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RBARANELLO@HARRISBEACH.COM

November 18, 2025

TO ALL ON THE ATTACHED DISTRIBUTION LIST:

Re: County of Monroe Industrial Development Agency
JK Property Solutions LLC Project located at 1150 Scottsville Road in the
Town of Chili, NY 14624 (the "Property")
Tax Map No.: 135.03-1-5

Ladies and Gentlemen:

Enclosed herewith please find a copy of the Payment In Lieu of Tax Agreement and the Application for Real Property Tax Exemption with respect to the above-captioned matter. Also enclosed for your perusal are copies of the Memorandum of Lease and Memorandum of Leaseback which are simultaneously being sent to the Monroe County Clerk for recording.

Very truly yours,



Rachel C. Baranello

RCB/lap
Enclosures

cc: **COMIDA**
Jeffrey Loeffler
Steven Y. Solomon, Esq.
Attached Distribution List

DISTRIBUTION LIST

Hon. Adam J. Bello
Monroe County Executive
39 West Main Street
County Office Building
Rochester, New York 14614
CERTIFIED MAIL RECEIPT #:
9489 0090 0027 6674 8646 09

Ms. Katharine Holland, Sr. Delinquent
Tax Collector
County Office Building – B-3
39 West Main Street
Rochester, New York 14614
CERTIFIED MAIL RECEIPT #:
9489 0090 0027 6674 8646 16

Mr. David Dunning, Supervisor
Chili Town Hall
3333 Chili Avenue
Rochester, New York 14624
CERTIFIED MAIL RECEIPT #:
9489 0090 0027 6674 8646 23

Jeannine Whitaker, Assessor
Chili Town Hall
3333 Chili Avenue
Rochester, New York 14624
CERTIFIED MAIL RECEIPT #:
9489 0090 0027 6674 8646 30

Mr. Christopher J. Dailey, Superintendent
Gates-Chili Central School District
3 Spartan Way
Rochester, New York 14624
CERTIFIED MAIL RECEIPT #:
9489 0090 0027 6674 8646 47

Ms. Condenessa Brown, District Clerk
Gates-Chili Central School District
3 Spartan Way
Rochester, New York 14624
CERTIFIED MAIL RECEIPT #:
9489 0090 0027 6674 8646 54

Ms. Catherine Coffee, President, BOE
Gates-Chili Central School District
3 Spartan Way
Rochester, New York 14624
CERTIFIED MAIL RECEIPT #:
9489 0090 0027 6663 1159 72

COUNTY OF MONROE INDUSTRIAL DEVELOPMENT AGENCY

AND

JK PROPERTY SOLUTIONS, LLC

PAYMENT-IN-LIEU-OF-TAX AGREEMENT

Tax Map No.

135.03-1-5

Affected Tax Jurisdictions:

County of Monroe
Town of Chili
Wheatland-Chili Central School District

Dated as of October 1, 2025

PAYMENT IN LIEU OF TAX AGREEMENT

THIS PAYMENT IN LIEU OF TAX AGREEMENT (the "PILOT Agreement") made as of October 1, 2025, is by and between the **COUNTY OF MONROE INDUSTRIAL DEVELOPMENT AGENCY**, a public benefit corporation of the State of New York, having its offices at 50 West Main Street, Rochester, New York 14614 (the "Agency"), and **JK PROPERTY SOLUTIONS, LLC**, a limited liability company formed under the laws of the State of New York with offices at 1150 Scottsville Road, Rochester, New York 14624 (the "Company").

