) days of receipt of said payment and shall allocate said payments among the Affected Tax Jurisdictions in the same proportion as ad valorem taxes

would have been allocated but for the Agency's involvement, unless the Affected Tax Jurisdictions have consented in writing to an alternative allocation.

1.3 Tax Rates. For purposes of determining the allocation of the Total PILOT Payment among the Affected Tax Jurisdictions, the Agency shall use the last tax rate utilized for levy of taxes by each such jurisdiction. For County, City and special district purposes, the tax rates used to determine the allocation of the Total PILOT Payment shall be the tax rates relating to the calendar year which includes the PILOT payment due date. For School District purposes, the tax rates used to determine the PILOT payment shall be the rate relating to the City budget and School District year which includes the PILOT payment due date.

1.4 Valuation of Future Additions to the Facility: If there shall be a future addition to the Facility constructed or added in any manner after the date of this Agreement, the Company shall notify the Agency of such future addition ("Future Addition"). The notice to the Agency shall contain a copy of the application for a building permit, plans and specifications, and any other relevant information that the Agency may thereafter request. Upon the earlier of substantial completion, or the issuance of a certificate of occupancy for any such Future Addition to the Facility, the Company shall become liable for payment of an increase in the Total PILOT Payment (the "Increased PILOT Payment"). The Agency shall notify the Company of any proposed increase in the Total PILOT Payment related to such Future Addition. If the Company shall disagree with the determination of assessed value for any Future Additions made by the Agency, then and in that event that valuation shall be fixed by a court of competent jurisdiction. Notwithstanding any disagreement between the Company and the Agency, the Company shall pay the Increased PILOT Payment until a different Total PILOT Payment shall be established. If a lesser Total PILOT Payment is determined in any proceeding or by subsequent agreement of the parties, the Total PILOT Payment shall be re-computed and any excess payment shall be refunded to the Company or, in the Agency's sole discretion, such excess payment shall be applied as a credit against the next installment of the PILOT payment(s) pursuant to this Agreement.

1.5 Period of Benefits. The tax benefits provided for herein should be deemed to include (i) the 2027 City and County tax year through the 2058 City and County tax years, and (ii) the 2027-2028 School District tax year through the 2058-2059 School District tax year. This PILOT Agreement shall expire on **December 31, 2058** with respect to the City and County, and **June 30, 2059** with respect to the School District. In no event shall the Company be entitled to receive tax benefits relative to the Facility for more than the periods provided for herein, unless the period is extended by amendment to this Agreement executed by both parties after any applicable public hearings. The Company agrees that it will not seek any tax exemption for the Facility which could provide benefits for more than the periods provided for herein and specifically agrees that the exemptions provided for herein, to the extent actually received (based on the number of lease years elapsed), supersede and are in substitution of the exemptions provided by Section 485-b of the New York Real Property Tax Law ("RPTL"). It is hereby agreed and understood that the Affected Tax Jurisdictions can rely upon and enforce the above waiver to the same extent as if they were signatories hereto.



Section 2 - Special District Charges, Special Assessments and other Charges. Special district charges, special assessments, and special ad valorem levies (specifically including but not limited to fire district charges), and pure water charges and sewer charges are to be paid in full, calculated based on the assessed value established by the City's assessor, in accordance with normal billing practices.

Section 3 - Transfer of Facility. In the event that the Facility is transferred from the Agency to the Company, and the Company is ineligible for a continued tax exemption under some other tax incentive program, or the exemption results in a payment to the Affected Tax Jurisdictions in excess of the payment described in Section 1 herein, or this Agreement terminates and the property is not timely transferred back to the Company, the Company agrees to pay no later than the next tax lien date (plus any applicable grace period), to each of the Affected Tax Jurisdictions, an amount equal to the taxes and assessments which would have been levied on the Facility if the Facility had been classified as fully taxable as of the date of transfer or loss of eligibility of all or a portion of the exemption described herein or date of termination.

Section 4 - Assessment Challenges.

4.1 During the term of this Agreement, the Company shall not have the rights and remedies of a taxpayer as if and to the same extent as if the Company were the owner of the Facility, with respect to any proposed assessment or change in assessment with respect to the Facility by any of the Affected Tax Jurisdictions and likewise shall not be entitled to protest before and be heard by the appropriate assessors or Board of Assessment Review, and shall not be entitled to take any and all appropriate appeals or initiate any proceedings to review the validity or amount of any assessment or the validity or amount of any tax equivalent provided for herein.

4.2 The Company shall have all of the rights and remedies of a taxpayer with respect to any tax, service charge, special benefit, ad valorem levy, assessment, or special assessment or service charge in lieu of which the Company is obligated to make a payment pursuant to this Agreement, as if and to the same extent as if the Company were the owner of the Facility.

4.3 The Company shall (i) cause the appropriate real estate tax assessment office and tax levy officers to assess the Facility and apply tax rates to the respective assessments as if the Facility were owned by the Company, (ii) file any accounts or tax returns required by the appropriate real estate tax assessment office and tax levy officers.

Section 5 - Changes in Law. To the extent the Facility is declared to be subject to taxation or assessment by an amendment to the Act, other legislative change, or by final judgment of a Court of competent jurisdiction, the obligations of the Company hereunder shall, to such extent, be null and void.

## Section 6 - Events of Default.

6.1 The following shall constitute "Events of Default" hereunder. The failure by the Company to: (i) make the payments described in Section 1 hereof within thirty (30) days of the Payment Date ("Delinquency Date"); (ii) make any other payments described herein on or before the last day of any applicable cure period within which said payment can be made without penalty; or (iii) the occurrence and continuance of any event of default under the Leaseback Agreement after any applicable cure periods. Upon the occurrence of any Event of Default hereunder, in addition to any other right or remedy the Agency and/or the Affected Tax Jurisdictions may have at law or in equity, the Agency and/or Affected Tax Jurisdictions may, immediately and without further notice to the Company (but with notice to the Agency with respect to actions maintained by the Affected Tax Jurisdictions), pursue any action in the courts to enforce payment or to otherwise recover directly from the Company any amounts so in default. The Agency and the Company hereby acknowledge the right of the Affected Tax Jurisdictions to recover directly from the Company any amounts so in default pursuant to Section 874(6) of the General Municipal Law and the Company shall immediately notify the Agency of any action brought, or other measure taken, by any Affected Tax Jurisdiction to recover any such amount.

6.2 If payments pursuant to Section 1 and Section 2 herein are not made by the Delinquency Dates, or if any other payment required to be made hereunder is not made by the last day of any applicable cure period within which said payment can be made without penalty, the Company shall pay penalties and interest as follows. With respect to payments to be made pursuant to Section 1 herein, if said payment is not received by the Delinquency Date defined in Section 6.1 herein, Company shall pay, in addition to said payment, (i) a late payment penalty equal to five percent (5%) of the amount due and (ii) for each month, or any part thereof, that any such payment is delinquent beyond the first month, interest on the total amount due plus the late payment penalty, in an amount equal to one percent (1%) per month; and, with respect to all other payments due hereunder, if said payment is not paid within any applicable cure period, the Company shall pay, in addition to said payment, the greater of the applicable penalties and interest or penalties and interest which would have been incurred had payments made hereunder been tax payments to the Affected Tax Jurisdictions.

