

LEASE AGREEMENT

THIS AGREEMENT (the "Lease), dated as of October 17, 2017, by and between

COUNTY OF LEWIS INDUSTRIAL DEVELOPMENT AGENCY,
a public benefit corporation duly existing under the laws of the State of New York, with
offices at 7642 State Street, PO Box 106, Lowville, New York 13367
(the "Agency")

and

JOHNSON LUMBER COMPANY, LLC
a limited liability company organized under the laws of the State of New York, with an
office and place of business at 10972 State Route 26, PO Box 469, Carthage, New York
13619
(the "Company").

RECITALS

WHEREAS, Title I of Article 18-A of the General Municipal Law of the State of New York, as amended (the "Enabling Act"), authorizes the creation of industrial development agencies for the benefit of municipalities in the State of New York (the "State") and empowers such agencies, among other things, to acquire, construct, reconstruct, improve, maintain, equip, and furnish real and/or personal property, whether now in existence or under construction or to be constructed, which real and/or personal property shall be suitable for industrial, manufacturing, warehousing, commercial, research or recreation facilities, including industrial pollution control facilities, educational or cultural facilities, railroad facilities and horse racing facilities, all for the purpose of promoting, attracting, encouraging and developing recreation and economically sound commerce and industry to advance the job opportunities, health, and general prosperity and economic welfare of the people of the State, to improve their recreation opportunities, prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, the Enabling Act further authorizes such industrial development agencies to own or lease any and all of its facilities at such rentals and on such other terms as may be advisable; and

WHEREAS, in accordance with the Enabling Act, in particular Section 902-a thereof, and Chapter 62 of the Laws of 1973 of the State (collectively the "Act"), the Agency was created for the benefit of the people of the County of Lewis, and the Agency is empowered under the Act to undertake the ownership and/or leasing of the premises and property described herein; and

WHEREAS, the Company has requested the Agency's assistance with respect to a certain project (the "Project") involving real estate owned by the Company at State Route 26 in the Town of Denmark, County of Lewis, New York described on the attached Schedule A (the "Land") and presently or to be improved by structures, fixtures and accessions related to the Company's operation of a facility utilized for the production of wood products, including

equipment, machinery, structures, or structural additions and other tangible property (the "Improvements", and together with the Land, the "Facility");and

WHEREAS, to induce and enable the Company to maintain, develop and improve the Facility, the Agency is willing to take title to it and to lease back the Facility to the Company pursuant to the terms and conditions contained herein; and

WHEREAS, the Agency has determined that by doing so it will accomplish its public purposes, in particular: promoting, attracting, encouraging and developing recreation and economically sound commerce and industry to advance the job opportunities, health, and general prosperity and economic welfare of the people of the State pursuant to the provisions of the Act; and

WHEREAS, all things and actions necessary to make this a valid agreement between the parties in accordance with the terms hereof, have been done and performed, and the creation, execution and delivery of this Lease has in all respects been duly authorized and all actions have been duly taken.

NOW, THEREFORE, Agency and the Company agree and covenant as follows:

**ARTICLE I
REPRESENTATIONS, COVENANTS AND WARRANTIES**

SECTION 1.01 REPRESENTATIONS, COVENANTS AND WARRANTIES OF THE AGENCY.

The Agency makes the following representations, covenants and warranties as the basis for the undertakings on its part herein contained:

- (a) The Agency is duly established under the provisions of the Act and has the power to enter into the Lease. By proper official action, the Agency has been duly authorized to execute, deliver and perform the Lease.
- (b) The Agency has been induced to enter into this Lease by the Company's wish and desire to maintain, develop and improve the Facility.
- (c) Neither the execution and delivery of the Lease, nor the consummation of the transactions contemplated hereby, will: (i) conflict with or result in a breach by the Agency of any of the terms, conditions or provisions of the Act, the by-laws of the Agency or any order, judgment, restriction, agreement or instrument to which the Agency is a party or by which it is bound, or (ii) constitute a default by the Agency under any of the foregoing, or (iii) require consent under, conflict with, or violate any existing law, rule, regulation, judgment, order, writ, injunction or decree of any governmental authority or court having jurisdiction over the Agency or any of the property of the Agency.

- (d) Immediately prior to the execution of this Lease, the Company has conveyed to the Agency by deed fee title to the Facility.
- (e) Except as otherwise provided herein, the Agency, to the extent of its interest therein, shall not sell, assign, transfer, encumber or pledge as security the Facility or any part thereof.

SECTION 1.02 REPRESENTATIONS, COVENANTS AND WARRANTIES OF THE COMPANY.

The Company makes the following representations, covenants and warranties as the basis for the undertakings on its part herein contained:

- (a) The Company is a limited liability company duly organized and existing, and in good standing, under the laws of the State of New York, is duly authorized to do business in the State of New York, has the power to enter into the Lease and to carry out its obligations hereunder, has duly authorized the execution, delivery and performance of the Lease, and will remain qualified to do business in the State until its obligations under this Lease have been fully performed.
- (b) Immediately prior to the execution and delivery of this Lease, the Company will have conveyed to the Agency by deed fee title to the Facility.
- (c) The Company agrees to defend, indemnify and hold the Agency harmless from any expense or liability due to any defect in the Agency's title to the Facility.
- (d) The Lease constitutes, or upon its execution and delivery in accordance with the terms hereof will constitute, a valid and legally binding obligation of the Company enforceable in accordance with its terms.
- (e) Neither the execution and delivery of the Lease by the Company, the consummation of the transactions contemplated by it, nor the mutual fulfillment of and compliance with the provisions of the Lease will (i) result in a breach of, or conflict with any term or provision in, the Company's operating agreement; or (ii) require consent under, or result in a breach of or default under, any credit agreement, indenture, purchase agreement, mortgage, deed of trust, commitment, guaranty or other agreement or instrument to which the Company is a party or by which it or any of its property interests may be bound or affected; or (iii) conflict with or violate any existing law, rule, regulation, judgment, order, writ, injunction or decree of any governmental authority or court, federal, state or local, having jurisdiction over the Company, the Agency, the Project, or any of the property interests of the Company.
- (f) The Company's entry into this Lease and its use and occupation of the Facility will not result in the removal of an industrial or manufacturing plant or commercial activity located elsewhere in the State or in the abandonment of any

such plant or commercial activity of the Company or of any subtenant located elsewhere within the State.

- (g) The Facility and the operation thereof by the Company will reasonably conform with all applicable zoning, planning, building and environmental laws and regulations of governmental authorities having jurisdiction over the Facility, and the Company shall defend, indemnify and hold the Agency harmless from any liability or expenses resulting from any failure by the Company to comply with the provisions of this subsection (g).
- (h) The Company shall cause all notices as required by law to be given, and shall reasonably comply or reasonably cause compliance with all laws, ordinances, municipal rules and regulations and requirements of all governmental authorities applying to or affecting the conduct of its business operations at the Facility, and the Company will defend and save the Agency and its officers, members, agents and employees harmless from all fines and penalties due to the failure of the Company to comply therewith.
- (i) The Company will not change or discontinue the intended principal use and function of the Facility as a facility for the provision of professional medical art and other health care services during the Term of the Lease. This provision shall not, however, be deemed to prohibit expansion or extension of that use or the introduction at the Facility of operations and activities complementary or collateral to that principal use.
- (j) The Company will comply in all respects with its obligations and covenants under the "Payment In Lieu Of Tax Agreement" between the Agency and the Company dated the same date as this Lease (the "PILOT Agreement").
- (k) In compliance with Section 858-b of the New York State General Municipal Law, the Company will cause any new employment opportunities created in connection with the Facility to be listed with the New York State Department of Labor, Community Services Division, and with the local office of the New York State Job Service which serves the County of Lewis, New York, and will first consider, for such new employment opportunities, where practicable, persons eligible to participate in federal job training partnership programs who shall be referred to it. Nothing in this subparagraph shall be construed to require the Company to violate any existing collective bargaining agreement with respect to hiring new employees.

