This letter thus summarizes the principal business terms for an agreement for the purchase of the property. This is a letter of intent only. The parties intend to negotiate further and enter into a definitive written Agreement governing the purchase and sale of the property.

1. Proposed Terms for Purchase and Sale of Property

Seller: City of Amsterdam, New York

Purchaser: KCG Development

Property: The properties at 21 to 41 Bridge Street and 32 Gilliland Avenue in Amsterdam, NY. Tax map parcel numbers: Section 55.42-1-13 and 55.42-1-14;

Purchase Price: $300,000

Planned Development: The Purchaser intends to develop a multifamily housing focused mixed use development community that will incorporate 15,000 sq. ft. of commercial use space. It is expected that the property will be developed in two phases, with phase 1 being comprised of approximately 60 multifamily units and 15,000 square feet of commercial space. Phase 2 would consist of an additional 60 multi-family units. Based on preliminary modeling, it is expected that total development costs would total approximately $20 Million per phase.

Option Period: 18 month initial period with option to renew in 12 month increments to continue pursuit of subsequent phase financing.

Inspections: Purchaser may conduct any inspections and other due diligence it deems necessary during the Due Diligence Period and Extension Period.

Contingencies: Title, survey, zoning, environmental, and financing.

Termination: Purchaser shall have the unqualified right to terminate the Agreement at any time and for any reason during the Due Diligence Period and any Extension Period.

Exclusivity Period: Seller will deal exclusively with Purchaser regarding the purchase and sale of the Property, and Purchaser will have the exclusive right to pursue the necessary private and public financing to effectuate an multifamily housing development from the effective date of the Agreement unless and until the Agreement is terminated.

Entitlements: Seller will provide reasonable, non-monetary support and cooperation to facilitate Purchaser's attempts to obtain any rezoning or subdivision of the Property.

2. Agreement for Exclusive Negotiation.

By signing this letter of intent, the Seller agrees to deal exclusively with Purchaser regarding the sale of the Property until the later of: (a) the date on which the parties enter into a purchase and sale agreement for the Property, or (b) termination of the option.

3. Financial Commitment

By signing this letter of intent, the Purchaser agrees to provide a $30,000 deposit to the City of Amsterdam for the purchase of the property. The City of Amsterdam will hold that deposit in an escrow account with a mutually agreed upon title agent. Upon purchase of the property, the deposit will be applied towards the purchase amount. The deposit shall remain refundable until notice for the award of Low Income Housing Tax Credits (LIHTC) is made. Upon notification to the Purchaser that the project will be awarded LIHTC's, the deposit will become non-refundable. The purchaser shall upon notification of the LIHTC's will can extend the option period for up to two 90 day periods at an option extension payment of $10,000 for each period. Said option extension payments will be non-refundable and applicable to the purchase price at time of closing.

The Seller acknowledges that the Purchaser is likely to incur $50,000-$75,000 in expenditures for the development of technical products and studies necessary to develop a site plan and secure financing.

4. Ownership of Technical Work Products Related to Site Development

Should purchase of the property not be effectuated, the Purchaser agrees to provide the Seller with all non-proprietary work products related to site development, including, but not limited to all engineering studies and other technical and market assessments. This is pursuant to our discussion.

5. Incorporation of Culinary Incubator/Event Space into Development Program

The Purchaser agrees to designate up to 15,000 ft.^{2} of the facility for a Culinary Incubator/Event Space. The purchaser further agrees to work with the Montgomery County Business Development Center (MCBDC) and parties associated with the Culinary Incubator to define and program space for purposes including, but not limited to:

- Shared kitchen area
- Storage space
- Food hall
- Event area
- Food retail
- Restrooms
- Administration

Additionally, the purchaser agrees to allocate sufficient outdoor space for purposes ancillary to the culinary incubator including, but not limited to:

- Farmers Market
- Patio
- Storage
- Dining/Seating
- Garden Area

6. Milestones

Recognizing that the Seller is desirous of moving the project forward in an expedient manner and further that successful project implementation will be dependent upon the securing a financing, timely submission of funding applications to New York State through the Consolidated Funding Application (CFA) process and approvals related to land use/zoning, the Purchaser agrees to meet the following milestones:

- Market feasibility study – to be completed 30 days from signing Letter Of Intent
- Preliminary financing commitments by end of May (for CFA application)
- Provision of all materials needed for the CFA application -- typically submitted at end of July
- Preparation of conceptual sketch plan for CFA submittal
- 1st draft of entire site plan submitted to the City of Amsterdam Planning Board by Oct. 1, 2017

The provisions stated in paragraphs 2-5 are intended to be binding and enforceable. Except for the provisions of paragraphs 2-5, there is no legally binding or enforceable contract between the parties pertaining to the subject matter of this letter of intent. Statements of intent or understandings in this letter of intent do not constitute an offer, acceptance, or legally binding agreement and do not create any rights or obligations for or on the part of any party to this letter of intent. No legally binding or enforceable contract may be made regarding the subject matter of this letter, except through a writing signed by both parties.