

Confidential

June 23, 2014

PERSONAL AND CONFIDENTIAL

Maxon Alco Holdings, LLC
695 Rotterdam Industrial Park
Schenectady, New York 12306
Attention: Mr. David M. Buicko
Chief Operating Officer/President

Re: Mohawk River Site (Former American
Locomotive Co. Property), Schenectady, New York

Dear Mr. Buicko:

Rush Street Gaming, LLC, a Delaware limited liability company or an affiliate with comparable or greater assets, liquidity and net worth equal to that of, or whose obligations will be guaranteed by, Rush Street Gaming, LLC (such entity is referred to herein as "**CRG**"), is interested in acquiring a leasehold interest in a parcel of property (the "**Property**"), containing approximately twenty-five (25) acres and located on the Mohawk River, near the intersection of Erie Boulevard and Nott Street, in Schenectady, New York, from Maxon Alco Holdings, LLC, an affiliate of the Galesi Group of Companies ("**Galesi**"). The Property is part of a larger site containing approximately fifty-seven (57) acres. The parties will cooperate with one another in good faith so as to agree on the boundaries of the Property generally to accommodate the site plan, dated June 22, 2014, attached hereto as **Exhibit A**, which may be modified hereafter.

This letter is binding upon Galesi and CRG. The parties contemplate entering into the Lease (described below) and such other binding agreements as may be necessary to consummate the transaction described in this letter (the "**Definitive Agreements**"). The execution and delivery of the Definitive Agreements will occur on a date determined by the parties but in any event not later than necessary to satisfy the requirements of the Gaming Commission (as hereinafter defined), other applicable governmental bodies and the Act (as hereinafter defined).

1. The Project. (a) CRG contemplates applying for a casino license (a "**Casino License**") pursuant to the Upstate New York Gaming Economic Development Act of 2013 (as amended from time to time, the "**Act**") from the New York State Gaming Commission (the "**Gaming Commission**") for a Gaming Facility (as defined by the Act). The Gaming Facility encompasses a casino (including related front-of-house and back-of-

house venues and facilities, collectively, the "**Casino**"), a hotel and parking, and the proposed Gaming Facility to be built in Schenectady, New York (which is in Region 2 of New York State) as contemplated herein shall be referred to as the "**Project**". "**Region Two**" is comprised of Albany, Fulton, Montgomery, Rensselaer, Saratoga, Schenectady, Schoharie and Washington Counties.

(b) For purposes of this letter, with respect to the site plan in **Exhibit A**, the Casino, the surface parking lot and the Casino's share of the parking structure and onsite improvements as discussed herein and as contemplated by the parties are referred to as the "**Casino Improvements**". The hotel and its share of the parking structure and onsite improvements as discussed herein and as contemplated by the parties are referred to as the "**Hotel Improvements**". The Hotel Improvements include the third level of the parking structure above surface grade to be owned by Galesi as discussed further herein. The Casino Improvements plus the Hotel Improvements comprise the Project.

[REDACTED]

2. Property Lease. (a) Upon CRG being selected to be awarded a Casino License, Galesi and CRG will work in good faith to execute and deliver a lease (the "**Lease**") in a timely fashion in accordance with the second paragraph in the preamble above. The Lease will be subject to Galesi's right to develop and own the Hotel Improvements. The Lease will provide that if the Casino License is not awarded by the Gaming Commission within two (2) years following the selection of CRG and the Project by the Gaming Facility Location Board, then either party shall have the right to terminate the Lease. Pursuant to the Lease, Galesi will lease the Property to CRG for a term of seventy (70) years (the "**Term**"), with the right in favor of CRG at any time prior to expiration, on not less than three hundred sixty-five days prior written notice, to extend the Term for an additional twenty-nine (29) years (the "**Extended Term**"). Except for additional payments owed with respect to the 407 Land as hereinafter provided in Paragraph 2(b), rent will be payable under the Lease

[REDACTED]

[REDACTED] in equal installments. [REDACTED]

[REDACTED] The Lease will be a so-called "triple net lease" whereby CRG, as lessee, will pay all real estate taxes, assessments, charges and impositions (collectively "**Assessments**") accruing from and after the rent commencement date; [REDACTED]

[REDACTED] The Lease (or if agreed by the parties, a separate agreement) will include two (2) purchase options in favor of CRG, [REDACTED]

(b) Galesi owns the real property and improvements located at 407 Front Street, Schenectady, New York and intends to acquire the leasehold interest of CRM Properties, LLC ("**CRM**") in and to the property, together with ownership of the building owned by CRM on such property (collectively, the "**407 Property**"), as described and defined in that certain purchase agreement (the "**407 Purchase Agreement**"), dated as of May 23, 2014, between Galesi and CRM. A copy of the 407 Purchase Agreement is attached to this letter as **Exhibit B**. If Galesi acquires the 407 Property, the land (the "**407 Land**") described in Schedule 1 to the 407 Purchase Agreement will become part of the Property that will be leased by Galesi to CRG pursuant to the Lease, [REDACTED]

[REDACTED] a)
[REDACTED] It is the understanding of the parties that both Galesi and CRG will release and or subordinate their respective interests in the 407 Land in a manner sufficient to allow for the dedication of the contemplated roadway and utility easements as generally suggested in **Exhibit A** attached hereto and made a part hereof. Galesi will, at its expense, demolish any structures located on the 407 Land and perform all required environmental remediation of the 407 Land. [REDACTED]

[REDACTED]

[REDACTED] At CRG's election, it shall have the right at any time to acquire whatever interest Galesi has in the 407 Property or 407 Land [REDACTED]

[REDACTED]

3. Project Development.

(a) Galesi will work in good faith with CRG to obtain land use and other approvals as are required or advisable to develop the Project, including a new zoning classification for the Property at CRG's election.

(b) CRG will be exclusively responsible for attempting to obtain the Casino License, engaging architects, engineers and other consultants to plan and design the Project, and selecting the general contractor and development manager to cause the Project to be constructed in accordance with plans and specifications prepared at the direction, and subject to the approval, of CRG. CRG will provide Galesi with the opportunity to consult with CRG regarding the exterior appearance and location of the Casino. In furtherance of the pursuit of the Casino License and planning and development of the Project, Galesi will provide information and attend meetings and hearings before the Gaming Commission and other governmental bodies as may be reasonably requested by CRG.

(c) Galesi is responsible for creating a clean, clear site, demolishing any existing improvements on the Property and performing any necessary environmental remediation, at Galesi's expense.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

(h) CRG and Galesi will work in good faith to coordinate the design, permitting and construction of the Project [REDACTED] CRG will design all vertical improvements on the site, except that Galesi will design the hotel subject to CRG's reasonable approval. The design of the parking structure is addressed below.

(i) The parties anticipate the construction of a four-level parking structure, with a capacity of approximately 320 automobiles per level, comprised of one parking level at surface grade and three parking levels above the surface grade. At present, the parking structure is expected to be a condominium (or comparable alternative legal structure), with CRG owning the surface level and first two parking levels above the surface grade and Galesi owning the third parking level above the surface grade. CRG will be entitled to exclusively control access to and use of the surface level and the first level above the surface level, and the remainder of the parking structure will be available to guests of the Project (including the Casino Improvements and Hotel Improvements) and retail/residential uses on the approximately fifty-seven acre site shown in **Exhibit A** (exclusive of the Property). The parking structure will be constructed so as to permit the construction of a fourth level above

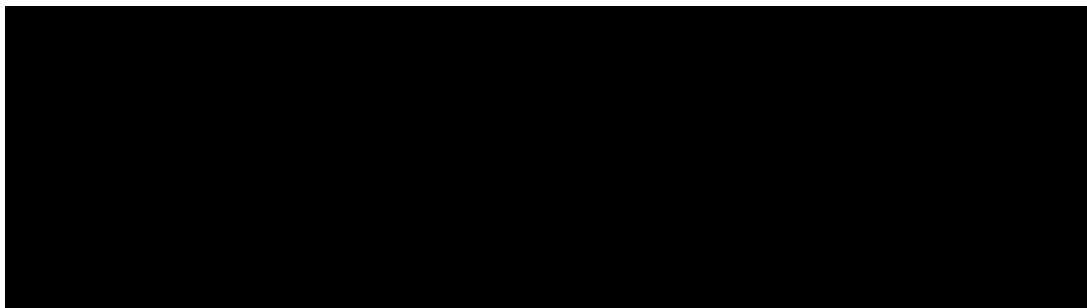
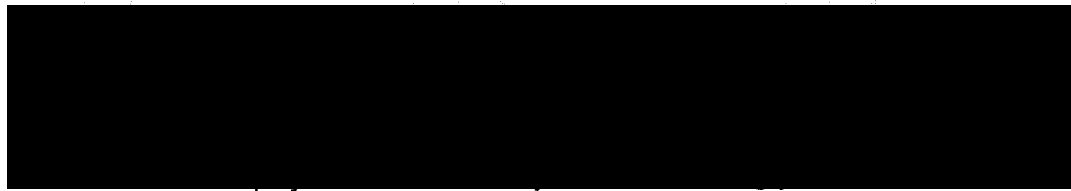
grade if Galesi and CRG determine that an additional parking level is necessary or appropriate. Subject to Galesi's reasonable approval, CRG will design the parking structure. The parties will work together in good faith to construct the parking structure. CRG will manage the parking operations of the entire parking structure, and Galesi will pay a reasonable fee for CRG to manage its portion of the parking structure. Each party will bear its pro rata share of the costs associated with construction and operation of the parking structure based on total costs multiplied by a fraction the numerator of which is the number of parking spaces owned by the party in question and the denominator of which is the total of parking spaces in the parking structure.

(j) If CRG is awarded a Casino License for the Project, Galesi will have an obligation to develop and own the Hotel Improvements on the Property in a location generally as depicted in **Exhibit A** in satisfaction of the conditions of the Casino License. The ownership, location, development and operation of the hotel and related facilities will be subject to the review and approval of CRG and Galesi. The hotel will include an indoor or outdoor swimming pool, as determined by Galesi. CRG and Galesi contemplate creating a condominium ownership structure (or comparable alternative legal structure) between the hotel and the Casino, provided that the ownership of the parking structure will be as set forth in Paragraph 3(f). In the event that Galesi desires to sell the Hotel Improvements at any time, CRG will have a right of first opportunity to acquire same.

4. Project Capitalization and Ownership.

(a) CRG and Galesi will cooperate with one another in good faith to arrange the construction financing and satisfy the requirements of the construction lender(s). The construction financing may be comprised of a single loan or multiple loans with respect to different portions of the developments on the Property (individually and collectively, as appropriate for the context, the "**Construction Financing**"), and there may be one or more construction lenders (individually and collectively, as appropriate for the context, the "**Construction Lender**").