6.3 If there is any failure by the Company to observe or perform any other covenant, condition or agreement required by this PILOT Agreement to be observed or performed (except as set forth in Section 6.1(i), 6.1(ii) and 6.2 immediately above) and such failure shall have continued for a period of thirty (30) days after the Agency gives written notice to the Company specifying that failure and stating that it be remedied, or in the case of any such default which can be cured with due diligence but not within such thirty (30) day period, the Company's failure to proceed promptly to cure such default and thereafter prosecute the curing of such default with due diligence.

Section 7 - Assignment. Subject to Section 9.1(d), no portion of any interest in this Agreement may be assigned by the Company, nor shall any person other than the Company be entitled to succeed to or otherwise obtain any benefits of the Company hereunder without the prior written consent of the Agency, which shall not be unreasonably withheld or delayed.

Section 8 - Miscellaneous.

8.1 This Agreement may be executed in any number of counterparts each of which shall be deemed an original but which together shall constitute a single instrument.

8.2 All notices, claims and other communications hereunder shall be in writing and shall be deemed to be duly given if personally delivered or mailed first class, postage prepaid, as follows:

To the Agency: City of Mount Vernon Industrial Development Agency  
Mount Vernon City Hall  
1 Roosevelt Square North  
Mount Vernon, New York 10550  
Attn: Robin Mack  
Email: [RMack@ci.mount-vernon.ny.us](mailto:RMack@ci.mount-vernon.ny.us)

With a copy to: Harris Beach Murtha Cullina PLLC  
99 Garnsey Road  
Pittsford, New York 14534  
Attn: Christopher A. Andreucci, Esq.  
Email: [candreucci@harrisbeach.com](mailto:candreucci@harrisbeach.com)

To the Company: Qwest Towers LLC  
1250 Waters Place, PH1  
Bronx, New York 10465  
Attn: Joseph Simone

With a copy to: Stagg Group  
P. O. Box 9  
Purchase, New York 10577  
Kathleen Bradshaw, Esq.  
Email: [KBradshaw@stagggroup.com](mailto:KBradshaw@stagggroup.com)

And to: Simone Development Companies  
1250 Waters Place  
Bronx, New York 10461  
Attn: Brian Reardon, Vice President - Development  
E-Mail: [breardon@simdev.com](mailto:breardon@simdev.com)

And to: Goldstein Hall PLLC  
80 Broad Street, Suite 303,  
New York, New York 10004  
Attn: Jason Labate  
E-mail: [jlabate@goldsteinhall.com](mailto:jlabate@goldsteinhall.com)

To the Lender: Bank of America  
Community Development Banking  
One Bryant Park, NY1-100-34-05  
New York, New York 10036  
Attn: Lisa Awaya  
Email: [lisa.awaya@bofa.com](mailto:lisa.awaya@bofa.com)

With a copy to: Sidley Austin LLP  
787 Seventh Avenue  
New York, New York 10019  
Attn: Aviva Yakren, Esq.  
Email: [ayakren@sidley.com](mailto:ayakren@sidley.com)

If to the Investor Member: Red Stone Equity – Fund 109 Limited Partnership  
90 Park Avenue, 28th Floor  
New York, New York 10016  
Attn: Chris Murray, Managing Director Acquisitions  
Email: [chris.murray@rsequity.com](mailto:chris.murray@rsequity.com)

With a copy to: Applegate & Thorne-Thomsen, P.C.  
425 S. Financial Place, Suite 190  
Chicago, Illinois 60605  
Attn: Bennett P. Applegate Sr., Esq.  
Email: [bapplegate@att-law.com](mailto:bapplegate@att-law.com)

or at such other address as any party may from time to time furnish to the other party by notice given in accordance with the provisions of this Section. All notices shall be deemed given when mailed or personally delivered in the manner provided in this Section. Failure by the Agency to provide notice to the Investor Member shall not waive the Agency's rights and remedies under this PILOT Agreement and shall not subject the Agency to any liability whatsoever.

8.3 This Agreement shall be governed by, and all matters in connection herewith shall be construed and enforced in accordance with, the laws of the State of New York applicable to agreements executed and to be wholly performed therein and the parties hereto hereby agree to submit to the personal jurisdiction of the federal or state courts located in the Westchester County, New York.

8.4 Notwithstanding any other term or condition contained herein, all obligations of the Agency hereunder shall constitute a special obligation payable solely from the revenues and other monies, if any, derived from the Facility and paid to the Agency by the Company. Neither any member, officer, employee, agent (other than the Company) or servant of the Agency nor any person executing this Agreement on its behalf shall be liable personally under this Agreement. No recourse shall be had for the payment of the principal or interest on amounts due hereunder or for any claim based upon or in respect of any modification of or supplement hereto against any past, present or future member, officer, agent (other than the Company), servant, or employee, as such, of the Agency, or of any successor or political subdivision, either directly or



through the Agency or any such successor, all such liability of such members, officer, agents (other than the Company), servants and employees being, to the extent permitted by law, expressly waived and released by the acceptance hereof and as part of the consideration for the execution of this Agreement.

#### Section 9 - Fee and Leasehold PILOT Mortgage.

9.1 The Company shall grant and convey to the Agency a performance mortgage to be recorded and be a lien upon the Land and Improvements (the "PILOT Mortgage"). The form of PILOT Mortgage is attached as Exhibit B. The PILOT Mortgage shall at all times be subject and subordinate in right of lien to any Approved Lien (as defined in the Leaseback Agreement); *provided, however*, said subordination of the lien of the PILOT Mortgage is expressly conditioned upon the Obligations, as defined therein, having a priority right of payment over amounts payable under such Approved Lien. The agency shall reasonably cooperate with any lender(s) regarding the subordination of its PILOT Mortgage by entering into a written subordination agreement in recordable form, provided that such subordination agreement excludes the Company's obligation to make each Total PILOT Payment as and when due in accordance with the terms and conditions of this Agreement, which covenants shall remain superior to the lender's mortgage and other security instruments following the recording of such subordination. Upon the expiration of this Agreement, the Agency shall discharge, in a writing in recordable form, the PILOT Mortgage.

9.2 (a) The Agency will deliver to the Lender (as defined in the Leaseback Agreement) simultaneously with the Agency's delivery of same to the Company, a true and correct copy of each notice demand, complaint or request made by the Agency under or with respect to this Agreement.

(b) The Agency will at all times perform, observe and comply with all other terms, covenants and conditions of this Agreement to be performed, observed or complied with by the Agency under the Leaseback Agreement.

(c) At any time after the Lender receives notice from the Agency of a default by the Company under this Agreement, the Lender may (but will not be obligated to) promptly make any payment, perform any obligation, or take any other action the Company would have the right to pay, perform, or take under the Agreement which the Lender deems necessary or desirable to cure such default. The Lender may exercise its rights under this paragraph (c) immediately after receipt of notice of a default by the Company under this Agreement and without regard to any grace period provided to the Company in this Agreement to cure such default. For purposes of exercising its rights under this paragraph (c), the Lender will not be liable to the Company or the Agency for any action taken or omitted to be taken by the Lender, in good faith, in reliance on any written notice from the Agency stating that a default by the Company under this Agreement has occurred and is continuing even though the Company may question or deny the existence or nature of such default. Notwithstanding anything to the contrary in this Agreement, in the case of an Event of Default, if the Agency serves a notice of default upon the Company, the Company shall serve a copy of such notice upon the Lender. In the case of an Event of Default by the Company under this Agreement or the Leaseback Agreement, Lender shall have thirty (30) days



for a monetary default and sixty (60) days in the case of any other default, after notice to Lender of such default, to cure or cause to be cured the default complained of and the Agency shall accept such performance by or at the instigation of such Lender as if the same had been done by the Company, provided that if said non-monetary default can be cured with due diligence but not within such sixty (60) day period, said time period shall be extended as long as Lender continues to exercise due diligence to cure said non-monetary default but in no event shall such extension exceed one hundred twenty (120) days.

