

**FIRST WALL STREET CAPITAL HOUSING, LLC**  
**399 PARK AVENUE, 8 FLOOR**  
**NEW YORK, NEW YORK 10022**  
**646-248-6185**

**CONDITIONAL LOAN COMMITMENT**

November 10, 2017

Covington Route 300, LLC  
c/o Jonathan S. Pasternak, Esq.  
or Julie Cvek Curley, Esq.  
DelBello Donnellan, Et Al.  
One North Lexington Avenue, 11th Floor  
White Plains, NY 10601

Re: Covington Route 300, LLC, DIP

Dear Mr. Pasternak and Ms. Curley:

Following are proposed terms pursuant to which **FIRST WALLSTREET CAPITAL , HOUSING , LLC** (“Lender”) is willing to offer a loan to Borrower (the “Loan”), which offer is expressly subject to the terms and conditions set forth in this Loan Commitment.

**Borrower:** Covington Route 300, LLC

**Lender:** FIRST WALL STREET CAPITAL HOUSING, LLC and/or its affiliates.

**Property:** (i) The partially developed parcel of real estate real property commonly known as Temple Hill Road and Route 300 which is located at Section 65, Block 2, Lot 1.12, New Windsor, Orange County, New York;  
(ii) 119 Main Street, New Paltz, New York; and  
(collectively, the “Properties” or the “Collateral”).

**Loan Amount:** Three Million Six Hundred Seventy-Five Thousand and 00/100 Dollars (\$3,675,000).

**Security:** An assignment of mortgage or mortgages from (i) Rhineback Bank and (ii) Wallkill Valley Federal Savings & Loan, Successor by Merger to Hometown Bank of the Hudson Valley as against the Properties.

**Loan Term:** 18 months with one 6 month extension

**Interest Rate:** The Loan shall bear interest at a fixed rate of 12 % per annum.



**Amortization:** No amortization but balloon at end of term

**Prepayment:** Borrower shall have the right to prepay the Loan at any time without penalty, provided Lender shall earn a minimum of six (6) months of interest payments.

**Terms:** 18 months with one 6 month extension

All costs of closing including, but not limited to, title and legal costs shall be deducted from the loan proceeds.

**Title:** Borrower shall obtain at Borrower's costs, a Lender's Title Insurance Policy issued by a Title Company acceptable to the Lender, and endorsements in an amount and in form and substance reasonably acceptable to Lender and subject only to such exceptions as are reasonably acceptable to Lender. Borrower shall pay the Title charges, mortgage tax, and filing/recording fees from the net loan proceeds.

**Notice:** To the Borrower:

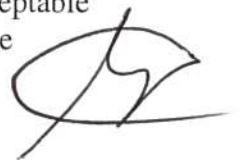
To the Lender: First Wall Street Capital Housing ,LLC  
399 Park Avenue, 8 th Floor , New York, NY 10021  
Attention: GLENN MYLES

**Conditions:** In addition to the conditions otherwise set forth herein, the closing of the Loan is subject to review and approval by the Bankruptcy Court and Confirmation of Chapter 11 Plan by Borrower by Southern District of New York Bankruptcy Court.

**Due Diligence:** NONE

**Escrow:** Escrows will be determined at Closing. The Escrow shall constitute additional collateral security for the Loan and in the event of a default, Lender shall be permitted to apply same to the Loan in such order as Lender shall determine but in accordance with previous paragraph.

**Insurance:** Borrower shall provide Lender with certificates of insurance evidencing that all insurance required under the Mortgage and the Loan Documents ("Insurance Policies") is in full force and effect and in form acceptable to Lender in its sole discretion. Borrower shall covenant that the



Insurance Policies shall remain in full force and effect throughout the Loan Term. The Borrower shall maintain at all times, at the Borrower's sole cost and expense, policies of liability and property, including builder's risk, terrorism coverage insurance, law and ordinance insurance other reasonable insurance coverage required by the Lender according to the Loan Documents. The Insurance Policies must be paid for the term of the Loan at closing. Lender, its successors and/or assigns must be listed as mortgagee, loss payee, and additional insured. All Insurance Policies shall be issued by insurance companies satisfactory to Lender having an A.M. Best Key Rating of at least A/IX.

**Documentation:** Documentation of the Loan shall be on Lender's standard loan documentation, subject to the terms hereof. Loan documents will include, in addition to the provisions that are summarized herein, provisions that, in the sole discretion of Lender, are customary, typical or appropriate for the Loan (the "Loan Documents"). Lender shall require an opinion of borrower's counsel.

**Closing:** On or before January 31, 2018. If the Loan does not close by January 31, 2018 this Commitment Letter will be deemed terminated.

**THIS COMMITMENT, THE PAYMENT OF THE COMMITMENT FEE AND THE CLOSING AND FUNDING OF THE LOAN ARE EXPRESSLY CONDITIONED UPON AND SUBJECT TO THE APPROVAL OF THE UNITED STATES BANKRUPTCY COURT.**

Please acknowledge your acceptance of the terms and conditions described herein by faxing Madison an executed copy of this letter and wiring the Commitment Fee. Once receipt is confirmed, the due diligence process will commence.

Sincerely,

FIRST WALL STREET CAPITAL  
HOUSING, LLC

By: 

Name: GLENN MYLES  
Title: MANAGING PARTNER

**ACCEPTED AND AGREED:**

**BORROWER:**

**COVINGTON ROUTE 300, LLC**

By: \_\_\_\_\_  
Name:  
Title

A handwritten signature in black ink, consisting of a large, stylized letter 'B' followed by a horizontal line extending to the right.