(b) 



(e) Depending on the requirements of the Construction Lender, the fee interest in the Property may serve as collateral for all of the Project financing. The Casino Improvements will not serve as collateral for the Construction Financing of the Hotel Improvements, and the Hotel Improvements will not serve as collateral for the Construction Financing of the Casino Improvements.

(f) Subject to the foregoing provisions of this Section 4, the existing fee mortgage (as amended and replaced from time to time) may remain in place during the Term of the Lease. This mortgage will not encumber CRG's leasehold interest. At CRG's election, Galesi will use best efforts to obtain a subordination, non-disturbance and attornment agreement with respect to the Lease or an acknowledgment that the Lease is superior to the lien of any such mortgage.

(g) Upon completion of the Hotel Improvements and the Casino Improvements, the parties will work in good faith to repay the Construction Financing with permanent financing (individually and collectively, as appropriate for the context, the "**Permanent Financing**"). The Hotel Improvements will not be collateral for the Permanent Financing for the Casino Improvements, and the Casino Improvements will not be collateral for the Permanent Financing for the Hotel Improvements.

(h) If Galesi defaults (beyond the expiration of applicable grace or notice and cure periods) under either the Construction Financing or the Permanent Financing for the Hotel Improvements, CRG will have the right to step in and cure such default, and if curing involves a payment, then, to the extent permitted by the Construction Financing or Permanent Financing, as applicable, the payment will be secured by a mortgage on

the Hotel Improvements (which will be subordinate to the Construction Financing or Permanent Financing, as applicable). If CRG defaults (beyond the expiration of applicable grace or notice and cure periods) in the obligation to pay debt service under either the Construction Financing or the Permanent Financing for the Casino Improvements, then, subject to the approval of the Gaming Commission and the lender providing the Construction Financing or Permanent Financing, as applicable, Galesi will have the right to step in and cure such default, and to the extent permitted by the Gaming Commission and the Construction Financing or Permanent Financing, as applicable, the payment will be secured by a mortgage on the Casino Improvements (which will be subordinate to the Construction Financing or Permanent Financing, as applicable).

(i) Upon the exercise by CRG of its option to acquire title to the Casino Improvements pursuant to Section 2(a), [REDACTED]

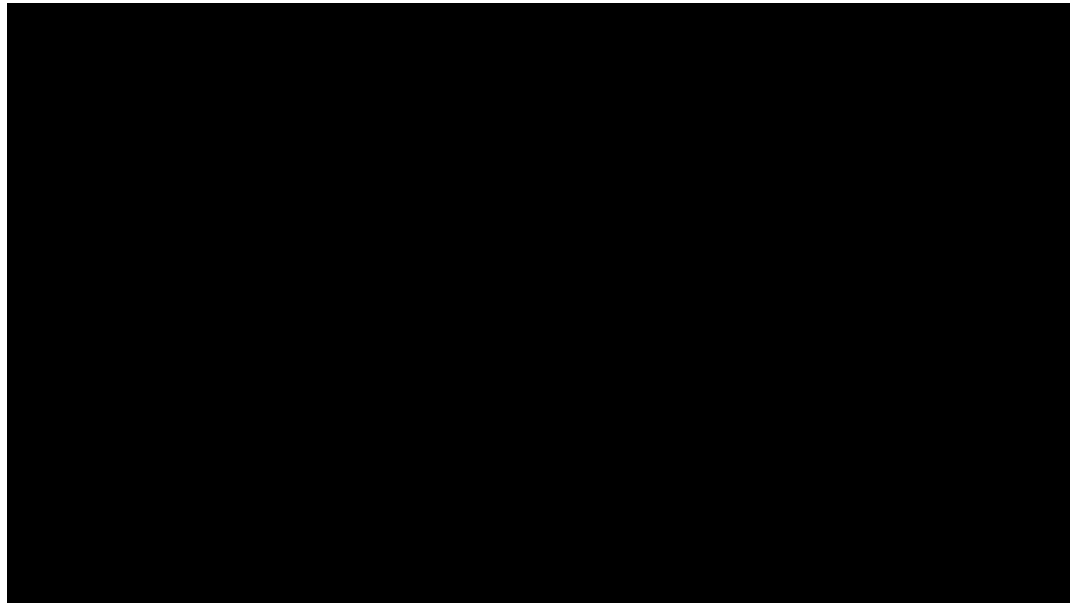
[REDACTED] Galesi will convey title to the Casino Improvements to CRG, and CRG will pay the Purchase Price. Upon acquisition of the Casino Improvements by CRG, CRG will endeavor to obtain a release of all Galesi related entities from any future liability arising under the Construction Financing or Permanent Financing that remains in place and relates to the Casino Improvements, [REDACTED]

5. Diligence. Galesi will provide CRG with its records regarding the Property, including third party reports, engineering reports, environmental studies, title insurance policies, leases and surveys. Galesi will provide CRG with access to the Property at all reasonable times in order for CRG to conduct its diligence and testing.
6. Conveyance and Title. At inception of the Lease, title to the Property will be marketable and will not be subject to liens, covenants or encumbrances, except as approved by CRG. CRG acknowledges having been informed of tax liens that affect title to the Property, and Galesi will remove, satisfy, subordinate and/or insure over the tax liens so as to facilitate the Construction Financing. From and after the date of this letter, Galesi will not sell, lease or encumber the Property (other than as contemplated by this letter). At the appropriate time, the Property will be subdivided, as necessary, in order to constitute one or more separate legal parcels. The Lease and liens securing the Construction Financing for the Casino Improvements will be insured, at CRG's expense, by a title insurer selected by CRG, in accordance with title insurance policies approved by CRG and the Construction Lender for the Casino Improvements. The liens securing the Construction Financing for the

Hotel Improvements will be insured, at Galesi's expense, by a title insurer selected by Galesi, in accordance with title insurance policies approved by Galesi and the Construction Lender for the Hotel Improvements.

7. Plat of Survey. Galesi will provide CRG with any surveys and site plans in its possession. CRG will be entitled to obtain an acceptable ALTA/ACSM survey (the "**Survey**") and update it from time to time.
8. Expenses. Each party will bear its own costs and expenses of entering into this letter and the Definitive Agreements. Without limitation on the foregoing, the costs of each party's consultants, including, without limitation, its lobbyists, attorneys and public relations firms, will be borne by the party engaging such consultants, provided, however, the parties may agree to share the costs of certain consultants.
9. Documents and Tax Planning. The parties will cooperate with one another in good faith so as to create the most efficient tax structure.

10.



11. Casino Participation and Management.

(a) Francesco Galesi has an option, [REDACTED] to acquire, [REDACTED] interest in CRG. David Buicko has an option, to acquire, [REDACTED] interest in CRG.

[REDACTED]

As a condition to acquiring any or all of the interests, the following conditions must be satisfied: (i) CRG must have successfully completed, to its reasonable satisfaction, appropriate background investigations of Messrs. Buicko and Galesi, and (ii) the Gaming Commission must have made a finding of suitability allowing ownership by Messrs. Buicko and Galesi of interests in CRG.

(b) [REDACTED]
[REDACTED] Messrs. Buicko and Galesi will not receive any portion of the management fee income.

(c) As passive investors, either directly or indirectly, in CRG, Messrs. Buicko and Galesi will not have any right to participate in management or decisions affecting the Project. The respective operating agreement to which Messrs. Buicko and Galesi will be parties will contain customary provisions for a transaction of this nature.

12. Miscellaneous.

(a) [REDACTED]
[REDACTED]
[REDACTED]

13. No Broker. Other than any real estate broker that a party may wish to engage and pay at its own cost and expense, each party represents and warrants to the other that no real estate broker is entitled to any payment or commission in connection with the transactions described in this letter or the acquisition of a leasehold interest in the Property by CRG. Each

party will indemnify and hold the other party harmless from any claim, liability, loss or damage resulting from the indemnifying party's breach of the foregoing representation and warranty.

14. Term. The rights and obligations of the parties hereunder will commence on the date hereof and expire on that date (the "**Agreement Term**") which is the earliest of (a) the third anniversary of the date of this letter if CRG has not been selected to be awarded the Casino License, (b) one year after the date that the last Casino License that could be awarded under the Act in Region Two has been awarded, (c) termination of this letter pursuant to Paragraph 15, or (d) the occurrence of the last date that an application for the Casino License can be filed and CRG has failed to apply for such Casino License.
15. Exclusivity. During the Agreement Term, CRG, Galesi, Messrs. Buicko and Galesi and their respective affiliates will work exclusively together to pursue a Casino License in Region Two. Further, CRG, Galesi, Messr. Buicko and Galesi and their respective affiliates will not, prior to expiration of the Agreement Term, attempt to acquire any interest in or develop a casino in Region Two, except as described in this letter. Notwithstanding anything to the contrary contained herein, CRG may at any time determine that it no longer desires to pursue the Project on the Property, and at such time it can terminate this letter and all obligations of the parties hereunder.
16. Confidentiality. CRG and Galesi shall keep the terms of this letter confidential, together with any non-public information that may be shared by the parties or their affiliates during the negotiation of the documents relating to the pursuit of the Casino License and the acquisition, ownership, development and operation of the Project, except that the parties hereto may disclose such information to (a) the Schenectady Metroplex Development Authority, (b) the Gaming Commission, as may be necessary to obtain the Casino License, (c) another governmental body, in order to obtain approvals in conjunction with the Casino License, or owning, developing or operating the Project, (d) such persons and entities as may be required by law, court order or subpoena, and (e) their respective directors, officers, employees, consultants, attorneys, accountants, agents, advisors, investors and lenders. The parties understand that they will want to issue press releases and make public statements from time to time. Press releases and public statements will be made by CRG, following consultation with Galesi, at such time as CRG determines to be appropriate.
17. Recordation. Notwithstanding the provisions of Paragraph 16, at CRG's election, a memorandum (in form and content acceptable to Galesi in the

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Maxon Alco Holdings, LLC
June 23, 2014
Page 13

exercise of Galesi's commercially reasonable judgment) describing the existence of this letter may be recorded against the Property, provided however that prior to recording any such memorandum, CRG shall have executed and delivered into escrow with counsel to Galesi a document in form acceptable to both CRG and Galesi in the exercise of their commercially reasonable business judgment, terminating such memorandum of record, such termination document to be released from escrow and recorded, at CRG's sole cost and expense, in the event that this letter becomes no longer binding on the parties hereto.