(d) Notwithstanding any provision of this PILOT Agreement to the contrary, neither (i) the foreclosure of a mortgage or any sale to an Affiliate of Lender of the Company's interest in this PILOT Agreement and/or the Facility by Lender, in connection with a foreclosure, whether by judicial proceedings, or any conveyance of the Company's interest in this PILOT Agreement and/or the Facility to Lender by virtue of or in lieu of foreclosure or other appropriate proceedings nor (ii) the transfer by Lender to an Affiliate following such foreclosure or transfer-in-lieu (either of the foregoing sub-clauses (i) or (ii), a "Lender Transfer") shall require the consent of the Agency so long as (A) the Lender or Affiliate continues to exercise due diligence to cure any and all defaults under the Project Documents and (B) the Lender or Affiliate is diligently seeking a third-party purchaser for the Project. Notwithstanding the foregoing, permanent disposition of the Company's interest in this PILOT Agreement from the Lender or its Affiliate to any such third-party purchaser shall require the consent of the Agency. If the duration of the Lender Transfer is for a period of greater than one hundred twenty (120) days, the Lender or Affiliate shall provide written confirmation to the Agency of compliance with the Project Documents not less than every one hundred twenty (120) days, while the Lender or its Affiliate holds the Company's interest in this PILOT Agreement.

As used in this Section 9.2(d): (i) "Affiliate" shall mean a Person which directly or indirectly through one or more intermediaries controls, or is under common control with, or is controlled by, such Person (which includes the Lender); (ii) "Person" shall mean any individual, limited liability company, corporation, partnership, joint venture, association, joint stock company, trust, unincorporated organization or government or any agency or political subdivision thereof or other entity; (iii) the term "control" (including the related terms "controlled by" and "under common control with") means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person (including the Lender), whether through the ownership of voting securities, by contract or otherwise; and (iv) Prohibited Person shall mean (i) any Person identified on the OFAC List, (ii) any other Person or foreign country or agency thereof with whom a U.S. Person may not conduct business or transactions by prohibition of Federal law or Executive Order of the President of the United States of America or (iii) any Person whom is prohibited from doing business with the party or parties to the Loans and the municipality in which the Land is located.

(e) The Agency will deliver to the Investor Member (as defined in the Leaseback Agreement) simultaneously with the Agency's delivery of same to the Company, a true and correct copy of each notice demand, complaint or request made by the Agency under or with respect to this Agreement. At any time after the Investor Member receives notice from the Company of a default by the Company under this Agreement, the Investor Member may (but will not be obligated to) promptly make any payment, perform any obligation, or take any other

action the Company would have the right to pay, perform, or take under the Agreement which the Investor Member deems necessary or desirable to cure such default. The Investor Member may exercise its rights under this paragraph (e) immediately after receipt of notice of a default by the Company under this Agreement and without regard to any grace period provided to the Company in this Agreement to cure such default. For purposes of exercising its rights under this paragraph (e), the Investor Member will not be liable to the Company or the Agency for any action taken or omitted to be taken by the Investor Member, in good faith, in reliance on any written notice from the Agency stating that a default by the Company under this Agreement has occurred and is continuing even though the Company may question or deny the existence or nature of such default. Notwithstanding anything to the contrary in this Agreement, in the case of an Event of Default, if the Agency serves a notice of default upon the Company, the Company shall serve a copy of such notice upon the Investor Member; provided, however, that failure by the Agency to provide notice to the Investor Member shall not in any way waive the Agency's rights or remedies under this Agreement, nor shall it subject the Agency to any liability whatsoever. In the case of an Event of Default by the Company under this Agreement or the Leaseback Agreement, Investor Member shall have thirty (30) days for a monetary default and sixty (60) days in the case of any other default, after notice to Investor Member of such default, to cure or cause to be cured the default complained of and the Agency shall accept such performance by or at the instigation of such Investor Member as if the same had been done by the Company, provided that if said non-monetary default can be cured with due diligence but not within such sixty (60) day period, at the sole discretion of the Agency, said time period shall be extended as long as Investor Member continues to exercise due diligence to cure said non-monetary default but in no event shall such extension exceed one hundred twenty (120) days.

[The Balance of This Page Intentionally Left Blank]

*[Signature Page to PILOT Agreement – 1 of 2]*

IN WITNESS WHEREOF, the parties hereto have executed this PILOT Agreement as of the day and year first above written.

**CITY OF MOUNT VERNON INDUSTRIAL  
DEVELOPMENT AGENCY**

By: 

Name: Shawyn Patterson-Howard

Title: Chairperson

STATE OF NEW YORK

)

) ss.:

COUNTY OF WESTCHESTER

)

On the 11<sup>th</sup> day of June, in the year 2025, before me, the undersigned, personally appeared **SHAWYN PATTERSON-HOWARD**, 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.



Notary Public

**JOHAN S. POWELL**


NOTARY PUBLIC, New York State

No. 02P06345179

Commission Expires July 18, 2028

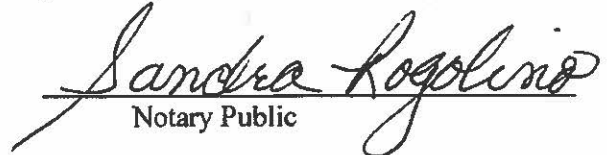
**QWEST TOWERS LLC,**  
a New York limited liability company

By: Qwest Affordable Managing Member LLC, its  
Managing Member

By:   
Name: Joseph Simone  
Title: Authorized Signatory

STATE OF NEW YORK )  
 ) ss.:  
COUNTY OF WESTCHESTER Putnam )

On the 11<sup>th</sup> day of June, in the year 2025, before me, the undersigned, personally appeared **Joseph Simone**, 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.