**ARTICLE II
AGREEMENT TO LEASE FACILITY;
RENTS AND OTHER AMOUNTS PAYABLE**

SECTION 2.01. AGREEMENT TO LEASE FACILITY.

In consideration of the covenants and representations of the Company contained herein, the Agency hereby agrees to lease and does lease and demise to the Company, and the

Company hereby agrees to let from the Agency and does let from the Agency, the Facility, subject to conditions, covenants, easements, encumbrances, reservations and restrictions of record, if any.

SECTION 2.02. TERM AND OCCUPANCY RIGHTS.

- (a) Unless otherwise agreed by the Agency and the Company, the Agency shall on the date of this Lease deliver to the Company all of the Agency's right and entitlement to use and possession of the Facility deriving from its ownership thereof, and the leasehold estate created hereby shall commence on such date, and the Company shall accept possession of the Facility on such date.
- (b) Except in the event of its early termination in accordance with the provisions of this Lease, the leasehold estate created by this Lease shall continue until February 28, 2033 (the "Term").
- (c) Subject to Article IV of this Lease, the Company shall peaceably and quietly have, hold, and enjoy all right and entitlement to use and possession of the Facility which the Agency may, as owner, have and convey. The Agency shall take no action, other than pursuant to Article VII of this Lease, to prevent the Company from having quiet and peaceable possession and enjoyment of the Project Facility during the term of this Lease. The Agency agrees that, at the request and sole cost of the Company, it will cooperate with the Company in the event that such quiet and peaceful possession and enjoyment of the Facility is disturbed during the Term.

SECTION 2.03. RENTAL PAYMENTS.

The Company shall pay to the Agency as periodic rent for the Facility during the Term the sum of \$1.00 per year, in advance.

SECTION 2.04. CONVEYANCE AT TERMINATION OF THE LEASE.

- (a) At the conclusion of the Term, for whatever reason, the Facility shall be promptly reconveyed from the Agency to the Company for the sum of One Dollar (\$1.00).
- (b) The conveyance of the Agency's right, title and interest in and to the Facility shall be effected by the execution and delivery by the Agency of a quit claim deed of the Agency's interest in real property.
- (c) The Company shall pay all expenses and taxes, if any, applicable to or arising from the transfer contemplated by this Section, including those to obtain and

record terminations, discharges and releases of all mortgages or other security interests affecting the Facility.

SECTION 2.05. FINANCIAL OBLIGATIONS AT TERMINATION OF THE LEASE.

At the conclusion of the Term, the Company shall pay to the Agency an amount certified by the Agency sufficient to pay all unpaid reasonable fees and expenses of the Agency for which the Company is responsible under the provisions of this Lease, together with all fees and expenses incurred or to be incurred by the Agency in order to convey the Facility to the Company.

SECTION 2.06. OBLIGATIONS OF THE COMPANY HEREUNDER
ABSOLUTE AND UNCONDITIONAL.

- (a) The obligation of the Company to make the payments required in Sections 2.03, 2.04 and 2.05 and to perform and observe any and all of the other covenants and agreements on its part contained in the Lease, shall be a general obligation of the Company, absolute and unconditional irrespective of any defense or any rights of setoff, recoupment or counterclaim it might otherwise have against the Agency. The Company agrees that it will not (a) discontinue, forego or abate any payment required, or (b) neglect or fail to observe any of its other covenants or promises contained in this Lease.
- (b) Nothing contained in this Section 2.06 shall be construed to release the Agency from the performance of any of the agreements on its part contained in this Lease, and, in the event the Agency should fail to perform any such agreement, the Company may institute such action against the Agency as the Company may deem necessary to compel performance or recover damages for non-performance; provided, however, that the Company shall look solely to the Agency's estate and interest in the Facility for the satisfaction of any right or remedy of the Company for the collection of a judgment (or other judicial process) requiring the payment of money by the Agency in the event of any liability on the part of the Agency, and no other property or assets of the members, officers, agents (other than the Company) or employees of the Agency (except to the extent that said members, officers, agents or employees acted willfully or beyond the scope of their authority) shall be subject to levy, execution, attachment or other enforcement procedure for the satisfaction of the Company's remedies under or with respect to this Lease, the relationship of the Agency and the Company hereunder or the Company's use and occupancy of or purchase of or title to the Facility, or any other liability of the Agency to the Company.

ARTICLE III
MAINTENANCE, MODIFICATION, TAXES AND INSURANCE

SECTION 3.01. MAINTENANCE AND MODIFICATION OF FACILITY BY COMPANY.

- (a) Except as provided in Article IV, the Company shall not abandon the Facility or cause or permit any waste therein or thereon. The Company shall at its own expense (i) keep the Facility in as reasonably safe condition as the character of the business operations conducted thereat will permit, (ii) keep the buildings, equipment and all other improvements forming a part of the Facility in good repair and in good operating condition, making from time to time all necessary repairs and replacements thereof, and (iii) operate the Facility in a manner consistent with sound practices for facilities like it and in compliance with all applicable federal, state and local laws, rules, regulations and orders; and (iv) indemnify and hold the Agency harmless from and against any liability or expenses, including the expenses of defense, from the failure by the Company to comply with (i), (ii), or (iii) above.

- (b) With the written consent of the Agency, which shall not be unreasonably withheld or delayed, the Company from time to time may make structural additions or improvements to the Facility or any part thereof, provided such actions (i) do not adversely affect the structural integrity of then-existing buildings comprising the Facility, and (ii) will conform with the Company representations set out in Section 1.02 of this Lease. The Agency's consent with respect to any structural addition or improvement may be subject to such reasonable conditions as the Agency may deem appropriate. All such additions, modifications or improvements made by the Company shall become a part of the Facility and the property of the Agency. The Company agrees to deliver to the Agency all documents which may be necessary or appropriate to convey to the Agency title to such property.

SECTION 3.02. INSTALLATION OF ADDITIONAL EQUIPMENT.

The Company may from time to time install additional machinery, equipment, trade fixtures or other personal property appropriate to its authorized use of the Facility. Any damage sustained by the Facility in consequence of the Company's installation or removal of such installations shall be promptly repaired by it at its sole cost.

SECTION 3.03. TAXES, ASSESSMENTS AND UTILITY CHARGES.