18. Integration. This letter, along with the attached Exhibits, encompasses the entire agreement of the parties, and supersedes all previous understandings and agreements between the parties, whether oral or written.

If the terms of the transaction outlined in this letter are agreeable, please sign and return a copy of this letter to the undersigned.

Very truly yours,

RUSH STREET GAMING, LLC

By: 


Agreed and Accepted this ____
day of June, 2014.

Maxon Alco Holdings, LLC,
a LLC limited liability company

By: 

Name: David M. Buicko
Title: Authorized Representative

DAVID M. BUICKO


David M. Buicko

FRANCESCO GALESI

Francesco Galesi

Confidential

Maxon Alco Holdings, LLC
June 23, 2014
Page 13

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Very truly yours,

RUSH STREET GAMING, LLC

By: _____

Agreed and Accepted this ____
day of June, 2014.

Maxon Alco Holdings, LLC,
a limited liability company

By: _____
Name: David M. Buicko
Title: Authorized Representative

DAVID M. BUICKO

David M. Buicko

FRANCESCO GALESÌ

Francesco Galesi

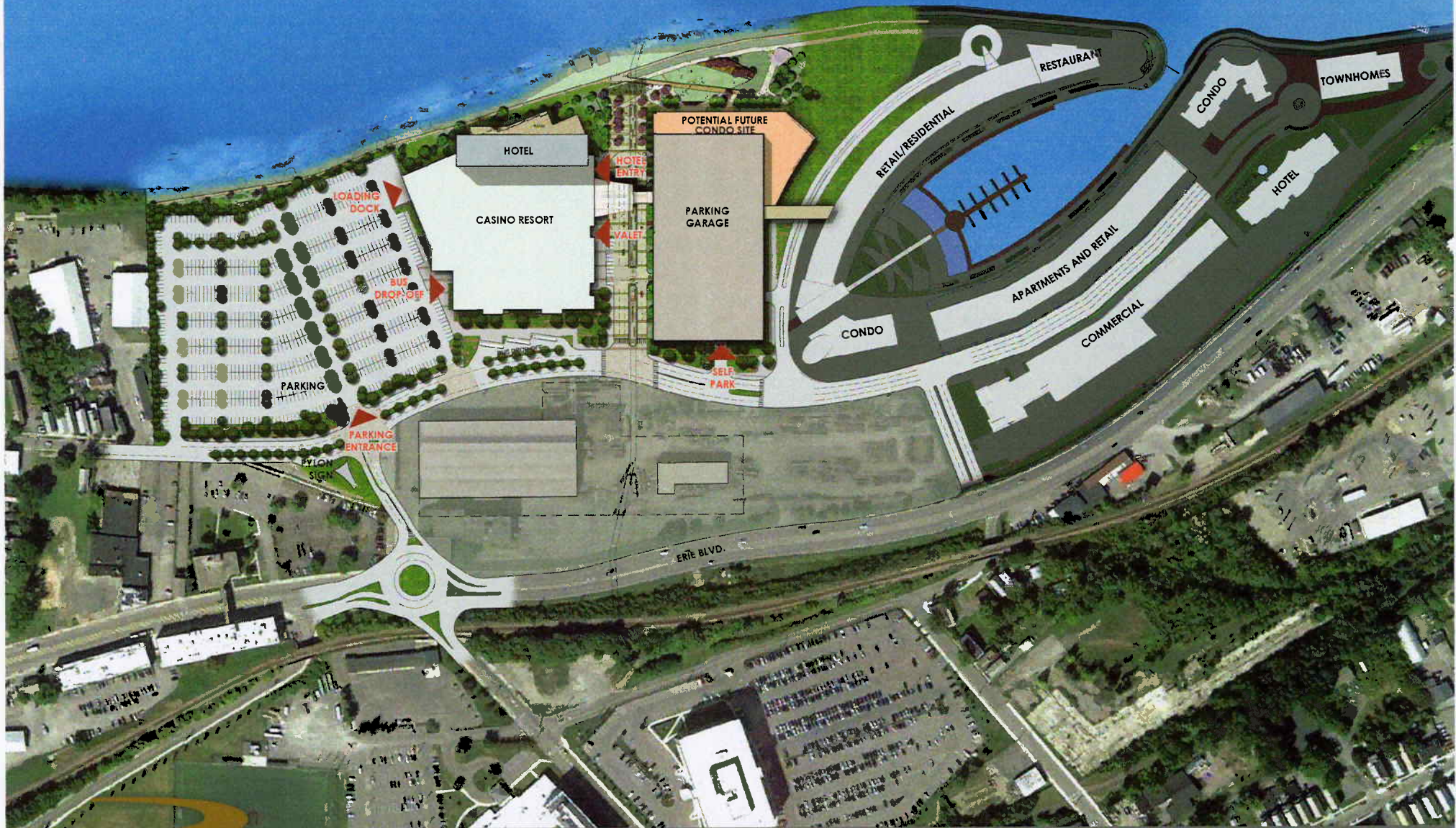
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EXHIBIT A

SITE PLAN

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MOHAWK RIVER



JUNE 22, 2014

RIVERS
CASINO RESORT
AT MOHAWK HARBOR



SITE PLAN

KLAI JUBA WILD
ARCHITECTS

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EXHIBIT B

407 PURCHASE AGREEMENT

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PURCHASE AND SALE AGREEMENT

by and between

Seller

CRM PROPERTIES, LLC

And

MAXON ALCO HOLDINGS, LLC

Purchaser

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TABLE OF CONTENTS

	Page
1. Purchase and Sale	1
2. Purchase Price.....	2
3. Quality of Title.....	2
4. Closing Date; Expenses.	2
5. Apportionments.....	3
6. Title Insurance and Surveys.....	5
7. "AS-IS, WHERE-IS" Purchase	5
8. Closing Documents.....	7
9. Representations and Warranties.....	8
10. Covenants.....	10
11. Brokers.....	11
12. Condemnation and Destruction.....	12
13. Conditions to Seller's Performance	12
14. Conditions to Purchaser's Obligations.....	12
15. Default and Remedies.....	13
16. No Personal Liability.....	13
17. Notices.....	14
18. Entire Agreement.....	14
19. Amendments	14
20. Waiver.....	14
21. Assignment	15
22. Attorneys' Fees	15
23. Section and Paragraph Headings	15
24. Governing Law	15
25. Counterparts.....	15
26. Further Assurances.....	15
27. Email or Facsimile Signatures	15
28. Business Days	16
29. Jury Waiver.....	16
30. Effective Date	16

Confidential

THIS PURCHASE AND SALE AGREEMENT (this "Agreement") is made as of the 23rd day of May, 2014 (the "Effective Date"), by and between **CRM PROPERTIES, LLC**, a New York limited liability company having an address at 3 Hemlock Street, Latham, New York 12110-0712 ("Seller"), and **Maxon Alco Holdings, LLC** a New York limited liability company, having an address 695 Rotterdam Industrial Park, Schenectady, New York 12306 ("Purchaser"). (Seller and Purchaser are sometimes referred to herein individually as a "Party" and collectively as "Parties", and, except where otherwise indicated, the term "Purchaser" shall include an assignee of Purchaser permitted under Section 21)

RECITALS:

WHEREAS, Seller is the assignee of CRM Partnership (as set forth in an Assignment of Lease and Easements dated December 28, 1995 and recorded in the County Clerk's Office of the County of Schenectady, New York on January 26, 1996 in Book 1484 of Deeds at Page 206), as tenant, pursuant to a Subordinated Ground Lease, dated as of September 1, 1990, with Purchaser, as successor in interest to Schenectady Industrial Corporation (the "Lease"), relative to real property commonly known as 407 Front Street, and located in the City of Schenectady 12305 and is more particularly described on Schedule 1 attached hereto and made a part hereof (the "Land"). A Memorandum of the Lease, dated December 28, 1990, was recorded in the County Clerk's Office of the County of Schenectady, New York on December 28, 1990 in Book 1288 of Deeds at Page 92.

WHEREAS, Seller desires to assign to the Purchaser; and Purchaser desires to accept from the Purchaser, an assignment of the Lease subject to the terms and conditions hereinafter set forth;

WHEREAS, Seller is the owner of the building, consisting of approximately 56,000 square feet, situate on the Land (the "Building"), and Seller desires to sell, and Purchaser desires to purchase, the Building, subject to the terms and conditions hereinafter set forth; and

WHEREAS, Purchaser has had the full and complete opportunity to conduct its due diligence, including various inspections, testings, obtaining a title report, and review of certain documents as set forth in a certain Due Diligence Agreement between the Parties, dated May 20, 2014 ("Due Diligence Agreement") and has either waived or failed to waive the Due Diligence Period pursuant to the Due Diligence Agreement.

NOW, THEREFORE, in consideration of the mutual agreements and covenants contained herein, the Parties agree as follows:

AGREEMENT:

1. **Purchase and Sale.** In consideration of the mutual covenants and agreements of the Parties set forth in this Agreement, and for other good and valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, Seller hereby agrees to sell the Property (as defined and described below) to Purchaser and Purchaser agrees to purchase the Property from Seller for the Purchase Price (as defined in Section 2), payable as provided below and subject to adjustments as provided herein and otherwise on and subject to the terms and

Confidential

conditions contained herein. The "Property" shall consist of the following:

- (a) all of Seller's rights, title and interest in and to the Lease;
- (b) the Building and all other improvements and fixtures owned by the Seller and located on the Land (the "Improvements"); and
- (c) All of the interest of Seller in all tenant leases set forth on Schedule 3 to the extent in existence on the Closing Date and other rights relating to the ownership, use and operation of the Property.

2. **Purchase Price.** The purchase price for the Property (the "Purchase Price") is one million one hundred thousand (\$1,100,000.00) Dollars (U.S.), subject to the adjustments as provided herein. The Purchase Price shall be payable as follows:

(a) Within three (3) business days of the Effective Date, Purchaser shall deposit fifty thousand (\$50,000.00) Dollars (the "Deposit") in escrow with an escrow account held by Steven K. Porter, attorney for the Purchaser, who shall sometimes be referred to herein as the "Escrow Agent". The Escrow Agent shall maintain the Deposit in an IOLA account with an FDIC insured bank, and the Deposit shall be disbursed pursuant to the terms and conditions of this Agreement and an escrow agreement substantially in the form of Exhibit A annexed hereto (the "Escrow Agreement").