  
Notary Public

SANDRA ROGOLINO  
Notary Public, State of New York  
No. 01RO0012122  
Qualified in Westchester County  
Commission Expires August 16, 2027

**SCHEDULE A**  
to  
PILOT Agreement dated as of June 1, 2025  
between  
City of Mount Vernon Industrial Development Agency  
and  
Qwest Towers LLC

<b>PILOT Year</b>	<b>County and City Tax Year</b>	<b>School District Tax Year</b>	<b>PILOT Payment</b>
Construction Year 1 (Current Tax Year)	2025	2025-2026	Not Subject to This Agreement
Construction Year 2 (Taxable Status Date: May 1, 2025)	2026	2026-2027	Not Subject to This Agreement
Construction Year 3	2027	2027-2028	100% of Land Taxes
Construction Year 4	2028	2028-2029	100% of Land Taxes
1	2029	2029-2030	Shelter Rent x 10%
2	2030	2030-2031	Shelter Rent x 10%
3	2031	2031-2032	Shelter Rent x 10%
4	2032	2032-2033	Shelter Rent x 10%
5	2033	2033-2034	Shelter Rent x 10%
6	2034	2034-2035	Shelter Rent x 10%
7	2035	2035-2036	Shelter Rent x 10%
8	2036	2036-2037	Shelter Rent x 10%
9	2037	2037-2038	Shelter Rent x 10%
10	2038	2038-2039	Shelter Rent x 10%
11	2039	2039-2040	Shelter Rent x 10%
12	2040	2040-2041	Shelter Rent x 10%



13	2041	2041-2042	Shelter Rent x 10%
14	2042	2042-2043	Shelter Rent x 10%
15	2043	2043-2044	Shelter Rent x 10%
16	2044	2044-2045	Shelter Rent x 10%
17	2045	2045-2046	Shelter Rent x 10%
18	2046	2046-2047	Shelter Rent x 10%
19	2047	2047-2048	Shelter Rent x 10%
20	2048	2048-2049	Shelter Rent x 10%
21	2049	2049-2050	Shelter Rent x 10%
22	2050	2050-2051	Shelter Rent x 10%
23	2051	2051-2052	Shelter Rent x 10%
24	2052	2052-2053	Shelter Rent x 10%
25	2053	2053-2054	Shelter Rent x 10%
26	2054	2054-2055	Shelter Rent x 10%
27	2055	2055-2056	Shelter Rent x 10%
28	2056	2056-2057	Shelter Rent x 10%
29	2057	2057-2058	Shelter Rent x 10%
30	2058	2058-2059	Shelter Rent x 10%

- The Agency interest in the Facility shall expire on **December 31, 2058** with respect to the County and City and **June 30, 2059**, with respect to the School District. The Company shall pay the **2059** City and County tax bill and the **2059-2060** School tax bill, and tax bills for all subsequent tax years on the dates and in the amounts as if the Agency were not in title on the tax status date with respect to said tax years. Tax Payments shall be no less than the Full Taxes paid prior to the Tax Agreement. Full Taxes means all property taxes payable with respect to the Facility calculated in an amount equal to the amounts that would be paid if the Agency were not in title and no exemption was available.
- Does NOT include Special District Charges - City will send separate bill.

**Exhibit A**

Property Description

**SCHEDULE A**

Policy No: PROFORMA  
File No.: BTA83723

**LEGAL DESCRIPTION****COMPOSITE DESCRIPTION FOR TAX LOT 20 and TAX LOT 21:**

**ALL** that certain plot, piece or parcel of land, situate, lying and being in the City of Mount Vernon, County of Westchester and State of New York, known and designated as a portion of Lot No. 169 and a portion of Lot No. 168 on a certain map entitled, "Map of West Mount Vernon lying in the Town of Eastchester, County of Westchester and State of New York, dated June 27, 1851 and filed in the Register's Office of Westchester County, now County Clerk's Office of Westchester County, Division of Land Records, May 1, 1852 as Map No. 151, which when taken together, are bounded and described as follows:

**BEGINNING** at the corner formed by the intersection of the northerly side of Mount Vernon Avenue with the easterly side of Macquesten Parkway North (formerly North Railroad Avenue); and

**RUNNING THENCE** along the said northerly side of Mount Vernon Avenue in a general easterly direction, a distance of 85.50 feet to a point;

**RUNNING THENCE** in a general northerly direction through Lot No. 168 on a line drawn at right angles to said side of Mount Vernon Avenue, a distance of 80.24 feet to a point;

**RUNNING THENCE** from said point and in a general easterly direction and forming an interior angle with the last described line of 270 degrees, a distance of 14.50 feet to a point;

**RUNNING THENCE** from said point and in a general northerly direction and at a right angle with the last described line, a distance of 80.24 feet to the division line of Lot No. 169 and Lot No. 170 on said map;

**RUNNING THENCE** along said division line and in a general westerly direction, 100.00 feet to a point on the easterly side of Macquesten Parkway North;

**RUNNING THENCE** in a general southerly direction along said side of Macquesten Parkway North, a distance of 160.48 feet to the point or place of **BEGINNING**.

**COMPOSITE DESCRIPTION FOR TAX LOT 24, TAX LOT 25 and TAX LOT 26:**

**ALL** that certain plot, piece or parcel of land, situate, lying and being in the City of Mount Vernon, County of Westchester and State of New York, known as Lot No. 172 and the southwesterly half of Lot No. 173, on a certain map entitled, "Map of West Mount Vernon, lying in the Town of Eastchester, Westchester County, New York" filed for the Teutonia Homestead Association, by Gustavus A. Sacchi, dated June 25, 1851, and filed in the Office of the Register of Westchester County May 1, 1852 as Map No. 151, which when taken together, are bounded and described as follows:

**BEGINNING** at a point on the easterly side of Macquesten Parkway North, said point being northerly 320.96 feet from the intersection of the easterly side of Macquesten Parkway North and the northerly side of Mount Vernon Avenue;

**RUNNING THENCE** northerly along the easterly side of Macquesten Parkway North, 120.36 feet to a point;

**RUNNING THENCE** easterly and forming a right angle with Macquesten Parkway North and through Lot No. 173 on the above-mentioned map, 126.01 feet to a point;

**RUNNING THENCE** southerly and forming a right angle with the last described line, 40.12 feet;

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**RUNNING THENCE** westerly and forming a right angle with the last described line, 0.13 feet to the easterly side of Lot No. 172;

**RUNNING THENCE** southerly and forming an interior angle of 270 degrees with the last described line, 80.24 feet to the division line between Lot No. 172 and Lot No. 171;

**RUNNING THENCE** westerly and along said division line, 125.88 feet to the point or place of **BEGINNING**.

**Exhibit B**

PILOT Mortgage



**Execution Version**

CITY OF MOUNT VERNON INDUSTRIAL DEVELOPMENT AGENCY

AND

QWEST TOWERS LLC

collectively, the Mortgagor

TO

CITY OF MOUNT VERNON INDUSTRIAL DEVELOPMENT AGENCY  
(on behalf of the City of Mount Vernon, Mount Vernon City School District, and the County of  
Westchester<sup>1</sup>),

the Mortgagee

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FEE AND LEASEHOLD PILOT MORTGAGE  
Securing a Principal Indebtedness of \$1,000,000.00

---

**Dated:**

As of June 1, 2025

**Street Address:**

1 North Macquesten Parkway and 25 North Macquesten Parkway  
Mount Vernon, New York

**Tax Map Number(s):**

Section: 164.68, Block: 1073, Lots 20, 21, 24, 25 and 26

**This Mortgage does not cover real property principally improved or to be improved by one or more structures containing in the aggregate not more than six residential dwelling units each having its own separate cooking facilities.**

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<sup>1</sup> The City of Mount Vernon Industrial Development Agency is the recipient of payments-in-lieu of taxes made by Qwest Towers LLC for the benefit of, and allocation to, the County of Westchester, the City of Mount Vernon and the Mount Vernon City School District, pursuant to the terms of that certain Payment In Lieu of Tax Agreement, dated as of June 1, 2025, by and between the City of Mount Vernon Industrial Development Agency and Qwest LLC, a copy of which is attached hereto as Exhibit B.