- (a) The Company agrees to pay, as the same become due and before any fine, penalty, interest (except interest which is payable in connection with legally permissible installment payments) or other cost may be added thereto or become due or be imposed by operation of law for the non-payment thereof, (i) all taxes

and governmental charges of any kind whatsoever which may at any time be lawfully assessed or levied against or with respect to the Facility and any machinery, equipment or other property installed or bought by the Company therein or thereon, including, without limiting the generality of the foregoing, any sales or use taxes, if applicable, imposed with respect to the Facility or any part or component therefor, or the rental or sale of the Facility or any part thereof and any taxes levied upon or with respect to the income or revenues of the Agency from the Facility; (ii) all utility and other charges, including service charges, incurred or imposed for or with respect to the operation, maintenance, use occupancy, upkeep and improvement of the Facility; and (iii) all assessments and charges of any kind whatsoever lawfully made by any governmental body for public improvements upon or servicing the Facility. With respect to special assessments or other governmental charges that may lawfully be paid in installments over a period of years, the Company shall be obligated under this Lease to pay only such installments as are required to be paid while the Lease is in effect.

- (b) The Company may in good faith contest any such taxes, assessments and other charges. In the event of any such proceedings, the Company may permit the taxes, assessments or other charges so contested to remain unpaid during the period of such proceedings and any appeal therefrom, provided and only if (i) neither the Facility nor any part thereof or interest therein would be in any immediate danger of being sold, forfeited or lost by reason of such proceedings and (ii) the Company shall have set aside on its books adequate reserves with respect thereto and shall have furnished such security, if any, as may be required in such proceedings or requested by the Agency.
- (c) The Agency agrees that if it or the Company contests any taxes, assessments or other charges provided for in paragraph (b) hereof, all sums rebated as a result thereof will be promptly transmitted by the Agency to the Company and that the Company shall be entitled to retain all such amounts.
- (d) Within thirty (30) days of receipt of written request therefor, the Company shall deliver to the Agency official receipts of the appropriate taxing authorities or other proof reasonably satisfactory to the Agency evidencing payment of any tax.
- (e) The Company shall defend, indemnify and hold the Agency harmless from and against any liability or expense, including expense of defense, resulting from any failure by the Company to comply with the provisions of the foregoing subsection (a).
- (f) The provisions of subsections 3.03(a), (b) and (c) above shall not have any application to, and shall not amend or supersede, the obligations and restrictions imposed upon the Company under the terms of the PILOT Agreement.

SECTION 3.04. INSURANCE REQUIRED.

At all times while this Lease is in effect, including without limitation during any period of construction, reconstruction, renovation, equipping or operating of the Facility, the Company shall, at its sole cost and expense, maintain or cause to be maintained by its subagent or subcontractors, certain insurance against such risks and for such amounts as are customarily insured against by businesses of like size and type, and paying, as the same become due and payable, all premiums in respect thereto, including, but not necessarily limited to:

(a) (i) Insurance against loss or damage by fire, lightning and other casualties, with a uniform standard extended coverage endorsement, such insurance to be in an amount not less than the full replacement value of the Facility, exclusive of excavations and foundations, as determined by a recognized appraiser or insurer selected by the Company or (ii) as an alternative to the above requirements (including the requirement of periodic appraisal), the Company may insure the Facility under a blanket insurance policy or policies covering not only the Facility but other properties as well. Such insurance shall have a commercially reasonable deductible.

(b) Workers' compensation insurance, disability benefits insurance, and each other form of insurance which the Agency or the Company is required by law to provide, covering loss resulting from injury, sickness, disability or death of employees of the Company who are located at or assigned to the Facility.

(c) Insurance against loss or losses from liabilities imposed by law or assumed in any written contract and arising from personal injury and death or damage to the property of others caused by any accident or occurrence, with limits of not less than \$1,000,000 per accident or occurrence on account of personal injury, including death resulting therefrom, and \$1,000,000 per accident or occurrence on account of damage to the property of others, excluding liability imposed upon the Company by any applicable worker's compensation law; and a blanket excess liability policy in the amount not less than \$2,000,000, protecting the Company against any loss or liability or damage for personal injury or property damage.

Additional Provisions Respecting Insurance. (a) All insurance required shall name the Agency as an additional insured, as its interest may appear. All insurance shall be procured and maintained in financially sound and generally recognized responsible insurance companies selected by the Company and authorized to write such insurance in the State. Such insurance may be written with commercially reasonable deductible amounts comparable to those on similar policies carried by other companies engaged in businesses similar in size, character and other respects to those in which the Company is engaged. All policies evidencing such insurance shall provide for (i) payment of the losses of the Company and the Agency as their respective interest may appear, and (ii) at least thirty (30) days prior written notice of the cancellation thereof to the Company and the Agency, except in the event of non-payment, in which at least ten (10) days prior written notice of the cancellation shall be delivered to the Company and the Agency. All insurance requirements may be satisfied by blanket policies subject to the reasonable approval by the Agency; provided, however, that approval or acceptance

by a commercial lender (if any) in connection with the financing of the Project shall not require approval by the Agency.

All such policies of insurance, or a certificate or certificates of insurance that such insurance is in force and effect, shall be deposited with the Agency on the date hereof. Prior to expiration of any such policy, the Company shall furnish evidence to the Agency that the policy has been renewed or replaced or is no longer required by this Agreement.

SECTION 3.05. RIGHT OF THE AGENCY TO PAY TAXES, INSURANCE PREMIUMS AND OTHER CHARGES.

If the Company fails to pay (a) any tax, inclusive of any fine, penalty, interest or cost which may have been added thereto or become due or been imposed by operation of law for nonpayment thereof, or (b) any assessment or other governmental charges required to be paid (b) to maintain any insurance required to be maintained, or (c) any amount required to be paid by any law or ordinance relating to the use or occupancy of the Facility or by any requirement, order or notice of violation thereof issued by any governmental person, (d) any mechanic's Lien which is recorded or filed against the Facility in connection with work performed after Lease inception or any part thereof (unless contested), or (v) any other amount hereunder required to be paid by the Company hereunder, the Agency may, but shall not be obligated to, pay or cause to be paid such tax, assessment or other governmental charge or the premium for such insurance or any other payment or may perform any such act. No such payment shall be made, however, if the Company is contesting the same in good faith to the extent and as permitted by this Lease unless an Event of Default shall have occurred and be continuing. No such payment by the Agency shall affect or impair any rights of the Agency hereunder. The Company shall, on demand, reimburse the Agency for any amount so paid and for related expenses or costs incurred by the Agency, if any, in the performance of any such act, together with interest thereon from the date of payment of such amount, expense or cost by the Agency at one (1) percentage point above the prevailing prime lending rate of interest published in the Wall Street Journal or at the maximum rate permitted by law, whichever is less.

SECTION 3.06. GENERAL PROVISIONS RESPECTING INSURANCE.

- (a) Every policy of insurance which the Company is required to carry shall name the Agency as additional insured, and shall contain agreements by the insurer that (i) it will not cancel or modify such policy except after thirty (30) days prior written notice to the Agency, and that (ii) it will not change or alter the designation of the Agency as an additional insured without the prior written consent of the Agency.
- (b) The Company shall deliver to the Agency the policies or binders of insurance required by this Lease, together with proof of the payment of premium therefor,

and shall annually furnish the Agency with a certificate reciting that the insurance coverage required by this Lease is in full force and effect.