(b) On the Closing Date and at the Closing (as both terms are defined in Section 4 below), Purchaser shall pay the balance of the Purchase Price, subject to the adjustments as specified herein, by cashiers' check, wire transfer, or other immediately available funds to Seller or to the Escrow Agent if the Parties hereafter agree to conduct the Closing in escrow.

3. **Quality of Title.** At the Closing, Seller shall assign or convey, as the case may be, to Purchaser the Property, insurable and marketable interest to the Property free and clear of"), leases, liens, encumbrances, conditions, easements, assessments, and restrictions, except for the following:

- i. The lien, if any, for real estate taxes not yet due and payable;
- ii. The Permitted Exceptions (as defined in Section 6(b));
- iii. The provisions of existing building and zoning laws applicable to the Property;
- iv. Covenants, easements and restrictions of record and any easements granted pursuant to Paragraph 10(c) of this Agreement; and
- v. All leases in effect affecting the Property as of the Effective Date.

4. **Closing Date; Expenses.**

- (a) The closing relating to the transaction contemplated by this Agreement (the

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"Closing") shall take place on the earlier of: (i) **July 1, 2014 TIME IS OF THE ESSENCE**; or (ii) such other earlier date as may be mutually agreed upon in writing by Seller and Purchaser (the "Closing Date").

(b) Certain costs and expenses of the transaction contemplated hereby shall be paid at or prior to the Closing and shall be allocated between Seller and Purchaser as follows:

(i) Seller shall bear the costs of (A) Seller's legal counsel; (B) any State, County and/or local transfer taxes due in connection with the consummation of the transaction contemplated by this Agreement; and (C) recording fees for those documents delivered by Seller at Closing pursuant to Section 8(a).

(ii) Purchaser shall bear the costs of (A) Purchaser's legal counsel; (B) the cost of the title insurance premium for the Title Insurance Policy (defined herein); (C) the cost of the Survey (as defined in Section 6(a) below); (D) any and all due diligence expenses and restoration of the Property following the same; (E) recording fees relating to the recording of the Deed, Assignment of Lease and Bill of Sale (as defined in Section 8(b)); and (F) any fees and expenses of the Escrow Agent.

5. Apportionments.

(a) Proration of Taxes. All real property and personal property taxes relating to the Property attributable to the year in which the Closing occurs shall be prorated and adjusted between the Parties as of the Closing Date as an adjustment at the Closing (regardless of whether such taxes and special assessments are then due and payable or delinquent). If the taxes for the fiscal year during which the Closing Date occurs are not finally determined, then the tax figures for the immediately prior fiscal year or as shown on the most current tax bill shall be used for the purposes of prorating taxes on the Closing Date, with a further adjustment to be made between the Parties after the Closing Date, and outside of Escrow if applicable, and as soon as such tax figures are finalized. Purchaser hereby assumes any and all special assessments relating to the Property. Any tax refunds or proceeds (including interest thereon) on account of a favorable determination resulting from a challenge, protest, appeal or similar proceeding relating to taxes and assessments relating to the Property (i) for all tax periods occurring prior to the applicable tax period in which the Closing occurs shall be retained by and paid exclusively to Seller, and (ii) for the applicable tax period the Closing occurs shall be prorated between the Parties as of the Closing Date after reimbursement to Seller and Purchaser, as applicable, for all fees, costs and expenses (including reasonable attorneys' and consultants' fees) incurred by Seller or Purchaser, as applicable, in connection with such proceedings such that Seller shall retain and be paid that portion of such net tax refunds or proceeds as is applicable to the portion of the applicable tax period prior to the Closing Date, and Purchaser shall retain and be paid that portion of such net tax refunds or proceeds as is applicable to the portion of the applicable tax period from and after the Closing Date. Seller shall not settle any tax protests or proceedings without the prior written consent of Purchaser, which consent shall not be unreasonably withheld. After the Closing, Purchaser shall be responsible for and control any tax protests or proceedings for any period for which taxes are adjusted between the Parties under this Agreement and for any later period. Purchaser and Seller shall cooperate in pursuit of any such proceedings and in responding to reasonable requests of the other for information concerning the

status of and otherwise relating to such proceedings; provided, however, that neither Party shall be obligated to incur any out-of-pocket fees, costs or expenses in responding to the requests of the other.

(b) Utilities. Seller shall cause all meters for electricity, gas, water, sewer or other utility usage which it, rather than any tenant of the Building, it is responsible for relating to the Property to be read on the Closing Date, and Seller shall pay all charges for such utility charges that have accrued as of the Closing Date, except for those utilities paid by any tenant in the Building. If the utility companies are unable or refuse to read the meters on the Closing Date, all charges for such utility charges to the extent unpaid shall be prorated and adjusted as of the Closing Date based on the most recent bills therefor. Seller shall provide notice to Purchaser at least five (5) business days prior to the Closing Date setting forth (i) whether utility meters will be read as of the Closing Date and (ii) a copy of the most recent bill for any utility charges that are to be prorated and adjusted as of the Closing Date as an adjustment at the Closing. If the meters cannot be read as of the Closing Date and, therefore, the most recent bill is used to prorate and adjust as of the Closing Date as an adjustment at the Closing, then the Parties agree to the extent that the amount of such prior bill proves to be more or less than the actual utility charges for the period in question, that a further adjustment shall be made after the Closing Date as soon as the actual charges for such utilities are available.

(c) Estimates and Adjustments. In the event that on the Closing Date, the precise figures necessary for any of the foregoing adjustments are not capable of determination, then, at Purchaser's option (except with respect to real estate taxes and utilities, which shall be adjusted in accordance with Sections 5(a) and 5(c) above), those adjustments shall be made on the basis of good faith estimates of Purchaser using currently available information, and final adjustments shall be made within six (6) months after the Closing Date to the extent precise figures are determined or become available or to the extent that any errors in previously made adjustments are discovered by either Party. All post-Closing adjustments shall be made in immediately available funds.

(d) Calculation of Prorations; Application of Payments. All apportionments and prorations made hereunder shall be made based on the number of days of ownership of the Property in the period applicable to the apportionment, with Seller entitled to income and responsible for expenses for the day that is Closing Date.

(e) Survival. The provisions of this Section 5 shall survive the Closing for six (6) months.

6. Title Insurance and Survey.

(a) Purchaser, at its sole cost and expense, has ordered a current title insurance commitment for the Seller's interest in the Land and Building (the "**Title Insurance Commitment**") from Sneeringer Monahan Provost (the "**Title Company**"), including such affirmative insurance and endorsements as Purchaser may desire, together with copies of each document shown therein as an exception or exclusion from coverage. Purchaser may request to be prepared, at its sole cost and expense, an ALTA/ACSM as-built survey of the Land containing such requirements and Table A items as required by Purchaser (the "**Survey**"). The Title

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Insurance Commitment, such exception documents, and the Survey (if any) are referred to herein collectively as the "Title Evidence".

(b) Purchaser shall have until June 15, 2014 to deliver to Seller such written objections (collectively, the "Title Objections") to any matter contained in or revealed by the Title Evidence as Purchaser may wish. Purchaser's failure to deliver to Seller Title Objections with respect to any particular matter by June 15, 2014, shall constitute a waiver of Title Objections with respect to such matter. Any matter shown on such Title Evidence and not objected to by Purchaser by June 15, 2014 shall be a "Permitted Exception" hereunder. By June 20, 2014, Seller shall notify Purchaser in writing (the "Seller's Response") as to which Title Objections, if any, Seller shall cure by the Closing (the "Curable Title Objections"). Seller shall have until the Closing to cure the Curable Title Objections, and shall use all commercially reasonable efforts to cure the Curable Title Objections other than liens of an ascertainable amount, any recorded loan documents in favor of any Seller's mortgagee, any financing statements recorded against the Property, or any mechanic's lien based on the written agreement of Seller (collectively, the "Monetary Liens"), which Monetary Liens Seller shall remove or cure to the satisfaction of the Title Company by payment of funds from Closing as directed on the Settlement Statement (as hereinafter defined); provided, however, that, except for Monetary Liens, Seller shall not be obligated to expend more than \$10,000.00 (the "Cure Limit") in connection with the elimination of such Curable Title Objections. The Closing shall be extended for a period of up to thirty (30) days to permit Seller to cure such Curable Title Objections (other than Monetary Liens). Without regard to the Cure Limit, Seller shall remove any encumbrances or exceptions to title that are created by, through or under Seller after the date hereof, and that are not consented to by Purchaser under the terms hereof. If the Curable Title Objections are not cured prior to the Closing (as extended pursuant to the provisions of this Section 6(b)) then, Purchaser will have the option as its sole and exclusive remedy to: (i) terminate this Agreement by written notice to Seller and be entitled to promptly receive the Deposit from the Escrow Agent; or (ii) proceed to close the transaction contemplated by this Agreement with no reduction in the Purchase Price for any Curable Title Objections uncured by Seller, except for (i) an application of funds to cure any Monetary Liens as aforesaid and (ii) a credit at Closing in the reasonable amount required to eliminate the Curable Title Objections, provided such amount shall not exceed the Cure Limit.

(c) In connection with the Closing, Seller shall deliver customary affidavits, undertakings and documentary evidence customarily required by the Title Company in connection with commercial real estate closings.

7. "AS-IS, WHERE-IS" Purchase.

(a) Pursuant to the Due Diligence Agreement, Purchaser hereby agrees that it has had the unencumbered and full right and access (i) to thoroughly inspect and review the physical and environmental conditions of the Property, the character, quality, value and general utility of the Property, the zoning, land use, environmental and building requirements and restrictions applicable to the Property, the construction of the Improvements, and any other

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factors or matters relevant to Purchaser's decision to purchase the Property, and (ii) to obtain any permits and approvals to support Purchaser's intended use of the Building.

(b) Seller has heretofore delivered to Purchaser the items set forth on Schedule 2 attached hereto (the "Property Documents and Information") and a listing of all tenant(s) leases and licenses presently on the Property as outlined on Schedule 3, attached hereto

(c) Purchaser represents that has restored the Property, at Purchaser's sole cost and expense, substantially to its condition immediately prior to Purchaser's inspections. Purchaser hereby indemnifies, defends, and holds Seller and Seller's mortgagee and their respective members, officers, owners, contractors, and agents, harmless from all loss, cost and damage arising out of the actions of Purchaser and its agents or representatives during such visits. Purchaser has delivered to Seller a certificate of comprehensive public liability insurance naming Seller as additional insured and evidencing coverage with liability limits of not less than One Million (\$1,000,000) Dollars per occurrence and issued by an insurance company qualified to conduct business in New York State, such certificate of insurance shall be written in a form acceptable to Seller.