## **PILOT MORTGAGE**

THIS PILOT MORTGAGE made as of June 1, 2025 (as may be amended, supplemented and/or modified from time to time, the "Mortgage"), by and from the **CITY OF MOUNT VERNON INDUSTRIAL DEVELOPMENT AGENCY**, a public benefit corporation of the State of New York, with offices at Mount Vernon City Hall, 1 Roosevelt Square North, Mount Vernon, New York 10550 (the "Agency") and **QWEST TOWERS LLC**, a New York limited liability company with offices at 1250 Waters Place, PH1, Bronx, New York 10465 (the "Company"; and, together with the Agency, the "Mortgagors" and each a "Mortgagor"), to the **CITY OF MOUNT VERNON INDUSTRIAL DEVELOPMENT AGENCY**, as mortgagee (in such capacity, the "Mortgagee"), on behalf of and for the benefit of the Affected Taxing Jurisdictions (as defined in the below referenced PILOT Agreement) ultimately receiving the payments to be made under Section 3.3 of that certain Leaseback Agreement dated as of [June 1, 2025], by and between the Agency and the Company (as may be amended, supplemented and/or modified from time to time, the "Leaseback Agreement"), and the Payment In Lieu of Tax Agreement dated as of June 1, 2025, between the Agency and the Company (as may be amended, supplemented and/or modified from time to time, the "PILOT Agreement").

WITNESSETH, that this Mortgage is solely to secure the obligation of the Company to make all payments and perform all other obligations of the Company for the benefit of the Agency and the Mortgagee under Section 3.3 of the Leaseback Agreement, the PILOT Agreement, and payment and performance of the obligations described herein (collectively referred to as the "Obligations"). For the avoidance of doubt, the term Obligations only includes the *payment* Obligation under Section 3.3 of the Leaseback Agreement and under the PILOT Agreement (and the cost of enforcement of the lien thereof) that are, by operation of law, senior in the right to payment to other encumbrances on the Facility. The Mortgagors, each for themselves and not the other, hereby mortgage to the Mortgagee all right, title and interest of such Mortgagors in and to the following described property (the "Mortgaged Property"):

ALL of the respective Mortgagor's right, title and interest in and to that certain plot, piece or parcel of land, with the buildings and improvements thereon erected or to be erected, situated, lying and being in the City of Mount Vernon, Westchester County, New York, as more particularly described on **Exhibit A** attached hereto;

TOGETHER with all right, title and interest of the Mortgagors in and to the land lying in the streets and roads in front of and adjoining said premises in an amount equal to the aggregate of all unpaid and defaulted Obligations;

TOGETHER with all right, title and interest of the Mortgagors in and to all fixtures, furnishings, fittings, appliances, machinery, chattels and articles of personal property now or hereafter attached to or used in connection with said premises, together with any and all replacements thereof and additions thereto; and

BEING THE SAME PREMISES and interest therein leased by the Company to the Agency pursuant to that certain Lease Agreement, dated as of June 1, 2025 (as may be amended, supplemented and/or modified from time to time, the "Lease Agreement"), between Company as lessor, and the Agency as lessee, and which premises and interests therein are being leased by the

Agency back to the Company under the Leaseback Agreement, which such Lease Agreement and Leaseback Agreement, or memoranda thereof, are intended to be recorded in the office of the Westchester County Clerk prior to or contemporaneously with the recording of this Mortgage.

This Mortgage, when recorded, shall constitute a lien against each Mortgagor's right, title and interest in and to the Mortgaged Property (subject to all matters of record as of the date hereof) in an amount equal to any and all unpaid and defaulted Obligations up to a maximum amount of **One Million and 00/100 Dollars (\$1,000,000.00)** plus the cost of the enforcement of the lien hereof.

AND excluding from the Mortgaged Property the Agency's Unassigned Rights (as defined in the Leaseback Agreement).

AND the Mortgagors, each for itself and not the other, covenants and agrees with the Mortgagee as follows:

1. That the Company will timely perform all of its obligations under the Leaseback Agreement and the PILOT Agreement and will timely pay all amounts due thereunder. In addition, the Company will maintain or cause to be maintained in good condition and repair the buildings and improvements executed or to be executed on the Mortgaged Property, and shall not commit or permit waste or permit any nuisance to exist thereon. If the Leaseback Agreement is severed this Mortgage shall be severed such that each portion of the Facility (as defined in the Leaseback Agreement) separately developed by a severed version of the Leaseback Agreement are encumbered by the portion of the Mortgage lien that relates to the maximum annual payment to be made under Section 3.3 of the Leaseback Agreement with respect to the severed portion of the Facility to be developed. The aggregate amount secured by all mortgage liens severed hereunder shall not exceed the maximum amount originally secured by this Mortgage.

2. That if any action or proceeding be commenced (except an action to foreclose this Mortgage or to collect the debt secured thereby), to which action or proceeding the Mortgagee is made a party, or in which it becomes necessary to defend or uphold the lien of this Mortgage, all sums paid by the Mortgagee for the expense of any litigation to prosecute or defend the rights and lien created by this Mortgage (including reasonable counsel fees and all costs and disbursements incurred in connection with such litigation) shall be paid by the Company, together with late charges and interest, and any such sum and the interest thereon shall be a lien on the Company's right, title and interest in and to said Mortgaged Property, prior to any right, title to, interest in or claim upon said Mortgaged Property attaching or accruing subsequent to the lien of this Mortgage, and shall be deemed to be secured by this Mortgage. In any action or proceeding to foreclose this Mortgage, the provisions of law respecting the recovery of costs, disbursements and allowance shall prevail unaffected by this covenant.

3. The Mortgagee's enforcement of its rights under this Mortgage shall be expressly subject to the limitation that no such rights may be exercised until the Company shall be in default in the making of any payment of the Obligations and the Company (or Lender) has failed to cure within the periods provided under the terms of the Leaseback Agreement of the PILOT Agreement for a period extending beyond the expiration of any applicable cure period.

4. The Company shall name the Agency as an additional insured, as its interests may appear, on any policy of hazard insurance required to be carried in connection with the Mortgaged Property, until the amounts secured by this Mortgage are paid in full. Insurance and condemnation proceeds are payable in accordance with the Leaseback Agreement.

5. The obligations and agreements of the Agency contained herein and in any other instrument or document executed in connection herewith, and any other instrument or document supplemental hereto, shall be deemed the obligations and agreements of the Agency, and not of any member, officer, agent (other than the Company) or employee of the Agency in his individual capacity, and the members, officers, agents (other than the Company) and employees of the Agency shall not be liable personally hereon or be subject to any personal liability or accountability based upon or in respect hereto or of any transaction contemplated hereby. The obligations and agreements of the Agency contained herein shall not constitute or give rise to any obligations of the City of Mount Vernon or the State of New York, 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 sale or other disposition of the leasehold interests in the Facility.

Notwithstanding any provision of this Mortgage to the contrary, the Agency shall not be obligated to take any action pursuant to any provision hereof unless (A) the Agency shall have been requested to do so in writing by the Company or the Affected Tax Jurisdictions, and (B) compliance with such request is not reasonably expected to result in the incurrence by the Agency (or any member, officer, agent (except the Company) or employee of the Agency) of any liabilities, fees, expenses or other costs, unless the Agency shall have received from the Company or the Affected Tax Jurisdictions, as the case may be, security or indemnity satisfactory to the Agency, in its sole discretion, for protection against all such liabilities, however remote, and for the reimbursement of all such fees, expenses and other costs. This Mortgage shall in no way impair or adversely affect the Agency's Unassigned Rights.