ARTICLE IV DAMAGE OR DESTRUCTION

SECTION 4.01. DAMAGE OR DESTRUCTION OF THE FACILITY

- (a) If all or any portion of the Facility shall be damaged or destroyed at any time during the Term of this Lease:
 - (i) Upon the occurrence of such damage or destruction, the Company shall promptly give notice thereof to the Agency;
 - (ii) There shall be no resulting abatement or reduction in the amounts payable by the Company, for rent or otherwise, under this Lease;
 - (iii) The Company and the Agency shall cooperate in preparing and submitting insurance claim forms to the Facility's casualty insurance carriers, and all insurance proceeds realized shall be held by the Agency in escrow. Insurance checks jointly payable to the Company and the Agency shall be endorsed by the Company promptly upon request for that purpose;
 - (iv) If the damage to the Facility is such that substantial structural replacement, repair, rebuilding or renovation would be required in order to reinstitute normal business operations and activities at the site, the Company shall notify the Agency, within thirty days after a final determination of the insurance recovery entitlement, whether it wishes to have the Facility replaced, repaired, rebuilt or restored;
 - (v) If the damage to the Facility is not so significant as to require substantial structural replacement, repair, rebuilding or renovation in order to reinstitute normal business operations and activities, the Company shall be required to repair or restore the Facility.
 - (vi) The Agency shall have no obligation to contribute to the cost of replacing, repairing, rebuilding, or restoring the Facility;
- (b) In the event the Company elects to, or by the terms of this Article is required to, replace, repair, rebuild, or restore the Facility:
 - (i) The Facility shall be placed in substantially the same condition and value at the completion of that work as it was immediately prior to the damage or destruction;

- (ii) Any such repair, replacement, rebuilding, or restoration of the Facility shall be effected with due diligence in a good and workmanlike manner, in compliance with all applicable legal and regulatory requirements; and
 - (iii) All insurance proceeds realized in consequence of the damage or destruction shall be held in trust by the Agency and applied to the costs of the repair and restoration work, subject to the Company's contribution at its sole cost and expense of whatever additional sums may be necessary to satisfy the requirements of subparagraphs (i) and (ii) above. If said insurance proceeds exceed the cost to repair or restore, said excess insurance proceeds shall be promptly paid by the Agency to the Company.
- (c) In the event the Company has the right under Section 4.01(a) above, and elects, not to replace, repair, rebuild, or restore the Facility, the Company shall be required to exercise the early termination option provided for in Article VIII of this Lease and to make the payments to the Agency provided for in that Article. In that event, all insurance proceeds realized in consequence of the damage or destruction shall be retained by the Agency and shall be credited against the amounts due from the Company by virtue of early termination.

If said insurance proceeds exceed the credits applied by the Agency, said excess insurance proceeds shall be promptly paid by the Agency to the Johnsons and Company.

ARTICLE V SPECIAL COVENANTS

SECTION 5.01. NO WARRANTY OF CONDITION OR SUITABILITY BY AGENCY.

THE AGENCY MAKES NO WARRANTY, EITHER EXPRESS OR IMPLIED, AS TO THE CONDITION, TITLE, DESIGN, OPERATION, MERCHANTABILITY OR FITNESS OF THE FACILITY OR ANY PORTION THEREOF OR THAT THE FACILITY IS OR WILL BE SUITABLE FOR THE COMPANY'S PURPOSES OR NEEDS. THE COMPANY SHALL AND DOES ACCEPT ITS LEASEHOLD INTEREST IN THE FACILITY "AS IS" WITHOUT RECOURSE OF ANY NATURE AGAINST THE AGENCY FOR ANY CONDITION NOW OR HEREAFTER EXISTING. NO WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE OR MERCHANTABILITY ARE MADE. IN THE EVENT OF ANY DEFECT OR DEFICIENCY OF ANY NATURE, WHETHER PATENT OR LATENT, THE AGENCY SHALL HAVE NO RESPONSIBILITY OR LIABILITY WHATSOEVER WITH RESPECT THERETO.

SECTION 5.02. HOLD HARMLESS PROVISIONS.

- (a) The Company agrees that the Agency shall not be liable for and agrees to defend, indemnify, release, and hold the Agency harmless from and against any and all (i) liability, claim or expense for loss or damage to property or injury to or death of any and all persons that may be occasioned, directly or indirectly, by any cause whatsoever pertaining to the Facility or arising by reason of or in connection with the occupation or the use thereof or the presence of any person or property on, in or about the Facility, other than liabilities, claims or expenses resulting from the intentional wrongdoing of the Agency or any of its members, officers, agents (other than the Company), or employees, and (ii) liability, claim or expense arising from the breach by the Company of any of its covenants contained in this Lease, and (iii) causes of action and attorneys fees and any other expenses incurred in defending any suits or actions which may arise as a result of any of the foregoing, except as set forth in clause (i) of this subsection.
- (b) Notwithstanding any other provisions of this Lease, the obligations of the Company pursuant to this Section 5.02 shall remain in full force and effect after the termination of this Lease and until the later of (i) the expiration of the period stated in the applicable statute of limitations during which a claim, cause of action or prosecution relating to the matters herein described may be brought, and (ii) the payment in full or the satisfaction of such claim, cause of action or prosecution relating to the matters herein described, and (iii) the payment of all expenses and charges incurred by the Agency, or its respective members, directors, officers, agents and employees, relating to the enforcement of the provisions herein specified.

SECTION 5.03. RIGHT TO INSPECT FACILITY.

During the Term of this Lease, the Agency and its agents or representatives may enter the Facility, upon prior verbal or written notice to the Company, for the purpose of inspecting the Facility, or effecting repairs or maintenance which have been neglected by the Company. No prior notice shall be required in order for the Agency to enter the Facility to serve the Company with any written notice or legal process, or to take possession and control of the Facility upon expiration of the Term.

SECTION 5.04. COMPLIANCE WITH ORDERS.

- (a) The Company agrees that it will comply with all statutes, codes, laws, acts, ordinances, orders, judgments, decrees, injunctions, rules, regulations, permits, licenses, authorizations, directions and requirements, which now or at any time hereafter may be applicable to the Facility or any part thereof or to the acquisition, construction, equipping, and installation of the Facility, or to any use, manner of use, or condition of the Facility or any part thereof.

- (b) Notwithstanding the provisions of subsection (a) hereof, the Company may in good faith contest the validity or the applicability of any requirement of the nature referred to in such subsection (a) by appropriate legal proceedings conducted in good faith and with due diligence. If at any time the then-existing use or occupancy of the Facility shall be permitted only so long as such use or occupancy continues, the Company shall, unless it has the prior consent of the Agency otherwise, use its best efforts to maintain and continue such use or occupancy.
- (c) If, because of a breach or violation of the provisions of subsection (a) hereof, either the Agency or any of its members, directors, officers, agents, or employees, shall be threatened with a fine or imprisonment, then, upon notice from the Agency, the Company shall immediately provide at its sole expense legal defense and/or pay amounts necessary and sufficient to remove the threat of such fine or imprisonment.

SECTION 5.05. DISCHARGE OF LIENS AND ENCUMBRANCES.