(d) i. Subject to the requirements of any applicable law, and for the time periods set forth in Paragraph 7(d)i following, Purchaser has agreed to maintain the confidentiality of all materials delivered to Purchaser by Seller, or obtained as a result of its inspections of, or testing conducted on, the Property ("Confidential Information") on a confidential basis, and has agreed to ensure that its agents, employees, contractors, investors, potential co-investors, architects, engineers, accountants, and legal counsel in connection with the transaction contemplated by this Agreement ("Purchaser's Agents") likewise maintains the confidentiality of the same. Further, Purchaser has agreed, and has ensured that Purchaser's Agents have agreed, not to communicate in any manner as to the existence or contents of this Agreement to any Existing Tenants, except with the express consent of the Seller. The foregoing duty of non-disclosure and non-communication shall not apply to information that: (i) was in the public domain at the time it was communicated to Purchaser or subsequently enters the public domain through no fault of Purchaser; or (ii) is required to be disclosed pursuant to judicial order or other compulsion of law.

ii. The foregoing confidentiality and non-disclosure covenants shall survive indefinitely, except that if a Closing occurs, such covenants shall be limited to Seller's financial information relating to its operations of the Property

(e) The Property is being sold in an "AS IS, WHERE-IS" condition and "WITH ALL FAULTS" as of the date of this Agreement, and, provided the transaction contemplated hereby is consummated pursuant to the provisions of this Agreement, as of the Closing. Except as expressly set forth in this Agreement, no representations or warranties have been made or are made and no responsibility has been or is assumed by Seller or by any member, partner, officer, person, firm, agent or representative acting or purporting to act on behalf of Seller as to the condition or repair of the Property or the value, expense of operation, or income potential thereof or as to any other fact or condition which has affected or might affect the Property or the

condition, repair, value, expense of operation or income potential of the Property or any portion thereof.

8. Closing Documents.

(a) At the Closing, Seller shall deliver or cause to be delivered to Purchaser the following, each document hereafter mentioned to be in form and substance reasonably satisfactory to Purchaser's attorneys:

(i) a good and sufficient Quit Claim Deed as to the Building, Assignment of Ground Lease and Bill of Sale, along with any and all RP-5217 and TP-584 forms related thereto, in form and substance reasonably satisfactory to Purchaser's counsel, conveying to Purchaser all of Seller's right, title and interest in and to the Property, so as to convey to Purchaser (or its assignee) a good and clear record, insurable and marketable ground lessee's interest in the Property, free and clear of all liens and encumbrances other than as set forth in Paragraph 3 of this Agreement;

(ii) such documents as may be reasonably required to comply with Seller's obligations under this Agreement, including, without limitation: (A) a transferor's certification of non-foreign status as required by Section 1445(b)(2) of the Internal Revenue Code; (B) a Substitute Form 1099-S; and (C) State of NY Board of Equalization and Assessment Real Property and Transfer Report Form (RP-5217), if applicable;

(iii) a certificate reaffirming all of the Seller's representations and warranties as set forth in this Agreement;

(iv) such instruments in recordable form as are required to remove all Monetary Liens;

(v) recordation forms, resolutions and other reasonable proof of authority, customary affidavits sufficient for a title company to delete any exceptions for parties in possession except for any leases set forth on Schedule 3 herein from Purchaser's title insurance policy;

(vi) a settlement statement (the "Settlement Statement");

(vii) keys to all locks on the Property and operating manuals;

(viii) a copy of any Certificate of Occupancy relating to the Building; and

(ix) the original Lease.

(b) At the Closing, Purchaser shall deliver to Seller the following, each document hereafter mentioned to be in form and substance reasonably satisfactory to Seller's attorneys:

(i) the Purchase Price less the amount of the Deposit;

- the Seller;
- (ii) written authorization to the Escrow Agent to release the Deposit to
 - (iii) a counterpart of the Settlement Statement;
 - (iv) forms TP-584 and RP-5217; and
 - (v) such other documents as may be reasonably required to comply with Purchaser's obligations under this Agreement.

9. Representations and Warranties.

- (a) Seller, to its actual knowledge, represents and warrants to Purchaser that:
 - (i) Seller (A) is a limited liability company organized, validly existing and in good standing under the laws of the State of New York, (B) has full power to engage in the transaction contemplated hereby, and (C) has full power, authority and legal right to execute and deliver this Agreement and to perform and observe the terms and conditions of this Agreement and to consummate the transaction contemplated hereby;
 - (ii) This Agreement and all documents that are to be executed by Seller and delivered to Purchaser on the Closing Date will be duly executed, authorized and delivered by Seller; and this Agreement and all such documents are (and on the Closing Date, will be) legal, valid and binding obligations of Seller, enforceable in accordance with their terms and do not, and, at the time of the Closing Date will not, violate any provisions of any agreement or judicial or administrative order to which Seller is a party or to which Seller or the Property (or any portion thereof) is subject;
 - (iii) No authorization, consent or approval of any governmental authority or any other party is required for the execution and delivery by Seller of this Agreement or the performance of its obligations hereunder and Seller has not entered into any commitments or agreements with any governmental authorities or any other party affecting the Property;
 - (iv) Each person signing this Agreement on behalf of Seller is duly and validly authorized to do so;
 - (v) There are no parties in possession of any portion of the Property as lessees, tenants at sufferance, licensees, trespassers, or otherwise, except as set forth on Schedule 3 and there are no other occupancy agreements with tenant(s) in existence as of the Closing Date;
 - (vi) Seller has delivered or made available to Purchaser (without representation or warranty) all reports and studies relating to the presence or absence of hazardous materials on the Property or the physical condition of the Property;
 - (vii) There are no pending actions, proceedings or contests in any court or legal tribunal pertaining to the real estate taxes imposed upon the Lease, Land, Buildings and/or Improvements, and Seller has no reason to believe that any such note or notice may or will be entered;

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(viii) No notes or notices have been received from any federal, state, county or municipal or other governmental agency regulations, orders or requirements relating to the Property except as follows which are hereinafter referred to as "Governmental Matters":

(A) all matters relating to the contents of a letter from John R. Polster, Esq., Corporation Counsel, City of Schenectady, NY to Seller, Purchaser and STS Steel, Inc., dated December 2, 2013 concerning ALCO Flood Regulation Compliance; and

(B) all matters relating to the contents of a letter from Purchaser to Seller, dated November 27, 2013 relating to the Alco-Maxon Site - Parcel C, Brownfield Cleanup Project #C447044, Soil Vapor Investigation Results at Buildings 306 and 330.

(viii) Seller has received no written notice from any governmental authority that there is any pending condemnation or similar proceeding affecting the Property.

(ix) No default has occurred under the Lease which as of the date hereof is in full force and effect;

(x) There are no union or collective bargaining agreements that affect the Property;

(xi) No sales tax is due or owing by Seller with respect to any Property to be conveyed herein;

(xii) No brokerage or leasing commissions are due or payable by Seller with respect to or on account of any conveyance, leases or tenancies with respect to the Property;

(xiii) Neither the Property, nor any part thereof is located in an area which has been identified by any governmental authority or private entity exercising quasi-governmental powers as a site subject to land use restriction on account of historic or archaeological preservation;

(x) All of the representations and warranties of Seller set forth herein and elsewhere in this Agreement shall be true upon the date of this Agreement, and shall be deemed to be repeated at and as of the Closing Date.

(b) Purchaser represents and warrants to Seller that:

(i) Purchaser (A) is an entity duly organized, validly existing and in good standing under the laws of the State of New York, (B) is duly authorized to do business in the State of New York, (C) has full power to engage in the transaction contemplated hereby, and (D) has full power, authority and legal right to execute and deliver this Agreement and to perform and observe the terms and conditions of this Agreement and to consummate the transaction contemplated hereby;

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(ii) This Agreement and all documents that are to be executed by Purchaser and delivered to Seller on the Closing Date will be duly executed, authorized and delivered by Purchaser; and this Agreement and all such documents are (and on the Closing Date, will be) legal, valid and binding obligations of Purchaser, enforceable in accordance with their terms and do not, and, at the time of the Closing Date will not, violate any provisions of any agreement or judicial or administrative order to which Purchaser is a party or to which Purchaser is subject;

(iii) No authorization, consent or approval of any governmental authority or any other party is required for the execution and delivery by Purchaser of this Agreement or the performance of its obligations hereunder;

(iv) Neither Purchaser, nor to Purchaser's knowledge, any of Purchaser's respective officers, directors, shareholders, partners, members or associates, and no other direct or indirect holder of any equity interest in Purchaser, is an entity or person: (A) that is listed in the Annex to, or is otherwise subject to, the provisions of the Executive Order; (B) whose name appears on the OFAC's most current list of "Specifically Designated National and Blocked Persons" (which list may be published from time to time in various mediums including, but not limited to, the OFAC website, www.treas.gov/ofac); (C) who commits, threatens to commit or supports "terrorism" (as such term is defined in the Executive Order); or (D) who is otherwise affiliated with any entity or person listed above;

(v) Each person signing this Agreement on behalf of Purchaser is duly and validly authorized to do so; and

(vi) All of the representations and warranties of Purchaser set forth herein shall be true upon the execution of this Agreement, shall be deemed to be repeated at and as of the Closing Date.

(vii) Purchaser hereby indemnifies, saves and keeps the Seller, its members and successors and permitted assigns (each a "Seller Indemnitee") forever harmless against and from any and all costs, damages or claims sustained or incurred by Seller and/or any Seller Indemnitee, as a result of or arising out of or by virtue of any of the Governmental Matters. This indemnity shall survive the Closing.

10. Covenants.

(a) Seller covenants that, between the date of this Agreement and the Closing Date:

(i) Seller shall not enter into any new lease contract, easement, document or agreement relating to the Property without first receiving Purchaser's prior written consent, nor shall Seller permit any lien, judgment, order or violation to be filed against Seller or the Property. Seller shall indemnify and defend and hold Purchaser harmless from any such changes in circumstances that occur with respect to the Property between the date of this Agreement and the Closing Date. If any such changes shall have occurred, the foregoing indemnification provision shall become effective.

(ii) Seller will not place any encumbrance on the Property, without the prior written consent of Purchaser.

(iii) Seller shall maintain the Property in substantially the same condition as the Property is in as of the Effective Date subject only to reasonable use and wear and tear and the terms of Section 12 hereof. At all times from the Effective Date to the Closing Date, it shall maintain in force fire and extended coverage casualty insurance on the Improvements.