WITNESSETH:

WHEREAS, the Agency was created by Chapter 55 of the Laws of 1972 of the State of New York pursuant to Title I of Article 18-A of the General Municipal Law of the State of New York (collectively, the "Act") as a body corporate and politic and as a public benefit corporation of the State of New York; and

WHEREAS, the Company has requested the Agency to assist in a certain project (the "Project") consisting of: (A) the acquisition of a leasehold interest in a portion of an existing approximately 8.2-acre parcel of land located at 1150 Scottsville Road in the Town of Chili, New York 14624 (the "Land") ; (B) the construction of an approximately 10,300 square-foot addition to an existing office building located thereon approximately 7,600 square feet of which addition will serve as additional warehouse space for both steel and tool ranch products (collectively, the "Improvements"); and (C) the acquisition and installation therein, thereon or thereabout of certain machinery, equipment and related personal property (the "Equipment" and, together with the Land and the Improvements, the "Facility"), all for use by J. Kozel & Son, Inc. (the "Tenant") in its business as a steel supplier and fabricator; and

WHEREAS, the Agency has agreed to lease the Facility to the Company; and

WHEREAS, in order to induce the Company to acquire, construct and equip the Facility, the Agency is willing to take a leasehold interest in the Land and the Facility pursuant to a certain Lease Agreement, dated as of October 1, 2025 (the "Lease Agreement"), and thereafter lease said Facility back to the Company pursuant to the terms and conditions of a certain Leaseback Agreement, dated as of October 1, 2025 (the "Leaseback Agreement"); and

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

WHEREAS, the Agency and the Company deem it necessary and proper to enter into an agreement making provisions for payments in lieu of taxes by the Company to the County of Monroe (the "County"), the Town of Chili (the "Town") and the Wheatland-Chili Central School District (the "School District" and, collectively with the County and the Town, the "Affected Tax Jurisdictions").

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

Section 1 - Payment in Lieu of Ad Valorem Taxes.

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

B. Payee. As long as the Facility is leased to the Agency or under its jurisdiction, control or supervision, the Company agrees to pay annually directly to the Affected Tax Jurisdictions, as a payment in lieu of taxes, within thirty (30) days of receipt of the invoice for payment of taxes (the "Payment Date"), commencing with the invoice for the **2026-2027** School District tax year and the invoice for the **2027** Town and County tax year, an amount equal to the Total PILOT Payment, as set forth on **Schedule A** attached hereto and made a part hereof. The Company shall remit payment to the applicable Affected Tax Jurisdiction in accordance with instructions provided on the respective invoice. The Company shall make all payments due hereunder without further notice or invoicing from the Agency, any Affected Taxing Jurisdiction or any other party.

The parties agree and acknowledge that payments made hereunder are to obtain revenues for public purposes, and to provide a revenue source that the Affected Tax Jurisdictions would otherwise lose because the subject parcels are not on the tax rolls.

1.2 Allocation. If the Agency shall receive any amounts hereunder, the Agency shall remit such monies to the Affected Tax Jurisdictions within thirty (30) days of receipt of said payment and shall allocate said payments among the Affected Tax Jurisdictions in the same proportion as ad valorem taxes would have been allocated but for the Agency's involvement, unless the Affected Tax Jurisdictions have consented in writing to a specific allocation.

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

1.4 Valuation of Future Additions to the Facility. In the event that any structural addition shall be made to the building or buildings included in the Facility, or any additional building or improvement shall be constructed on the Land that is not contemplated by this PILOT Agreement (but excluding the replacement of equipment, if any) (such structural additions, buildings and improvements being referred to hereinafter as "Future Addition"), the Company agrees to make additional payments in lieu of taxes to the Affected Tax Jurisdictions in amounts equal to the then current ad valorem tax rates which would be levied upon or with respect to the Future Addition by the Affected Tax Jurisdictions if the Future Addition were owned by the Company exclusive of the Agency's leasehold interest multiplied by the assessment or assessments established for that tax year by the appropriate Taxing Jurisdiction.

1.5 Period of Benefits. The tax benefits provided for herein should be deemed to include (i) the **2026-2027** School District tax year through the **2035-2036** School District tax year, and (ii) the **2027** County and Town tax year through the **2036** County and Town tax year. This PILOT Agreement shall expire on **December 31, 2036**; *provided, however*, the Company shall pay the **2036-2037** School District tax bill and the **2037** County and Town tax bills on the dates and in the amounts as if the Agency were not in title on the tax status date with respect to said tax years. In no event shall the Company be entitled to receive tax benefits relative to the Facility for more than the periods provided for herein, unless the period is extended by amendment to this PILOT Agreement executed by both parties after any applicable public hearings. The Company agrees that it will not seek any tax exemption for the Facility which could provide benefits for more than the periods provided for herein and specifically agrees that the exemptions provided for herein, to the extent actually received (based on the number of lease years elapsed), supersede and are in substitution of the exemptions provided by Section 485-b of the New York RPTL. It is hereby agreed and understood that the Affected Tax Jurisdictions can rely upon and enforce the above waiver to the same extent as if they were signatories hereto.