6. An "Event of Default" as used herein shall have the meaning as set forth in the Leaseback Agreement.

7. (a) Subject to the provisions of the Leaseback Agreement and the provisions of Section 3 hereof, upon the occurrence and during the continuation of an Event of Default hereunder that continues beyond all applicable notice and cure periods, the Mortgagee may, in addition to any other rights or remedies available to it hereunder at law or in equity, take such action, as may be permitted by applicable law, as is necessary to protect and enforce its rights against each Mortgagor in and to the Mortgaged Property including, but not limited to, the following actions:

(i) Enter into or upon the Mortgaged Property, either personally or by its agents, nominees or attorneys, and dispossess the Company and its agents, employees and servants therefrom, and thereupon the Mortgagee may (A) use, operate, manage, control, insure, maintain, repair, restore and otherwise deal with all and every part of the Mortgaged Property and conduct the business thereat to the same extent and subject to the limitations applicable to the Company, (B) make alterations, additions, renewals,

replacements and improvements to or on the Mortgaged Property to the same extent and subject to the limitations applicable to the Company, and (C) exercise all rights and powers of the Company with respect to the Mortgaged Property, whether in the name of the Company or otherwise; the Mortgagors consent that in such instance the Mortgagee shall be its attorney-in-fact.

(ii) institute proceedings for the foreclosure of this Mortgage;

(iii) to the extent permitted by applicable law and the liens outstanding against the Mortgaged Property on the date hereof, sell or otherwise dispose of the Mortgaged Property or any part thereof and all estate, claim, demand, right, title and interest of the Mortgagors therein and rights of redemption thereof, pursuant to power of sale or otherwise, at one or more sales, in whole or in parcels, at such time and place, upon such terms and after such notice thereof as may be required or permitted by law, and in the event of a sale, by foreclosure or otherwise, of less than all of the Mortgaged Property, this Mortgage shall continue to the full extent permitted by applicable law as a lien on the remaining portion of the Mortgaged Property; or

(iv) pursue such other remedies as the Mortgagee may have hereunder, under applicable law or in equity.

(b) The avails of any sale or other disposition made under or by virtue of this Section 7, together with any other sums which then may be held by the Mortgagee under this Mortgage, whether under the provisions of this paragraph or otherwise, shall be applied as follows:

**First:** To payment of the costs and expenses, including, but not limited to, necessary repairs, improvements, or environmental remediations, of any such sale or other disposition including reasonable out-of-pocket costs of the Mortgagee, its agents and counsel, and of any judicial proceedings wherein the same may be made, and all expenses, liabilities and advances reasonably made or incurred by the Mortgagee under this Mortgage on all advances made by the Mortgagee, and all taxes required to be paid in connection with such sale or other disposition of the Mortgaged Property, except any taxes or other charges subject to which the Mortgaged Property shall have been sold;

**Second:** To the payment of the Obligations; and

**Third:** The surplus, if any, to the Company, or to whomsoever may be lawfully entitled to receive the same if not the Company upon ten (10) days prior notice to the Mortgagors.

(c) The Mortgagee may adjourn from time to time any sale by it under or by virtue of this Mortgage by announcement at the time and place appointed for such sale or for adjourned sale or sales and, except as otherwise provided by any applicable provision of law, the Mortgagee, without further notice or publication, may make such sale at the time and place to which the same shall be so adjourned.



(d) To the extent permitted by applicable law, no recovery of any judgment by the Mortgagee and no levy of an execution under any judgment upon the Mortgaged Property or upon any other property of the Mortgagors shall affect in any manner or to any extent the lien of this Mortgage upon the Mortgaged Property or any part thereof or any liens, rights, powers or remedies of the Mortgagee hereunder, but such liens, rights, powers and remedies of the Mortgagee shall continue unimpaired.

(e) Upon the occurrence and during the continuation of an Event of Default hereunder that continues beyond all notice and cure periods, the Mortgagors, if an occupant of the Mortgaged Property or any part thereof, shall upon the Mortgagee's demand immediately surrender possession of the Mortgaged Property (or the portion thereof so occupied) to the Mortgagee.

(f) Prior to exercising any remedy hereunder, any Lender and Investor Member, as defined in Sections 6.1(a) and 6.3(c), respectively, of the Leaseback Agreement between the Agency and the Company, shall be afforded notice and the cure rights set forth in such section, as if such sections were set forth in full herein and the Agency shall accept such cure, as if the same had been cured by the Company.

8. To the extent permitted by applicable law, no remedy herein conferred upon or reserved to the Mortgagee is intended to be exclusive of any other remedy or remedies, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute. No delay or omission of the Mortgagee in exercising any right or power accruing upon an Event of Default shall impair any such right or power or shall be construed to be a waiver of such Event of Default or any acquiescence therein and every power and remedy given by the Mortgage to the Mortgagee may be exercised from time to time as often as may be deemed expedient by the Mortgagee. Without limiting the generality of the foregoing, any payment made by the Mortgagee for insurance premiums, taxes, assessments, water rates, sewer rentals, levies, fees or any other charges affecting the Mortgaged Property shall not constitute a waiver of the Company's obligations in making such payments and shall not obligate the Mortgagee to make any further payments.

9. No Additional Waiver Implied by One Waiver. In the event any covenant or agreement contained in this Mortgage should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder. No waiver shall be binding unless it is in writing and signed by the party making such waiver. No course of dealing between the Mortgagee and the Company or any delay or omission on the part of the Mortgagee in exercising any rights hereunder or under any other document shall operate as a waiver.

10. Anything contained herein to the contrary notwithstanding (i) the Mortgagee hereby agrees that there shall be no recourse against the Agency for any liability to the Mortgagee arising in connection with any breach or default under this Mortgage or the Leaseback Agreement by the Company except to the extent the same is enforced against the rights, title and interest of the Agency in the Mortgaged Property and the Mortgagee shall look solely to the leasehold interest of the Agency relating to the Mortgaged Property in enforcing its rights against the Company under and in connection with this Mortgage or the Leaseback

Agreement, provided that (A) the foregoing provisions of this Section 10 shall not constitute a waiver, release or discharge of any of the obligations arising under, or of any of the terms, covenants, conditions, or provisions of, this Mortgage or the Leaseback Agreement, but the same shall continue until fully paid, discharged, observed, or performed, and (B) the foregoing provisions of this Section 10 shall not limit or restrict the right of the Mortgagee to name the Agency and/or the Company or any other Person as a defendant in any action or suit for a judicial foreclosure or for the exercise of any remedy under or with respect to this Mortgage or the Leaseback Agreement, or for injunction or specific performance. In addition, nothing contained in this Section 10 shall limit in any way the ability of the Mortgagee to enforce its rights or the rights of the Company against any person other than the Company under this Mortgage or the Leaseback Agreement.

11. The Agency agrees to cause this Mortgage to be recorded. To the extent the Agency is not exempt from the payment of any of the foregoing costs and expenses, the Company shall pay same.