(iv) Seller shall advise Purchaser promptly of any damage to the Property and of any litigation, arbitration, administrative hearing or legislation before any governmental body or agency of which Seller becomes aware which concerns the Property and that is instituted or threatened after the date hereof. Seller shall provide Purchaser with any notices of any violation of law or claims related to the Property and received by Seller from and after the date hereof.

(v) Seller and Purchaser acknowledge and agree that Purchaser, as the owner of fee title to the Land, has filed an application with the State of New York Department of Environmental Conservation (Site #'s C447042, C447043, and C447044) to receive benefits from participation in the New York State Brownfield Clean-Up Program (the "Program"). Prior to transfer of title to the Lease and the Building under this Agreement, Seller agrees to cooperate in good faith with Purchaser by signing all reasonable documents required to allow Purchaser to receive the benefits of the Program, including, if required, entering into the statutorily required easement agreement mandated to be executed by New York State Department of Environmental Conservation, in the standard form required by such governmental agency.

(b) Purchaser covenants as follows:

(i) It shall permit one of the tenants set forth on Schedule 3, or ADC Acquisition Company, to extend its tenancy from the end of its existing lease, or December 31, 2014 (the "ADC Lease"), to and including April 30, 2015, upon the same terms and conditions as currently exists in the ADC Lease, and with the option to surrender the leased premises at any time during such extended period without penalty of any nature.

(ii) In the event one of the tenants set forth on Schedule 3, or Ioxus, elects to extend its Lease (the "Ioxus Lease") for an additional period of time, it shall be fully responsible for the payment of any brokerage fees which may due in connection with such extension.

(iii) Effective on the Closing Date, Purchaser hereby indemnifies and holds Seller harmless from any and all claims, costs, damages and losses in connection with any matter relating to the ADC Lease or Ioxus Lease which arises subsequent to the Closing.

11. Brokers.

(a) Purchaser and Seller represent and warrant to each other that, in connection with the sale of the Property, they have had no dealings with any broker, firm or salesman.

(b) Each Party shall indemnify, and hold the other Party harmless, from any cost, expense or liability (including cost of suit and reasonable attorney's fees) for any compensation, commission or fees claimed by any real estate broker or agent in connection with this Agreement

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or its negotiation by reason of any act of either party.

- (c) The provisions of this Section 11 shall survive the Closing.

12. Condemnation and Destruction.

(a) In the event that all or any portion of the Property should be damaged or destroyed by fire or other insured casualty, Seller shall make timely claims under all applicable insurance policies, assign such claims (or proceeds to the extent of the Purchase Price, if and to the extent such proceeds are received before the Closing, or deliver such proceeds if received after Closing) to Purchaser and cooperate with reasonable requests in obtaining payment of such claims. In any such event, Purchaser shall close under this Agreement without reduction in the Purchase Price and require Seller to assign to Purchaser at Closing all insurance proceeds to the extent of the Purchase Price and rights to any such proceeds payable to Seller (excluding any award to any tenant) as a result of such condemnation or a sale in lieu thereof.

(b) In the event that all or a portion of the Property is condemned or taken by eminent domain proceedings by any public authority prior to the Closing, then the Closing will proceed as scheduled without any adjustment to the Purchase Price, in which case Seller shall assign to Purchaser at Closing all condemnation proceeds to the extent of the Purchase Price and rights to any such proceeds payable to the Seller (excluding any award to any tenant) as a result of such condemnation.

(c) If, after the date hereof, (i) any portion of the Property is taken by condemnation or eminent domain (or is the subject of a pending or threatened taking which has not yet been consummated), or (ii) any portion of the Property is damaged or destroyed, Seller shall notify Purchaser in writing of such fact promptly after obtaining knowledge thereof.

13. Conditions to Seller's Performance. The obligations of Seller to consummate the transaction contemplated by this Agreement are, in addition to the other terms and conditions of this Agreement, subject to the following (any one or more of which may be waived in whole or in part by Seller at its discretion):

(a) The representations and warranties made by Purchaser in this Agreement being true and correct in all material respects on and as of the Closing Date with the same force and effect as though such representations and warranties had been made as of the Closing Date;

(b) Purchaser having performed in all material respects all covenants and obligations required by this Agreement to be performed by Purchaser on or prior to the Closing Date; and

(c) Payment of the Purchase Price, as adjusted and prorated hereunder.

14. Conditions to Purchaser's Obligations. The obligations of Purchaser to consummate the transaction contemplated by this Agreement are, in addition to the other terms and conditions of this Agreement, subject to the following (any one or more of which may be waived in whole or in part by Purchaser at its sole discretion):

(a) The representations and warranties made by Seller in this Agreement being true and correct in all material respects on and as of the Closing Date with the same force and effect as though such representations and warranties had been made as of the Closing Date;

(b) Seller having performed in all material respects all covenants and obligations required by this Agreement to be performed by Seller on or prior to the Closing Date;

(c) Except for the leases set forth on Schedule 3, there are no contracts affecting the Property; and

(d) Subject to Section 12 hereof, between the date of this Agreement and the Closing Date, there shall have occurred no material adverse change in (i) the condition of the Property, ordinary wear and tear excepted, or (ii) title relating to the Property subsequent to the Effective Date of this Agreement;

15. Default and Remedies.

(a) Seller and Purchaser hereby agree that in the event that Seller shall have failed in any material respect on the Closing Date to have performed any of the covenants and agreements contained in this Agreement that are to be performed by Seller on or before the Closing Date, any representation or warranty of Seller herein was untrue in any material respect when made, or Seller shall have caused any representation or warranty to become untrue in any material respect between the date of this Agreement and the Closing, then either (1) Purchaser may terminate this Agreement and be entitled to a return of the Deposit, or (2) Purchaser may waive such default or failure of condition, and proceed to close the transaction, in which event Purchaser shall have the right of specific performance to compel Seller to fulfill its obligation to sell the Property under the terms and conditions of this Agreement.

(b) Seller and Purchaser agree that, in the event that Purchaser shall have failed in any material respect to have performed any of the covenants and agreements contained in this Agreement that are to be performed by Purchaser on or before the Closing Date, any representation or warranty of Purchaser herein was untrue in any material respect when made, or Purchaser shall have caused any representation or warranty to become untrue in any material respect between the date of this Agreement and the Closing, then Seller shall then have the right to: (1) terminate this Agreement and be entitled to the Deposit, (2) waive such default or failure of condition, and proceed to close the transaction; or (3) specific performance to compel Purchaser to fulfill its obligation to purchase the Property under the terms and conditions of this Agreement and/or resort to any and all remedies it may have at law.

16. No Personal Liability.

The Parties hereto agree that neither the partners, members, directors, officers, trustees, beneficiaries, shareholders, members, managers, employees nor agents of either party have any personal obligation hereunder, and that neither Party shall seek to assert any claim or enforce any rights hereunder against such partners, directors, officers, trustees, beneficiaries, shareholders, members, manager, employees, or agents of the other Party.

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17. Notices.

All notices, demands, requests, approvals or consents made pursuant to, under or by virtue of this Agreement must be in writing and mailed to the party to which the notice, demand, request, approval or consent is being sent by certified or registered mail, return receipt requested, or by reputable overnight courier delivery, by a reputable overnight courier, addressed as follows, or at such other address as such Party may designate by notice to the other Party:

To Seller:

CRM Properties, LLC
3 Hemlock Street
Latham, NY 12110

With a copy to:

Stephanie A. White, Esq.
Stockli Slevin & Peters, LLP
1826 Western Avenue
Albany, NY 12203

To Purchaser:

Maxon Alco Holdings, LLC
695 Rotterdam Industrial Park
Schenectady, New York 12306
Attn: David M. Buicko, Authorized Representative

With a copy to:

Steven K. Porter, Esq.
695 Rotterdam Industrial Park
Schenectady, New York 12306

To Escrow Agent:

Steven K. Porter, Esq.
695 Rotterdam Industrial Park
Schenectady, New York 12306

Any notice, demand, request, approval or consent given in accordance with the provisions of this Section 17 shall be effective on the date of receipt or delivery when proper delivery is refused by the addressee. Notices may be delivered by the respective attorneys for Seller and Purchaser with the same effect as if signed by Purchaser and Seller.

18. Entire Agreement. This Agreement contains all of the terms agreed upon between the Parties with respect to the subject matter hereof.

19. Amendments. This Agreement may not be changed, modified or terminated, except by an instrument executed by the Parties.

20. Waiver. No waiver by either Party of any failure or refusal by the other Party to comply with its obligations shall be deemed a waiver of any other or subsequent failure or refusal to so comply.

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21. **Assignment.** This Agreement shall benefit and bind Seller and Purchaser and their respective successors and assigns. Neither Party may assign its rights hereunder without the prior written consent of the other. Notwithstanding the foregoing, Purchaser may assign or transfer its rights under this Agreement to an entity in which it has an interest, any affiliate in which it or its shareholders have a substantial (direct or indirect) economic interest, any successor by operation of law, any wholly owned subsidiary, any entity controlled by Purchaser or under common control with Purchaser, and any entity owning all or substantially all of the assets of Purchaser, in each instance, with notice to Seller but without the prior written consent of Seller. In the case of any assignment permitted hereunder: (a) the assignee shall assume all obligations of Purchaser hereunder and all representations and warranties made by Purchaser hereof shall be made at Closing with respect to the assignee, with appropriate adjustment, as it relates to the Section 9(b)(i), to reflect the entity form and state of creation of such assignee; and (b) the Purchaser shall guarantee the payment and performance by its assignee of all obligations of the Purchaser pursuant to this Agreement.

22. **Attorneys' Fees.** If any Party commences an action against any other to enforce any of the terms of this Agreement or because of the breach by the other Party of any of the terms hereof, the losing or defaulting Party shall pay to the prevailing Party, as determined by the trier of fact, its reasonable out-of-pocket attorneys' fees, costs and expenses actually incurred in connection with the prosecution or defense of such action. The provisions of this Section 22 shall survive the Closing.

23. **Section and Paragraph Headings.** The headings of the various sections and paragraphs of this Agreement have been inserted only for the purposes of convenience, and are not part of this Agreement and shall not be deemed in any manner to modify, explain, expand or restrict any of the provisions of this Agreement.

24. **Governing Law.** This Agreement shall be governed by the laws of the state in which the Property is located, without regard to its conflicts of laws principles.

25. **Counterparts.** This Agreement may be executed in any number of counterparts and by each of the undersigned on separate counterparts, and each such counterpart shall be deemed to be an original, but all such counterparts shall together constitute one and the same agreement.