Except and unless otherwise expressly authorized by this Lease, without the prior consent of the Agency (a) the Company shall not grant or authorize the filing of any lien or encumbrance upon or affecting the Facility or any part of it, (b) the Company shall immediately notify the Agency of any actual or threatened lien filing against the Facility, and (c) the Company shall effect the discharge or removal of any lien or encumbrance of whatever nature filed against the Facility or a part of it within thirty (30) days thereafter or within such shorter period of time as the Agency may require if, in the Agency's sole judgment, the earlier removal of that encumbrance is essential to avert the likelihood of intervening lien enforcement proceedings.

SECTION 5.06 OWNERSHIP OF EQUIPMENT.

All equipment now or hereafter acquired and used or in place at the Facility shall be properly and fully identified in Company records. All such equipment, including additions and replacement parts, shall be presumptively owned by the Agency unless such item or items (a) were acquired by the Company in its own name and not as agent for the Agency, (b) do not constitute replacements or substitutions for existing equipment, (c) are readily removable without damage to the land and structures comprising the Facility, and (d) have been, since acquisition, properly identified as Company property in Company records.

SECTION 5.07 DEPRECIATION DEDUCTIONS AND INVESTMENT TAX CREDIT.

The parties agree that, as between them, the Company shall be entitled to all depreciation deductions with respect to any depreciable property comprising a part of the Facility pursuant to Section 167 or Section 168 of the Internal Revenue Code and to all other state and/or federal income tax deductions and credits, including, but not

limited to, investment and/or production credits, which may be available with respect to the Facility.

SECTION 5.08. AGREEMENT TO PROVIDE INFORMATION

The Company agrees to furnish the Agency such information concerning the Company, its finances, its operations and its affairs as is necessary to enable the Agency to make any report required by law, regulation, agreement or other instrument which is applicable to the Agency.

SECTION 5.09. ENVIRONMENTAL MATTERS.

- (a) The Company agrees that the Agency or its agents or representatives may, at any reasonable time and at Company's expense, inspect the Company's books and records and inspect and conduct any test on the Facility including taking soil samples in order to determine whether Company is in continuing compliance with all environmental laws applicable to the Facility; but such inspection and testing shall be subject to state and federal permits.
- (b) The Company agrees that the Agency may request and require, and the Company shall pay the cost and expense of, an environmental assessment, audit, study or investigation of the Facility if, in the Agency's reasonable judgment, it believes that the Facility has sustained, or is the source of, environmental contamination.
- (c) The Company shall indemnify, defend, and hold harmless the Agency and its members, officers, agents and employees from and against all loss, liability, damage and expense, including without limitation injury or damage to person or property, costs associated with administrative and judicial proceedings and engineering, consulting, legal or other professional fees, which arise from or are attributable to (i) Company's failure to comply with any federal, state, or local environmental law, code, ordinance, rule or regulation, or the common law; (ii) any release of oil or hazardous materials, hazardous substances or hazardous waste or any other contaminant or pollutant at, on, into or from the Facility; or (iii) the violation or breach of any of the warranties and representations relating to environmental matters which are made or given by the Company in this Lease.

SECTION 5.10. NO RECOURSE: SPECIAL OBLIGATIONS.

- (a) The obligations and agreements of the Agency contained in this Lease and in any other instrument or document supplemental thereto or hereto, shall be deemed the obligations and agreements of the Agency and not of any member, officer, agent (other than the Company) or employee of the Agency in his or her individual capacity. The members, officers, agents (other than the Company)

and employees of the Agency shall not be liable personally for any breach of the obligations and agreements of the Agency contained in this Lease or in any other instrument or document supplemental hereto.

- (b) The obligations and agreements of the Agency contained in this Lease, and in any other instrument or document supplemental thereto or hereto (i) shall not constitute or give rise to an obligation of the State of New York or of the County of Lewis, and neither the State nor the County shall be liable hereon or thereon, and (ii) shall not constitute or give rise to a general obligation of the Agency, but rather shall constitute limited obligations of the Agency, payable solely from revenues in actual possession of the Agency which derive from this Lease or from the disposition of the Facility.
- (c) No order or decree of specific performance with respect to any of the obligations of the Agency under this Lease shall be sought or enforced against the Agency unless (i) the party seeking such order or decree shall first have requested the Agency in writing to take the action sought in such order or decree of specific performance, (ii) thirty (30) days shall have elapsed from the date of receipt of such request, and the Agency shall have refused to comply with such request (or, if compliance by the Agency therewith would reasonably be expected to take longer than thirty (30) days, the Agency shall have failed to institute and diligently pursue action to cause compliance with such request) or failed to respond within such notice period, and (iii) if the Agency's refusal to comply with such request is based on its reasonable expectation that it will incur fees and expenses, except to the extent such expected fees result from the intentional wrongdoing of the Agency, the party seeking such order or decree shall have placed in an account with the Agency an amount or undertaking sufficient to cover such reasonable fees and expenses, and (iv) if the Agency's refusal to comply is based on its reasonable expectation that it or any of its members, officers, agents (other than the Company) or employees shall be subject to potential liability, the party seeking such order or decree shall have (A) agreed to indemnify and hold harmless the Agency and its members, officers, agents (other than the Company) and employees against any liability incurred as a result of its compliance with such demand, and (B) if requested by the Agency, shall have furnished to the Agency satisfactory security to protect the Agency and its officers, agents (other than the Company) and employees against all liability which might reasonably arise as a result of compliance with such request.

**ARTICLE VI
ASSIGNMENT AND SUBLEASING;
MERGER OF AGENCY**

SECTION 6.01. RESTRICTION ON SALE OF FACILITY.

Except as otherwise specifically provided or contemplated by the provisions of this Lease, the Agency shall not sell, convey, transfer, encumber or otherwise dispose of the

Facility or any part thereof or any of its rights therein or under this Lease, other than a sale, conveyance or transfer to the Company, without the prior written consent of the Company.

SECTION 6.02. ASSIGNMENT AND LEASING.

- (a) The Company may not assign its rights under this Lease without the prior written consent of the Agency. Any Agency-approved assignment by the Company shall be on the following conditions and understandings:
 - (i) The assignee shall, in writing, assume the obligations of Company under this Lease to the extent of the interest assigned;
 - (ii) The Company shall, within ten (10) days after the delivery thereof, furnish or cause to be furnished to the Agency a true and complete copy of such assignment and the instrument of assumption;
 - (iii) Such assignment shall not, and shall not purport to, affect, impair, invalidate or render unenforceable any of the provisions of this Lease.
- (b) If the Agency shall so request, as of the purported effective date of any assignment or sublease approved by the Agency pursuant to this Section, the Company at its cost shall furnish the Agency with an unqualified opinion of legal counsel, in form and substance satisfactory to the Agency, to the effect that the conditions to such assignment or sublease as set out in paragraph 6.02 (a) above have been wholly satisfied.

SECTION 6.03. MERGER OF AGENCY.

- (a) Nothing contained in this Lease shall prevent the consolidation of the Agency with, the merger of the Agency into, or transfer of the Agency's title to the entire Facility to, any other public instrumentality or political subdivision which has legal authority to own the Facility, provided that upon any such consolidation, merger or transfer, the due and punctual performance and observance of all the agreements and conditions of this Lease to be kept and performed by the Agency shall be expressly assumed in writing by the public instrumentality or political subdivision resulting from such consolidation or surviving such merger or to which the Facility shall be transferred.
- (b) Prior to the consummation of any such consolidation, merger or transfer of title, the Agency shall give notice thereof in reasonable detail to the Company. The Agency promptly shall furnish such additional information with respect to any such transaction as The Company may reasonably request.