12. All notices, certificates and other communication hereunder shall be in writing and shall be sufficiently given and shall be deemed given when (A) sent to the applicable address stated below by registered or certified mail, return receipt requested, or by a nationally recognized courier such as Federal Express, or by telecopy or other electronic means of communication, followed by prompt written confirmation thereof, or by such other means as shall provide the sender with documentary evidence of such delivery, or (B) 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 communication hereunder shall be delivered are as follows:

To the Agency: City of Mount Vernon Industrial Development Agency  
Mount Vernon City Hall  
1 Roosevelt Square North  
Mount Vernon, New York 10550  
Attn: Robin Mack  
Email: [RMack@ci.mount-vernon.ny.us](mailto:RMack@ci.mount-vernon.ny.us)

With a copy to: Harris Beach Murtha Cullina PLLC  
99 Garnsey Road  
Pittsford, New York 14534  
Attn: Christopher A. Andreucci, Esq.  
Email: [candreucci@harrisbeach.com](mailto:candreucci@harrisbeach.com)

To the Company: Qwest Towers LLC  
1250 Waters Place, PH1  
Bronx, New York 10465  
Attn: Joseph Simone



With a copy to: Stagg Group  
P. O. Box 9  
Purchase, New York 10577  
Kathleen Bradshaw, Esq.  
Email: [KBradshaw@stagggroup.com](mailto:KBradshaw@stagggroup.com)

And to: Simone Development Companies  
1250 Waters Place  
Bronx, New York 10461  
Attn: Brian Reardon, Vice President - Development  
E-Mail: [breardon@simdev.com](mailto:breardon@simdev.com)

And to: Goldstein Hall PLLC  
80 Broad Street, Suite 303  
New York, New York 10004  
Attn: Jason Labate  
E-mail: [jlabate@goldsteinhall.com](mailto:jlabate@goldsteinhall.com)

To the Lender: Bank of America  
Community Development Banking  
One Bryant Park, NY1-100-34-05  
New York, New York 10036  
Attn: Lisa Awaya  
Email: [lisa.awaya@bofa.com](mailto:lisa.awaya@bofa.com)

With a copy to: Sidley Austin LLP  
787 Seventh Avenue  
New York, NY 10019  
Attn: Aviva Yakren, Esq.  
Email: [ayakren@sidley.com](mailto:ayakren@sidley.com)

If to the Investor Member: Red Stone Equity – Fund 109 Limited Partnership  
90 Park Avenue, 28th Floor  
New York, NY 10016  
Attn: Chris Murray, Managing Director Acquisitions  
Email: [chris.murray@rsequity.com](mailto:chris.murray@rsequity.com)

With a copy to: Applegate & Thorne-Thomsen, P.C.  
425 S. Financial Place, Suite 190  
Chicago, IL 60605  
Attn: Bennett P. Applegate Sr., Esq.  
Email: [bapplegate@att-law.com](mailto:bapplegate@att-law.com)

Any party, by notice given hereunder to each of the other parties, may designate any further or different address to which subsequent notices, certificates or other communications to them shall be sent. Any notice hereunder may be given by counsel for a party with the same

force and effect as if given by such party. Failure by the Agency to provide notice to the Investor Member shall not waive the Agency's rights and remedies under this Mortgage and shall not subject the Agency to any liability whatsoever.

13. Terms with capitalized first initials used in this Mortgage shall have the meanings ascribed to such terms in the Leaseback Agreement unless the context otherwise requires. The word "Mortgagor" shall be construed as if it read "Mortgagors" whenever the sense of this Mortgage so requires. The word "Mortgagee" shall be construed as if it read "Mortgagees" whenever the sense of this Mortgage so requires.

14. The Mortgagors agree that it will not, at any time, insist upon or plead in any way the advantage of any appraisal, valuation, stay, marshaling of assets, extensions, redemption or moratorium law now or hereafter in force and effect so as to prevent, hinder or delay the enforcement of the provisions of this Mortgage or any rights or remedies, including foreclosure proceedings, the Mortgagee may have hereunder or by law or equity.

15. The Company represents and warrants that the Company has a good and insurable fee interest in the Mortgaged Property and that the Agency has a good and insurable leasehold interest in the Mortgaged Property pursuant to the Lease Agreement.

16. In the case of a foreclosure sale, the Mortgaged Property may be sold in one parcel.

17. This Mortgage may not be effectively waived, discharged, amended, changed, modified, altered or terminated, unless such amendment, change, modification, alteration or termination is in a writing intended for such purpose and executed by the Mortgagee and the Mortgagors.

18. If any article, section, subdivision, paragraph, sentence, clause, phrase, provision or portion of this Mortgage shall for any reason be finally held or adjudged to be invalid or illegal or unenforceable by any court of competent jurisdiction, such article, section, 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 Mortgage shall be and remain in full force and effect and shall not be invalidated or rendered illegal or unenforceable or otherwise affected by any such holding or adjudication.

19. This Mortgage shall be governed by and construed in accordance with the laws of the State of New York, exclusive of New York's conflict of laws, rules and public policies. This Mortgage constitutes the final expression of the agreement between the Mortgagors and the Mortgagee with respect to its subject matter, and all prior and contemporaneous discussions, negotiations, drafts and agreements are hereby merged into and superseded by this Mortgage. Notwithstanding the foregoing, it is expressly agreed that the Leaseback Agreement and each of the Company's obligations thereunder shall survive the execution, delivery and recording of this Mortgage.

20. If any action or proceeding be commenced by or on behalf of the Mortgagee to foreclose this Mortgage, the Company agrees to pay to the Mortgagee its reasonable attorneys' fees and other expenses incurred in connection with such action or proceeding, and such amounts

shall be a lien on the Mortgaged Property prior to any right or title to, or interest in, or claim upon the Mortgaged Property attaching or accruing subsequent to the lien of this Mortgage.

21. The rights of the Mortgagee under this Mortgage are independent of and cumulative to its rights, with respect to the collection of special assessments and special ad valorem levies, if any, lawfully assessed against the Mortgaged Property or any part thereof.

22. This Mortgage constitutes a security agreement under the New York Uniform Commercial Code ("UCC") with respect to any portion of the Mortgage Property which is personal property and the Mortgagee shall have all of the rights and remedies of a secured party thereby in addition to the rights and remedies granted by other applicable law or by this Mortgage. The Mortgagors agree to execute a UCC-1 Financing Statement to implement this provision.

23. So long as any portion of the obligations of the Company under the Leaseback Agreement shall remain outstanding, title to the Mortgaged Property and the lien of this Mortgage shall not merge, but shall always be kept separate and distinct.

24. The covenants contained in this Mortgage shall run with the land and bind the Mortgagors, and all subsequent owners, encumbrances, tenants and subtenants of the premises, and shall inure to the benefit of the Mortgagee, the personal representatives, successors and assigns of the Mortgagee and all subsequent holders of this Mortgage.

25. Upon the termination of the Leaseback Agreement and the payment in full of all sums payable thereunder, the Mortgagee by acceptance of this Mortgage agrees to execute and deliver any and all instruments necessary and/or appropriate to discharge the lien of this Mortgage of record.

26. Severability. If this Mortgage contains any unlawful provision not an essential part of this Mortgage and which shall not appear to have been a controlling or material inducement to the making thereof, the same shall be deemed of no effect and shall, upon notice by either party, be deemed stricken from this Mortgage without affecting the binding force of the remainder.