26. **Further Assurances.** In addition to the acts and deeds recited herein and contemplated to be performed at the Closing, Seller and Purchaser agree to perform such other acts, and to execute and deliver such other customary instruments and documents as either Seller or Purchaser or their respective counsel, may reasonably require prior to or after Closing in order to effect the intent and purpose of this Agreement. The provisions of this Section 26 shall survive the Closing.

27. **Email or Facsimile Signatures.** In order to expedite the transaction contemplated herein, signatures received by email or facsimile may be used in place of original signatures on this Agreement or any document delivered pursuant hereto. Seller and Purchaser intend to be bound by the signatures on the document received by email or facsimile, are aware that the other Party will rely on such signatures, and hereby waive any defenses to the

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enforcement of the terms of this Agreement based on the use of and reliance upon such signatures. Following any email or facsimile transmittal, the respective Party shall promptly deliver the original instrument by reputable overnight courier in accordance with the notice provisions of this Agreement.

28. **Business Days.** If any date herein set forth for the performance of any obligations by Seller or Purchaser or for the delivery of any instrument or notice as herein provided should fall on a Saturday, Sunday or Legal Holiday (hereinafter defined), the compliance with such obligations or delivery shall be deemed acceptable on the next business day following such Saturday, Sunday or Legal Holiday. As used herein, the term "**Legal Holiday**" shall mean any local or federal holiday on which banks and/or government offices are closed in the state in which the Property is located.

29. **Jury Waiver.** Each party waives its right to a jury trial on any matter arising under this Agreement.

30. **Effective Date.** The Parties have deposited in escrow with Seller's attorney, Stephanie A. White ("**Escrow Agent II**"), their respective duplicate original signature pages of this Agreement. If the Due Diligence Period pursuant to the Due Diligence Agreement has been waived in accordance with the terms and conditions of that Agreement, the Parties hereby authorize the Escrow Agent II to append such signature pages to this Agreement and date this Agreement as of the date of such waiver (the "**Effective Date**"). If during such Due Diligence Period, Purchaser elects to not proceed with the transactions contemplated by this Agreement, the Parties hereby instruct Escrow Agent II to return their respective signature pages and this Agreement shall be deemed a nullity.

[Signature Page Follows]


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This Agreement has been duly executed by the Parties as of the date first above written.

SELLER:


CRM PROPERTIES, LLC

By: MSLP Associates, a New York General
Partnership

By: 
Name: Peter Campito
Title: Partner

PURCHASER:

MAXON ALCO HOLDINGS, LLC

By: 
Name: David M. Buicko
Title: Authorized Representative

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SCHEDULE 1

LEGAL DESCRIPTION OF THE LAND

All that parcel of land situate in the City of Schenectady, County of Schenectady and State of New York being more particularly described as follows:

Commencing at a point in the northerly road boundary of Front Street at its intersection with the northeasterly road boundary of Mohawk Avenue, thence along the first mentioned northerly road boundary of Front Street the following two (2) courses and distances:

- 1) N 71 deg. 28' 20" E a distance of 238.09 feet to a point;
- 2) N 89 deg. 06' 50" E a distance of 49.15 feet to the POINT OF BEGINNING

Thence through the lands now of or formerly of Schenectady Industrial Corporation the following six (6) courses and distances:

- 1) N 20 deg. 40' 41" W a distance of 98.37 feet to a point;
- 2) N 37 deg. 47' 53" E a distance of 28.00 feet to a point;
- 3) N 69 deg. 03' 33" E a distance of 85.12 feet to a point;
- 4) N 24 deg. 03' 33" E a distance of 22.63 feet to a point;
- 5) N 69 deg. 03' 33" E a distance of 185.82 feet to a point;
- 6) S 21 deg. 12' 28" E a distance of 227.34 feet to a point located on the first mentioned northerly road boundary of Front Street, thence along said road boundary the following two courses and distances:

- 1) S 82 deg. 52' 00" W a distance of 134.64 feet to a point;
- 2) S 89 deg. 06' 50" W a distance of 193.36 feet to the point of beginning, containing 1.26 acres of land more or less, subject to any easements, restrictions or covenants of record.

Being a portion of the premises conveyed by Alco Locomotive, Inc. to Schenectady Industrial Corporation by deed dated June 1, 1971 and recorded June 1, 1971 in the Schenectady County Clerk's Office in Book 946 of Deeds at page 294.

TOGETHER WITH AND SUBJECT TO the rights of others in and to the following utility and ingress and egress easements:

(Cont. to next page)

EXHIBIT A-1

PARKING AGREEMENT

This Parking Agreement (the "Parking Agreement") made and entered this _____ day of _____, 1990 by and between CRM Partnership, a partnership duly organized and existing under the Laws of the State of New York having an office 40 D. Frank Campito at 2 Lower Sage Hill Lane, Albany, New York (The "Tenant") and Schenectady Industrial Corporation, a duly organized and existing corporation having an office at 242 Canal Square, Schenectady, New York (the "Landlord");

RECITALS:

1. The Landlord and Tenant have entered into a Subordinated Ground Lease dated September 1, 1990 for Land and Facility at the Nott St. Plant, City of Schenectady, County of Schenectady, State of New York (the "Ground Lease") as such terms are defined therein.

2. Paragraph 1 of the Ground Lease requires the Landlord to provide parking for the Tenant and its subtenants to adequately provide for employee and visitor parking.

In consideration thereof the Landlord and Tenant agree as follows:

1. The Landlord at all times shall provide for parking for the Tenant and its subtenants on the land and other areas of The Nott Street Plant to adequately provide for employee and visitor parking. The Landlord shall provide a minimum of 110 parking spaces.

Exhibit A-1

- 12) N 21°-12'-28" W, a distance of 54.00 feet to a point;
- 13) S 68°-47'-32" W, a distance of 135.00 feet to a point;
- 14) N 21°-12'-28" W, a distance of 10.00 feet to a point;
- 15) N 68°-47'-32" E, a distance of 145.00 feet to a point;
- 16) S 21°-12'-28" E, a distance of 110.00 feet to a point;
- 17) N 68°-47'-32" E, a distance of 20.00 feet to a point;
- 18) S 21°-12'-28" E, a distance of 10.00 feet to a point;
- 19) S 68°-47'-32" W, a distance of 30.00 feet to a point;
- 20) N 21°-12'-28" W, a distance of 29.00 feet to a point;
- 21) S 68°-47'-32" W, a distance of 135.00 feet to a point;
- 22) N 21°-12'-28" W, a distance of 7.00 feet to a point;
- 23) S 68°-47'-32" W, a distance of 10.00 feet to a point;
- 24) S 21°-12'-28" E, a distance of 8.31 feet to a point

located on the above mentioned northerly road boundary
of Front Street;

thence S 89°-06'-50" W, along said road boundary, a distance
of 10.66 feet to a point; thence through lands now or
formerly of Schenectady Industrial Corporation the following
two (2) courses and distances:

- 1) N 21°-12'-28" W, a distance of 4.61 feet to a point;
- 2) S 68°-47'-32" W, a distance of 12.45 feet to a point

on said northerly boundary of Front Street;

thence S 89°-06'-50" W, along said road boundary, a distance
of 13.39 feet to the point of beginning.

UTILITY EASEMENT "B"

All that parcel of land situate in the City of Schenectady, County of Schenectady and State of New York being more particularly bounded and described as follows:

Commencing at a point in the northerly road boundary of Front Street at its intersection with the northeasterly road boundary of Mohawk Avenue; thence along the first mentioned northerly road boundary of Front Street the following two (2) courses and distances:

- 1) N 71°-28'-20" E, a distance of 238.09 feet to a point;
- 2) N 89°-06'-50" E, a distance of 220.39 feet to the POINT OF BEGINNING, said point also being 5 feet westerly at right angles from an existing storm sewer;

Thence through lands now or formerly of the Schenectady Industrial Corporation and being parallel to and 5 feet distant from an existing storm line the following twenty-five (25) courses and distances:

- 1) N 11°-33'-41" E, a distance of 33.39 feet to a point;
- 2) S 68°-47'-32" W, a distance of 41.84 feet to a point;
- 3) N 21°-12'-28" W, a distance of 10.00 feet to a point;
- 4) S 68°-47'-32" W, a distance of 63.76 feet to a point;
- 5) S 89°-06'-50" W, a distance of 59.00 feet to a point;
- 6) N 00°-53'-10" W, a distance of 10.00 feet to a point;
- 7) N 89°-06'-50" E, a distance of 59.00 feet to a point;
- 8) N 68°-47'-32" E, a distance of 118.47 feet to a point;
- 9) N 11°-33'-41" E, a distance of 100.07 feet to a point;

UTILITY EASEMENT "C"

All that parcel of land situate in the City of Schenectady, County of Schenectady and State of New York being more particularly bounded and described as follows:

Commencing at a point in the northerly road boundary of Front Street at its intersection with the northeasterly road boundary of Mohawk Avenue; thence along the first mentioned northerly road boundary of Front Street the following two (2) courses and distances:

1) N 71°-28'-30" E, a distance of 238.09 feet to a point;

2) N 89°-05'-50" E, a distance of 112.92 feet to the

POINT OF BEGINNING, said point also being 5 feet

westerly at right angles from an existing water main;

Thence through lands now or formerly of the Schenectady Industrial Corporation the following three (3) courses and distances:

1) N 20°-40'-41" W, a distance of 134.76 feet to a point;

2) N 69°-03'-33" E, a distance of 10.00 feet to a point;

3) S 20°-40'-41" E, a distance of 138.41 feet to a point on the previously mentioned northerly road boundary of

Front Street;

thence S 89°-05'-50" W, along said road boundary, a distance of 10.63 feet to the point of beginning.