SECTION 6.04. BANKRUPTCY OR INSOLVENCY.

In the event that the Agency and/or its successors, assigns or transferees shall file for protection under the U. S. Bankruptcy Code, or otherwise be rendered insolvent, such act of filing or insolvency, in and of itself, shall constitute the Company a secured creditor of the Agency, the security being defined as the entire Facility.

**ARTICLE VII
EVENTS OF DEFAULT AND REMEDIES**

SECTION 7.01. EVENTS OF DEFAULT DEFINED.

- (a) Each or any of the following shall be an "Event of Default" under this Lease, unless fully remedied by the Company within ten days after notice from the Agency:
- (i) The failure of the Company to keep or perform any covenant, restriction, or other obligation of performance or payment, imposed upon it or the Facility by this Lease;
 - (ii) Any conduct or activity, either on the Company's part or otherwise occurring in relation to the Facility, which is prohibited by the terms of this Lease;
 - (iii) The present inaccuracy, or subsequent breach, of any of the representations, covenants or warranties made or given by the Company in this Lease;
 - (iv) The voluntary or involuntary institution of legal proceedings or legislative or regulatory action to reorganize, dissolve, declare bankrupt or insolvent, or appoint a receiver or trustee of the assets of, the Company.
 - (v) The failure by the Company to release, stay, discharge, lift or bond within thirty (30) days any execution, garnishment, judgment or attachment of such consequence as may impair its ability to carry on its operations at the Facility; or the failure by the Company generally to pay its debts as they become due; or an assignment by the Company for the benefit of creditors.
 - (vi) Any breach of the PILOT Agreement for which the Agency is entitled to, and does, terminate that PILOT Agreement or the real property tax benefits of the Company under it.

SECTION 7.02. REMEDIES ON DEFAULT

- (a) Whenever any Event of Default shall have occurred, the Agency may take any one or more of the following remedial steps:
 - (i) Remedy the Default and add the costs incurred by it to do so to the next succeeding rental payment due from the Company.
 - (ii) Cancel this Lease and require the Company (A) to make the payments set out in Section 8.02(a) below, and (B) to accept title to the Facility upon the terms and conditions set out in Sections 2.04 and 2.05 of this Lease.
 - (iii) Terminate the PILOT Agreement, or the real property tax benefits of the Company under it, and recover from the Company all sums for which the Company would be liable under the PILOT Agreement in consequence of its default thereunder.
 - (iv) Take any other action at law or in equity which may appear necessary or desirable to (A) collect the payments then due or thereafter to become due hereunder, and (B) enforce the obligations, agreements or covenants of the Company under this Lease.

- (b) In the event the Facility is subleased or leased to another person or entity pursuant to Section 6.02 hereof, the Agency may (but shall be under no obligation to) make such repairs or alterations in or to the Facility as it may deem necessary or desirable for the implementation or continuation of such sublease or lease, and the Company shall be liable and agrees to pay the reasonable costs of such repairs or alterations and the reasonable expenses of the Agency incidental thereto, together with interest on such costs and expense at three (3) percentage point above the prevailing prime rate of lending published in the Wall Street Journal.

- (c) Notwithstanding the provisions of this Article VII, if by reason of "force majeure" (as hereinafter defined) either party hereto shall be unable, in whole or in part, to carry out its obligations under this Lease and if such party shall give notice and full particulars of such force majeure in writing to the other party within a reasonable time after the occurrence of the event or cause relied upon, the obligations under this Lease of the party giving such notice, so far as they are affected by such force majeure, shall be suspended during the continuance of the inability, which shall include a reasonable time for the removal of the effect thereof. The suspension of such obligations for such period pursuant to this subsection (c) shall not be deemed an Event of Default under Section 7.01. The term "force majeure" as used herein shall mean acts or events outside of the control of the party giving notice thereof, including but not limited to acts of God, strikes, lockouts or other industrial disturbances, acts of public enemies, orders of any kind of any governmental authority or any civil or military authority, insurrections, riots, epidemics, landslides, lightning, earthquakes, fire, hurricanes, storms, floods, washouts, droughts, arrests, restraint of government

and people, civil disturbances, explosions, breakage or accident to machinery, transmission pipes or canals, partial or entire failure of utilities, or any other cause or event not reasonably within the control of the party claiming such inability. It is agreed that the settlement of strikes, lockouts and other industrial disturbances shall be entirely within the discretion of the party having difficulty, and the party having difficulty shall not be required to settle any strike, lockout or other industrial disturbances by acceding to the demands of the opposing party or parties.

SECTION 7.03. REMEDIES CUMULATIVE.

No remedy herein conferred upon or reserved to the Agency is intended to be exclusive of any other available remedy, but each and every such remedy shall be cumulative and in addition to every other remedy given under this Lease or now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Agency to exercise any remedy reserved to it in this Article VII, it shall not be necessary to give any notice, other than such notice as may be herein expressly required in this Lease.

SECTION 7.04. AGREEMENT TO PAY ATTORNEY'S FEES AND EXPENSES.

In the event the Company should default under any of the provisions of this Lease, the Company shall, on demand therefor, pay to the Agency any costs incurred by the Agency in exercising any of the remedies expressed in subparagraphs 7.02 (a) and 7.02 (b), including but not limited to the Agency's reasonable attorneys fees. Likewise, should the Agency default in its performance of any of its obligations recited in this Lease and fail to remedy or remove that default within ten (10) days after notice from the Company, the Agency shall, on demand therefor, pay to the Company any costs incurred by the Company in exercising its remedies for such breach, including but not limited to reasonable attorneys fees.

SECTION 7.05. NO ADDITIONAL WAIVER IMPLIED BY ONE WAIVER.

In the event any agreement contained herein should be breached by any party and thereafter waived by any other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

**ARTICLE VIII
EARLY TERMINATION OF LEASE**

SECTION 8.01. EARLY TERMINATION BY TENANT.

The Company shall have the option at any time to terminate this Lease on not less than thirty (30) days advance notice, such notice to include the exact date proposed by the

Company for termination, which notice shall provide that the Company will comply with Section 8.02 below.

SECTION 8.02. OBLIGATIONS UPON EARLY TERMINATION OF LEASE.

In the event the Company exercises its option to terminate this Lease early pursuant to Section 8.01 hereof or in the event that the Agency is authorized to and does terminate this Lease early pursuant to any provision of this Lease, the Company agrees to, and shall, comply with the following requirements:

- (a) The Company shall pay not later than the Lease termination date:
 - (i) Any amounts due the Agency or any other person or entity under the terms of this Lease, including but not limited to fees, costs and expenses incurred by the Agency;
 - (ii) Any amounts due from the Company under the terms of the PILOT Agreement.
- (b) The Company shall, not later than the Lease termination date, furnish such information and execute and deliver such documents as the Agency may reasonably require in conjunction with the termination of the Lease and the satisfaction of the Company's obligations under it.