27. Section Headings. Section headings are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope or intent of this Mortgage and in no way affect this Mortgage.

28. Maximum Principal Amount Secured by the Mortgage. Anything contained in this Mortgage to the contrary notwithstanding, this Mortgage secures the payment of \$1,000,000.00 lawful money of the United States of America, individually or in the aggregate, together with the cost of enforcement of the lien hereof.

29. Discharge. This Mortgage and the lien and security interest created hereby shall be of no further force and effect, and the Agency (in its capacity as grantor of this Mortgage) and the Company shall be released from their respective covenants, agreements and obligations contained in this Mortgage upon the indefeasible payment in full of all of the Obligations and all

other sums secured by this Mortgage, or such earlier date that a letter of credit in form acceptable to the Agency securing the Obligations is provided.

30. Partial Release. This Mortgage shall be released for parcels being conveyed in a manner that releases them from the Leaseback Agreement.

31. Trust Fund; Lien Law. This mortgage is subject to the trust fund provisions of the New York Lien Law including, without limitation, Section 13 thereof.

32. Effective Date; Counterparts. This Agreement shall become effective on the Closing Date. It may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

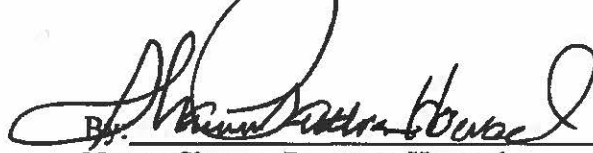
33. Priority of Payment. Notwithstanding any provision to the contrary, this Mortgage shall be subordinate to the lien of any Approved Lien (as defined in the Leaseback Agreement); *provided, however*, said subordination of the lien of this Mortgage is expressly conditioned upon the Obligations, as defined herein, having a priority right of payment over amounts payable under any Approved Lien.

*[Remainder of Page Intentionally Left Blank]*

[Signature Page to PILOT Mortgage – 1 of 2]

IN WITNESS WHEREOF, the parties have caused this Mortgage to be executed in their respective names, all as of the date first above written.

**CITY OF MOUNT VERNON INDUSTRIAL  
DEVELOPMENT AGENCY**

  
By: \_\_\_\_\_

Name: Shawyn Patterson-Howard

Title: Chairperson

STATE OF NEW YORK

)

) ss.:

COUNTY OF WESTCHESTER

)

On the 11<sup>th</sup> day of June, in the year 2025, before me, the undersigned, personally appeared **SHAWYN PATTERSON-HOWARD**, 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.

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


**JOHAN S. POWELL**  
NOTARY PUBLIC, New York State  
No. 02P06345179  
Commission Expires July 18, 2026

[Signature Page to PILOT Mortgage – 2 of 2]

**QWEST TOWERS LLC,**  
a New York limited liability company

By: Qwest Affordable Managing Member LLC, its  
Managing Member

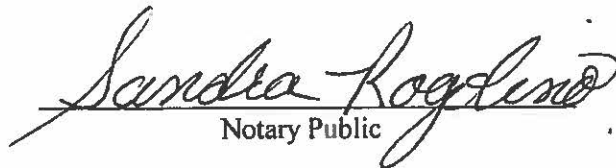
By:

  
Name: Joseph Simone

Title: Authorized Signatory

STATE OF NEW YORK )  
                                  *Bronx* ) ss.:  
COUNTY OF ~~WESTCHESTER~~ )

On the 11<sup>th</sup> day of June, in the year 2025, before me, the undersigned, personally appeared **Joseph Simone**, 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.

  
Notary Public

SANDRA ROGOLINO  
Notary Public, State of New York  
No. 01RO0012122  
Qualified in Westchester County  
Commission Expires August 16, 2027



**Exhibit A**

Land Description

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**SCHEDULE A**

Policy No: PROFORMA  
File No.: BTA83723

**LEGAL DESCRIPTION****COMPOSITE DESCRIPTION FOR TAX LOT 20 and TAX LOT 21:**

**ALL** that certain plot, piece or parcel of land, situate, lying and being in the City of Mount Vernon, County of Westchester and State of New York, known and designated as a portion of Lot No. 169 and a portion of Lot No. 168 on a certain map entitled, "Map of West Mount Vernon lying in the Town of Eastchester, County of Westchester and State of New York, dated June 27, 1851 and filed in the Register's Office of Westchester County, now County Clerk's Office of Westchester County, Division of Land Records, May 1, 1852 as Map No. 151, which when taken together, are bounded and described as follows:

**BEGINNING** at the corner formed by the intersection of the northerly side of Mount Vernon Avenue with the easterly side of Macquesten Parkway North (formerly North Railroad Avenue); and

**RUNNING THENCE** along the said northerly side of Mount Vernon Avenue in a general easterly direction, a distance of 85.50 feet to a point;

**RUNNING THENCE** in a general northerly direction through Lot No. 168 on a line drawn at right angles to said side of Mount Vernon Avenue, a distance of 80.24 feet to a point;

**RUNNING THENCE** from said point and in a general easterly direction and forming an interior angle with the last described line of 270 degrees, a distance of 14.50 feet to a point;

**RUNNING THENCE** from said point and in a general northerly direction and at a right angle with the last described line, a distance of 80.24 feet to the division line of Lot No. 169 and Lot No. 170 on said map;

**RUNNING THENCE** along said division line and in a general westerly direction, 100.00 feet to a point on the easterly side of Macquesten Parkway North;

**RUNNING THENCE** in a general southerly direction along said side of Macquesten Parkway North, a distance of 160.48 feet to the point or place of **BEGINNING**.

**COMPOSITE DESCRIPTION FOR TAX LOT 24, TAX LOT 25 and TAX LOT 26:**

**ALL** that certain plot, piece or parcel of land, situate, lying and being in the City of Mount Vernon, County of Westchester and State of New York, known as Lot No. 172 and the southwesterly half of Lot No. 173, on a certain map entitled, "Map of West Mount Vernon, lying in the Town of Eastchester, Westchester County, New York" filed for the Teutonia Homestead Association, by Gustavus A. Sacchi, dated June 25, 1851, and filed in the Office of the Register of Westchester County May 1, 1852 as Map No. 151, which when taken together, are bounded and described as follows:

**BEGINNING** at a point on the easterly side of Macquesten Parkway North, said point being northerly 320.96 feet from the intersection of the easterly side of Macquesten Parkway North and the northerly side of Mount Vernon Avenue;

**RUNNING THENCE** northerly along the easterly side of Macquesten Parkway North, 120.36 feet to a point;

**RUNNING THENCE** easterly and forming a right angle with Macquesten Parkway North and through Lot No. 173 on the above-mentioned map, 126.01 feet to a point;

**RUNNING THENCE** southerly and forming a right angle with the last described line, 40.12 feet;

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**RUNNING THENCE** westerly and forming a right angle with the last described line, 0.13 feet to the easterly side of Lot No. 172;

**RUNNING THENCE** southerly and forming an interior angle of 270 degrees with the last described line, 80.24 feet to the division line between Lot No. 172 and Lot No. 171;

**RUNNING THENCE** westerly and along said division line, 125.88 feet to the point or place of **BEGINNING**.

**Exhibit B**

PILOT Agreement

[Attached]

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