INGRESS AND EGRESS EASEMENT

The non-exclusive right together with others to use all that tract or strip of land designated as a right-of-way and easement for ingress and egress by vehicles and pedestrians from Front Street, City of Schenectady, New York, described as follows:

EASEMENT FOR ACCESS

All that parcel of land situate in the City of Schenectady, County of Schenectady and State of New York being more particularly described as follows:

Commencing at a point in the northerly road boundary of Front Street at its intersection with the northeasterly road boundary of Mohawk Avenue; thence along said northerly road boundary of Front Street the following three (3) courses and distances;

- 1) N 71 deg. 28' 20" E, a distance of 238.09 feet to a point;
- 2) N 89 deg. 06' 50" E, a distance of 242.51 feet to a point;
- 3) N 82 deg. 52' 00" E, a distance of 134.64 feet to the point of beginning;

thence through lands now or formerly Schenectady Industrial Corporation the following thirteen (13) courses and distances:

- 1) N 21 deg. 12' 28" W, a distance of 227.34 feet to a point;
- 2) S 69 deg. 03' 33" W, a distance of 185.82 feet to a point;
- 3) S 24 deg. 03' 33" W, a distance of 22.63 feet to a point;
- 4) S 69 deg. 03' 33" W, a distance of 85.12 feet to a point;
- 5) N 23 deg. 02' 06" W, a distance of 52.00 feet to a point;
- 6) N 70 deg. 53' 24" E, a distance of 63.46 feet to a point;
- 7) N 20 deg. 54' 43" W, a distance of 16.06 feet to a point;
- 8) N 69 deg. 03' 33" E, a distance of 265.17 feet to a point;
- 9) S 21 deg. 12' 28" E, a distance of 279.82 feet to a point;
- 10) N 68 deg. 30' 34" E, a distance of 7.00 feet to a point;
- 11) S 72 deg. 36' 43" E, a distance of 11.32 feet to a point;
- 12) S 21 deg. 29' 26" E, a distance of 17.50 feet to a point;
- 13) S 51 deg. 39' 10" W, a distance of 11.81 feet to a point located on the northeasterly road boundary of Front Street; thence along the northeasterly and northerly boundary of Front Street the following two (2) courses and distances:

- 1) Along a curve to the left having a radius of 51.77 feet,
- 2) S 82 deg. 52' 00" W, a distance of 10.76 feet to the point of beginning.

CRM Partnership shall not be obligated to maintain the property except for previously agreed to common area charges with other users. This Agreement shall be binding and inure to the benefit of the parties, their successors and assigns.

UTILITY EASEMENT "D"

All that parcel of land situate in the City of Schenectady, County of Schenectady and State of New York being more particularly bounded and described as follows:

Commencing at a point in the northerly road boundary of Front Street at its intersection with the northeasterly road boundary of Mohawk Avenue; thence along the first mentioned northerly road boundary of Front Street the following two (2) courses and distances:

- 1) N 71°-28'-20" E, a distance of 238.09 feet to a point;
- 2) N 89°-06'-50" E, a distance of 178.84 feet to the Point of Beginning, said point also being 5 feet distant southerly at right angles from an existing fire main;

Thence through lands now or formerly of Schenectady Industrial Corporation and being parallel to and 5 feet distant from an existing fire main the following seven courses and distances:

- 1) N 59°-45'-07" W, a distance of 7.54 feet to a point;
- 2) N 21°-12'-28" W, a distance of 111.74 feet to a point;
- 3) N 68°-47'-32" E, a distance of 55.00 feet to a point;
- 4) S 21°-12'-28" E, a distance of 10.00 feet to a point;
- 5) S 68°-47'-32" W, a distance of 45.00 feet to a point;
- 6) E 21°-12'-28" E, a distance of 98.25 feet to a point;

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7) S 59°-45'-07" E, a distance of 20.60 feet to a point located at its intersection with the above mentioned northerly road boundary of Front Street; thence S. 89°-06'-50" W, along said road boundary, a distance of 19.34 feet to the point of beginning.

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SCHEDULE 2

PROPERTY DOCUMENTS AND INFORMATION

1. All environmental audits, reports and studies concerning the Property
2. Surveys
3. The Lease
4. All current leases and licenses pertaining to the Property

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SCHEDULE 3

TENANCIES

SUBTENANTS 405-409 FRONT STREET

<u>Subtenant</u>	<u>Type of Lease</u>	<u>Square Footage</u>	<u>Termination Date</u>	<u>Option to Renew</u>
Accumetrics Associates, Inc.	Month-to-month (written Lease expired in 1998)	5,700	Upon 30 days' written notice	No
ADC Acquisition Company	Written	25,937	12/31/14	No
Energy Management Technologies, LLC	Written	4,677	6/30/14	No
Ioxus, Inc. (successor to Advanced Energy Conversation, LLC)	Written	11,872	10/31/14	Yes. One option to renew for 5 years (November 2014-October 2019) provided Tenant gives 90 days' notice from end of first term of its intent to renew. Rent for renewal term shall be 110% over previous term.

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EXHIBIT A

ESCROW AGREEMENT

This Escrow Agreement dated as of _____, 2014 (the "Escrow Agreement") by and between **STEVEN K. PORTER,** as Escrow Agent (the "Escrow Agent"), **CRM PROPERTIES, LLC,** as seller (the "Seller") and **MAXON ALCO HOLDINGS, LLC** as purchaser (the "Purchaser") (the Purchaser and the Seller are hereinafter collectively called the "Parties").

WHEREAS, the Purchaser and the Seller executed and delivered a certain Purchase and Sale Agreement, dated _____, 2014 (the "Agreement");

WHEREAS, the Agreement sets forth all of the rights, obligations and liabilities of the Parties in connection with the purchase and sale of a building and assignment of a Ground Lease located on Front Street in the City of Schenectady, Schenectady County, New York (the "Property");

WHEREAS, pursuant to the Agreement the Purchaser is obligated to place an initial Deposit in the amount of Fifty Thousand Dollars (\$50,000) with the Escrow Agent (the "Deposit"); and

WHEREAS, this Escrow Agreement is intended to set forth the obligations of Escrow Agent concerning the Deposit;

NOW THEREFORE, in consideration of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is acknowledged by the Parties, the Escrow Agent and the Parties do agree as follows:

1. Purchaser and Seller hereby designate and appoint the Escrow Agent as the escrow agent for the purposes set forth in this Escrow Agreement and the Agreement. The Escrow Agent agrees to hold and dispose of the Deposit in accordance with all of the terms, conditions and provisions of this Escrow Agreement and the Agreement. It is understood and agreed that the Escrow Agent is also counsel to the Purchaser.

2. Deposit in Escrow. Seller and the Purchaser each authorize the Escrow Agent to hold the Deposit until the Closing. At the Closing, the Escrow Agent shall be authorized to release the Deposit to the Seller in accordance with all of the terms, conditions and provisions of the Agreement. The Deposit shall be held by the Escrow Agent in an IOLA account in a FDIC banking institution doing business in County of Albany or Schenectady, New York. The Escrow Agent shall provide a notice to the Parties of the financial institution and account where the Deposit is being held.

3. Limitations on Liability of Escrow Agent. In order to induce Escrow Agent to act as escrow agent under this Escrow Agreement, Purchaser and Seller agree as follows:

3.1 Escrow Agent shall not be liable by reason of its action or failure to act in connection with the transaction contemplated by this Escrow Agreement, unless caused by Escrow Agent's gross negligence or willful misconduct.

3.2 In the event Escrow Agent receives or becomes aware of conflicting instructions, demands or claims with respect to this Escrow Agreement or the sums deposited hereunder, Escrow Agent may continue to hold the Deposit pending resolution of such dispute and/or further direction from the Purchaser and Seller, or may deliver the Deposit in accordance with the order of any court of competent jurisdiction, or deposit the Deposit with a court of competent jurisdiction or other substitute impartial party. Upon any transfer of the Deposit by the Escrow Agent with a court of competent jurisdiction, then the Escrow Agent shall have no liability or obligation to either Party or under this Escrow Agreement.

4. Miscellaneous Provisions.

4.1 Notices and Addresses. All notices, offers and communications required or permitted hereunder shall be made in writing and shall be deemed given three (3) days after mailing, but only if such mailing is by certified mail, return receipt requested, postage prepaid, addressed as follows:

To Seller: CRM Properties, LLC
3 Hemlock Street
Latham, NY 12110

With a copy to: Stephanie A. White, Esq.
Stockli Slevin & Peters, LLP
1826 Western Avenue
Albany, NY 12203

To Purchaser: Maxon Alco Holdings, LLC
695 Rotterdam Industrial Park
Schenectady, New York 12306
Attn: David M. Buicko, Authorized Representative

With a copy to: Steven K. Porter, Esq.
695 Rotterdam Industrial Park
Schenectady, New York 12306

To Escrow Agent: Steven K. Porter, Esq.
695 Rotterdam Industrial Park
Schenectady, New York 12306

By notice given pursuant to this Paragraph, either Party may designate any further or different address to which subsequent notices, offers or other communications to it shall be sent.

5. Titles and Captions. All Paragraph and Subparagraph titles or captions in this Escrow Agreement are for convenience of reference only and shall not be deemed to be a part of this Escrow Agreement and in no way do they define, limit, extend or describe the scope or intent of any of the provisions of this Escrow Agreement.

6. Further Action. The Parties shall execute and deliver all documents, provide all information and take, or forbear from taking, all such actions as may be necessary or appropriate to achieve the purposes of this Escrow Agreement.

7. Applicable Law. This Escrow Agreement shall be construed in accordance with, and be governed by, the laws of the State of New York.

8. Exclusive Escrow Agreement. This Escrow Agreement constitutes the entire Escrow Agreement between the Parties pertaining to the subject matter in this Escrow Agreement and supersedes all prior Escrow Agreements and understandings pertaining to that subject matter. No covenant, representation or condition not expressed in this Escrow Agreement shall affect, or be deemed to interpret, change or restrict the express provisions in this Escrow Agreement.

9. Amendment. Except as otherwise provided in this Escrow Agreement, this Escrow Agreement may be modified or amended only with the prior written approval of both Parties.

10. Waiver. No failure by any Party to insist upon the strict performance of any covenant, duty, agreement, or condition of this Escrow Agreement or to exercise any right or remedy consequent upon a breach of this Escrow Agreement shall constitute a waiver of any such breach or of such, or any other, covenant, Escrow Agreement, term or condition.

11. Separability. Any provisions of applicable law which supersede or invalidate any provision of this Escrow Agreement shall not affect the validity of the balance of this Escrow Agreement, and the remaining provisions of this Escrow Agreement shall be enforced as if such superseded or invalid provisions were deleted.

12. Counterparts. This Escrow Agreement may be executed in two or more counterparts, all of which taken together shall constitute one Escrow Agreement, binding on both Parties.

13. Binding Effect. This Escrow Agreement shall be binding upon, and inure to the benefit of, the Parties and their successors, legal representatives and assigns.

[Signature page follows.]

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IN WITNESSETH WHEREOF, the Parties and the Escrow Agent have executed and delivered this Escrow Agreement as of the day and year written above

SELLER:

CRM PROPERTIES, LLC

By: MSLP Partnership, a New York General Partnership

BY: _____

Peter Campito, Partner

PURCHASER:

MAXON ALCO HOLDINGS, LLC.

BY: _____

David M. Buicko, Authorized Representative

ESCROW AGENT

Steven K. Porter