SECTION 8.03. COMPANY RIGHT TO PURCHASE FACILITY.

- (a) Upon early termination of this Lease pursuant to this Article VIII, and subject to the Company's payment of the sums provided in Section 8.02 above and its performance of the obligations provided in Section 8.03, the Company shall have the right and duty to take title to the Facility in accordance with the provisions of Sections 2.04 and 2.05 above.
- (b) Subject to Article VII and to Section 8.02 upon receipt of the notice set forth in Section 8.01, above, the Agency shall on or before the date stated as the termination date re-convey the Facility to the Company. The Agency shall re-convey the Facility by bargain and sale deed. The Agency shall deliver to the Company all necessary documents (1) to convey to the Company all the Agency's right, title and interest in and to the Facility, as such property then exists, subject only to the following: (a) any liens, encumbrances or title defects to which title to such Facility was subject when conveyed to the Agency, (b) any liens or encumbrances created at the request, or with the consent, of the Company, and (c) any liens or encumbrances resulting from the failure of the Company to perform or observe any of the agreements on its part contained in this Lease or arising out of an Event of Default; and (2) release and convey to the Company all of the Agency's rights and interest in and to any rights of action or any net proceeds of insurance settlements with respect to the Facility.

**ARTICLE IX
MISCELLANEOUS**

SECTION 9.01. NOTICES

Unless otherwise expressly provided in any particular case, all notices, approvals, consents, requests and other communications referred to in this Lease shall be in writing and shall be deemed to have been given when delivered by hand, or mailed, to the proper recipient at its correct address. For purposes of this paragraph, the proper recipients of such notices and their respective addresses are as follows:

To the Agency: County of Lewis Industrial Development Agency
7642 State Street, PO Box 106
Lowville, New York 13367
Attn.: Executive Director

To the Company: Robert P. Johnson and/or Ronald J. Johnson
Johnson Lumber Company, LLC
10972 State Route 26, PO Box 469
Carthage, New York 13619

The Agency and the Company may, by notice given hereafter, designate any further or different addresses to which, or persons to whom subsequent notices, certificates and other communications shall be directed.

SECTION 9.02 BINDING EFFECT.

This Lease shall inure to the benefit and shall be binding upon the Agency, the Company, and their respective successors and assigns.

SECTION 9.03 SEVERABILITY.

If any provision hereof shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

SECTION 9.04 AMENDMENTS, CHANGES AND MODIFICATIONS

This Lease may not be effectively amended except by a dated written instrument executed both by the Company and by the Agency.

SECTION 9.05. COUNTERPARTS.

This Lease may be executed in any number of counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument

SECTION 9.06. CAPTIONS.

The captions and headings herein are for convenience only and in no way define, limit or describe the scope or intent of any provisions hereof.

SECTION 9.07. LAW GOVERNING CONSTRUCTION OF LEASE.

This Lease shall be governed by, and construed in accordance with, the laws of the State of New York without regard or reference to its conflict of laws principles.

SECTION 9.08. RECORDING AND FILING.

This Lease, or a memorandum thereof, shall be recorded by the Agency in the office of the Lewis County Clerk. All recording expenses due the Lewis County Clerk shall be paid by the Company.

SECTION 9.09. INTERPRETATION.

In this Lease, unless the context otherwise requires:

(A) the terms "hereby", "hereof", "herein", "hereunder" and any similar terms as used in this Lease, refer to this Lease, and the term "heretofore" shall mean before, and the term "hereafter" shall mean after, the date of this Lease;

(B) words of masculine gender shall mean and include correlative words of feminine and neuter genders;

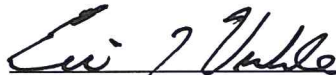
(C) words importing the singular number shall mean and include the plural number, and, vice versa; and

(D) any certificates, letters or opinions required to be given pursuant to this Lease shall mean a signed document attesting to or acknowledging the circumstances, representations, opinions of law or other matters therein stated or set forth or setting forth matters to be determined pursuant to this Lease.


SIGNATURES ARE ON NEXT PAGE.

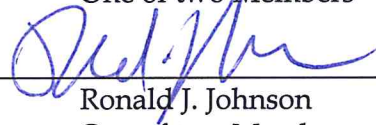
IN WITNESS WHEREOF, the Agency and the Company have executed this Lease as of the date first hereinabove set forth.

COUNTY OF LEWIS INDUSTRIAL
DEVELOPMENT AGENCY

By: 
Name: Eric J. Virkler
Title: Executive Director

JOHNSON LUMBER COMPANY, LLC

By: 
Name: Robert P. Johnson
Its: One of two Members

By: 
Name: Ronald J. Johnson
Its: One of two Members

STATE OF NEW YORK)
COUNTY OF LEWIS)

On this 16 day of October, 2017, before me, the undersigned, personally appeared ERIC J. VIRKLER personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

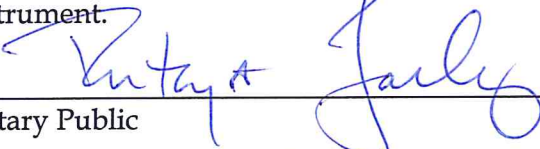


Notary Public

KEVIN M. McARDLE
Notary Public, State of New York
No. 4817358
Qualified in Lewis County
My Commission Expires April 30, 2018

STATE OF NEW YORK)
COUNTY OF LEWIS)

On this 17 day of October, 2017 before me, the undersigned, personally appeared ROBERT P. JOHNSON and RONALD J. JOHNSON personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.



Notary Public

TIMOTHY A. FARLEY
Notary Public, State of New York
Qualified in Jefferson County
Commisison Expires Feb. 22, 2018

SCHEDULE A

SCHEDULE A

LEGAL DESCRIPTION - PAGE ONE

Parcel 1

ALL THAT TRACT OR PARCEL OF LAND situate on the East side of New York State Route No. 26, in the Town of Denmark, County of Lewis, State of New York and being further described as follows:

BEGINNING at a point in the pavement centerline of New York State Route 26 at the intersection of the northwest corner of a 50 acre parcel of land that is described with other land in a Deed to Russell and Kathryn Maurer dated June 14, 1979 in Book 402 of Deeds at page 207, and the southwest corner of a 0.60 acre parcel of land (No. 2) that was conveyed with other land to Robert P. and Ronald J. Johnson by Deed dated July 16, 1985 in Book 458 of Deeds at page 254;

THENCE from said point of beginning, North 66 degrees 59 minutes 13 seconds East along the apparent former occupation line as attested to by Russell Maurer which divides the above referenced 50 acre parcel of land to the South from the above referenced 0.60 acre and also a 2.5 acre parcel of land owned by Johnson to the North a total distance of 609.00 feet to a point at the southeasterly corner of Johnson and passing on line at 49.9 feet a 5/8 inch iron rod found and at 490.41 feet a 1 1/2 inch iron pipe found (bent);

THENCE South 13 degrees 41 minutes 43 seconds East a distance of 458.51 feet to a 24 inch tree;

THENCE South 75 degrees 48 minutes West a total distance of 587.00 feet to a point in the aforementioned pavement centerline of New York State Route 26 and passing on line at 544.48 feet a 5/8 inch iron rod found;

THENCE North 15 degrees 53 minutes 22 second West along the pavement centerline thereof, a distance of 365.35 feet to the point of beginning.

SCHEDULE A

LEGAL DESCRIPTION CONTINUED - PAGE TWO

Parcel 2

ALL THAT CERTAIN PIECE OR PARCEL OF LAND situate in the Town of Denmark, County of Lewis and State of New York, being a part of Great Lot Number 54 in Township Number 5, and being a portion of the 50 acre parcel of land conveyed to Duwayne R. Maurer and Darlene Davoy by Russell H. Maurer and Kathryn Maurer by Deed dated April 21, 2003 and recorded in the Lewis County Clerk's Office on March 29, 2004 as Instrument No. 2004-00948, and said parcel being bounded and described as follows:

BEGINNING at a 1/2" rebar set in a 30" maple stump to mark the southeast corner of the 5.626 acre parcel of land conveyed to Reginald Famey by Russell H. Maurer and Kathryn P. Maurer, by Deed dated December 4, 1996 and recorded in the Lewis County Clerk's Office on December 17, 1996 in Book 602 of Deeds at page 349;

THENCE from said point of beginning S. 16 deg. 41 min. 05 sec. E. along the southerly extension of the easterly boundary of the 5.626 acre parcel, a distance of 141.49' to a set 1/2" rebar;

THENCE S. 63 deg. 41 min. 07 sec. W. 553.63' to a set 1/2" rebar;

THENCE continuing S. 63 deg. 41 min. 07 sec. W. a distance of 33.29' to a point in the centerline of the present surface of New York State Route 26;

THENCE N. 18 deg. 43 min. 06 sec. W. along the centerline of the present surface of New York State Route 26, a distance of 234.65' to the southwest corner of the said 5.626 acre parcel;

THENCE N. 72 deg. 48 min. 38 sec. E. along the South boundary of the 5.626 acre parcel, a distance of 42.52' to a found 2 foot tall 5/8" iron pin set in concrete;

THENCE continuing N. 72 deg. 48 min. 38 sec. E. along the south boundary of the 5.626 acre parcel, a distance of 544.48' to the point of beginning.

SCHEDULE A

LEGAL DESCRIPTION CONTINUED - PAGE THREE

Parcel 3

ALSO ALL THAT CERTAIN PIECE OR PARCEL OF LAND situate in the Town of Denmark, County of Lewis and State of New York, being a part of Great Lot Number 54 of Township Number 5, and being a portion of the 50 acre parcel of land conveyed to Duwayne R. Maurer and Darlene Davoy by Russell H. Maurer and Kathryn Maurer by Deed dated April 21, 2003 and recorded in the Lewis County Clerk's Office on March 29, 2004 as Instrument No. 2004-00948 and said parcel being bounded and described as follows:

BEGINNING at a 1/2" rebar set in a 30" maple stump to mark the southeast corner of the 5.626 acre parcel of land conveyed to Reginald Farney by Russell H. Maurer and Kathryn P. Maurer by Deed dated December 4, 1996 and recorded in the Lewis County Clerk's Office on December 17, 1996 in Book 602 of Deeds at page 349;

THENCE from said point of beginning N. 16 deg. 41 min. 05 sec. W. along the easterly boundary of the 5.626 acre parcel, a distance of 458.51' to the northeast corner of the 5.626 acre parcel, said corner also being the southwest corner of the 23.509 acre parcel of land conveyed to Robert P. Johnson and Ronald J. Johnson by Gregory M. Maurer and Katherine A. Essenlohr by Deed dated October 28, 1998 and recorded in the Lewis County Clerk's Office on November 12, 1998 in Book 631 of Deeds at page 347;

THENCE N. 63 deg. 04 min. 28 sec. E. along the South boundary of the 23.509 acre parcel, a distance of 1142.02' to a 3/8" drill hole set in a 2 foot boulder at the East end of a stone row to mark the southeast corner of the 23.509 acre parcel, said corner being on the westerly boundary of lands of County Of Lewis IDA, Con Rail Railroad;

THENCE S. 32 deg. 45 min. 00 sec. E. along the westerly boundary of the Con Rail Railroad, a distance of 453.55' to a set 1/2" rebar;

THENCE S. 63 deg. 04 min. 28 sec. W. 1269.56' to the point of beginning.

about

SCHEDULE A

LEGAL DESCRIPTION CONTINUED – PAGE FOUR

PARCEL 4

ALL THAT TRACT OR PARCEL OF LAND, situate in the Town of Denmark, County of Lewis, State of New York, also being a part of Great Lot Number 54 of Township Number 5 of the Black River Tract and being further described as follows:

BEGINNING at an iron pin set at the northeasterly corner of that parcel of land conveyed by Robert Paul Johnson and Ronald J. Johnson to Robert P. Johnson and Pamela Lunn Staub Johnson by deed dated January 20, 1987 and recorded in the Lewis County Clerk's Office in Liber 479 of Deeds at page 88;

THENCE N. 58 deg. 50' 09" E. a distance of 898.35 feet to an iron pin set at the westerly railroad margin of Con Rail Railroad;

THENCE S. 36 deg. 56' 56" E. along the same westerly railroad margin a distance of 1009.11 feet to an iron pin set;

THENCE S. 58 deg. 52' 32" W. a distance of 1142.41 feet to an iron pin set;

THENCE N. 23 deg. 05' 16" W. a distance of 1013.23 feet to the point of beginning.

EXCEPTING AND RESERVING the premises conveyed by Robert P. Johnson, et al. to Johnson Lumber Company, LLC f/k/a Johnson Lumber Acquisitions by virtue of Warranty Deed with Lien Covenant dated September 13, 2017 and recorded September 15, 2017 under Instrument No. 2017-005224.

ALSO EXCEPTING AND RESERVING the premises conveyed by Robert P. Johnson, et al. to Robert P. Johnson & Pamela Lynn Staub Johnson by virtue of Warranty Deed with Lien Covenant dated September 13, 2017 and recorded September 15, 2017 under Instrument No. 2017-005225.

1200

SCHEDULE A

LEGAL DESCRIPTION CONTINUED - PAGE FIVE

PARCEL 5

ALL that tract or parcel of land situate in the Town of Denmark, County of Lewis and State of New York, and being a part of Great Lot Number 54, Township Number 5 of the Black River Tract and being further described as follows:

BEGINNING at the centerline of New York State Route 26, being the intersection of the northerly line of a parcel of land conveyed by Reginal Farney to Johnson Lumber Company, LLC, by warranty deed recorded in the Lewis County Clerk's Office as Instrument No. 2017-003497 on June 19, 2017, and the centerline of New York State Route 26;

THENCE N.34°17'09"W., a distance of 587.22 feet along the centerline of New York State Route 26;
THENCE N.55°37'36"E., passing through a 1/2" iron rod found at 32.33 and continuing a total distance of 689.83 feet to a capped iron rod set;

THENCE S.34°22'24"E., passing through capped iron rods set at 52.70 and 478.01 feet respectively, and continuing a total distance of 543.28'

THENCE S.52.15'21"W., passing through a capped iron rod set at 88.51 feet and continuing a total distance of 642.67 feet to a 5/8" iron rod found;

THENCE S.48°29'56"W., a distance of 49.55 feet to the point of beginning.