Section 2 - Special District Charges, Special Assessments and other Charges. Special district charges, special assessments, and special ad valorem levies (specifically including but not limited to fire district charges), and pure water charges and sewer charges are to be paid in full in accordance with normal billing practices.

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

Section 4 - Assessment Challenges.

4.1 The Company shall have all of the rights and remedies of a taxpayer with respect to any proposed assessment or change in assessment of the Facility by any of the Affected Tax Jurisdictions. The Company shall be entitled to protest before and be heard by the appropriate assessors or Board of Assessment Review, and shall be entitled to take any and all appropriate appeals or initiate any proceedings to review the validity or amount of any assessment or the validity or amount of any tax equivalent provided for herein.

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

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

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

Section 6 - Events of Default.

6.1 If payments are not made as provided for herein, the Agency and/or Taxing Jurisdictions, individually or collectively, shall be entitled to pursue any and all remedies afforded them at law or in equity.

Notwithstanding anything contained herein to the contrary, upon the occurrence of (i) the sale or closure of the Facility; (ii) a significant unapproved change in use of the Facility; (iii) a significant reduction in employment at the Facility (as defined below); (iv) the Company abandons or otherwise vacates the County of Monroe; (v) the failure by the Company to make any payments required under this PILOT Agreement; or (vi) the breach of covenants or event of default (singularly or collectively an "Event of Default") under the Leaseback Agreement, dated as of the date hereof, by and between the Agency and the Company (the "Leaseback Agreement"), the Agency shall have the right to recapture real property tax abatements provided hereunder pursuant to the following schedule:

Year of Recapture	Percent of Recapture, Applicable to Current Year and All Prior Years
1	100%
2	100%
3	50%
4	50%
5	25%
6	25%
After year 6	At Agency's Discretion, 25% or Less

Any such recapture is at the sole and exclusive discretion of the Agency. The Agency shall notify the Company in writing of such Event of Default and of its intent to recapture the PILOT benefits (or any portion thereof). For purposes of this Section only, a "significant reduction in employment" shall mean more than twenty percent (20%) of the employment as stated in the Company's Application, to wit, 29. Any and all recaptured payments received pursuant to this provision shall be remitted to the Taxing Jurisdictions on a pro rata basis within sixty (60) days of receipt of payment.

Notwithstanding anything to the contrary contained herein, the provisions of this Section 6.1 shall survive termination of this PILOT Agreement, for any reason whatsoever.

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

Company shall pay, in addition to said payment, the greater of the applicable penalties and interest hereunder, or penalties and interest which would have been incurred had payments made hereunder been tax payments to the Affected Tax Jurisdictions.

Section 7 - Assignment. Except pursuant to a transaction permitted by the Leaseback Agreement, no portion of any interest in this PILOT Agreement may be assigned by the Company, nor shall any person other than the Company be entitled to succeed to or otherwise obtain any benefits of the Company hereunder without the prior written consent of the Agency, which shall not be unreasonably withheld, conditioned or delayed.

Section 8 - Miscellaneous.

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

8.2 All notices, requests, consents, claims, demands, waivers and other communications hereunder shall be in writing and shall be deemed to have been given (a) when delivered by hand (with written confirmation of receipt); (b) when received by the addressee if sent by a nationally recognized overnight courier (receipt requested); (c) on the date sent by e-mail of a PDF document (with confirmation of transmission) if sent during normal business hours of the recipient, and on the next business day if sent after normal business hours of the recipient or (d) on the third day after the date mailed, by certified or registered mail, return receipt requested, postage prepaid. Such communications must be sent to the respective party at the following address (or at such other address for a party as shall be specified in a notice given in accordance with this Section:

To the Agency: County of Monroe Industrial Development Agency
50 West Main Street
Rochester, New York 14614
Attn: Executive Director
Email: analiss@monroecounty.gov

With a Copy to: Harris Beach Murtha Cullina PLLC
99 Garnsey Road
Pittsford, New York 14534
Attn: Rachel C. Baranello, Esq.
Email: rbaranello@harrisbeachmurtha.com

To the Company: JK Property Solutions, LLC
1150 Scottsville Road
Rochester, New York 14624
Attention: Jeffrey W. Loeffler, Manager
Email: jloeffler@JKozelandSon.com

With a Copy to: Harter Secrest & Emery LLP
1600 Bausch & Lomb Place
Rochester, New York 14604
Attention: Steven Y. Solomon, Esq.
Email: SSolomon@hselaw.com

or at such other address as any party may from time to time furnish to the other party by notice given in accordance with the provisions of this Section. All notices shall be deemed given when mailed or personally delivered in the manner provided in this Section.

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

8.4 Notwithstanding any other term or condition contained herein, all obligations of the Agency hereunder shall constitute a special obligation payable solely from the revenues and other monies, if any, derived from the Facility and paid to the Agency by the Company. Neither member of the Agency nor any person executing this PILOT Agreement on its behalf shall be liable personally under this PILOT Agreement. No recourse shall be had for the payment of the principal or interest on amounts due hereunder or for any claim based upon or in respect of any modification of or supplement hereto against any past, present or future member, officer, agent, servant, or employee, as such, of the Agency, or of any successor or political subdivision, either directly or through the Agency or any such successor, all such liability of such members, officer, agents, servants and employees being, to the extent permitted by law, expressly waived and released by the acceptance hereof and as part of the consideration for the execution of this PILOT Agreement.

Section 9 - JobsPlus Tax Abatement Policy.

9.1 **Jobs Requirement.** The Company shall maintain its present impacted job level of 29 full-time jobs at the Facility and the Company or the Tenant shall create, at the Facility, three (3) new full-time/full-time equivalent jobs in three (3) years and maintains those new full-time/full-time equivalent jobs for the balance of the ten (10) year term hereof.

9.2 **Compliance Report.** The Company shall report its compliance with these provisions as requested by the Agency, or its project compliance monitor.

9.3 **Job Failure.** If the 29 full-time jobs at the Facility are not maintained and the three (3) new full-time/full-time equivalent jobs are not created by the end of the three (3) year period or not continuously maintained during the balance of the term hereof, the exemption schedule will revert back to Section 485-b of the New York RPTL and the Company agrees to pay in any year for which the job creation requirements are not met (a "Disqualifying Year"), as an additional payment in lieu of taxes, an amount equal to the difference between the tax benefits

received in the Disqualifying Year under this PILOT Agreement and the tax benefits which would have been received in the Disqualifying Year under Section 485-b of the New York RPTL. Under extenuating circumstances, the Agency Board may waive the above penalties after reviewing a written request from the Company for waiver of the penalties.

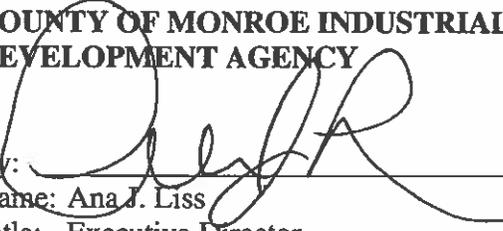
9.4 Waiver Process. The payments required hereunder for any non-compliance shall be paid by the Company to any and all Affected Tax Jurisdictions whether or not billed. However, if the Company has made a good faith effort to achieve the job creation requirement, it may apply in writing for relief from the obligation for repayment of taxes abated, based on a showing of unforeseen economic circumstances, fiscal hardship, or other good cause. Application for relief from the repayment obligation shall be made to the Agency, which shall examine the application and grant relief, in whole or in part, from the repayment obligation or grant an alternate schedule for attaining the job creation requirement.

9.5 Benefit Period. In no event shall the Company be entitled to receive tax benefits relative to the Facility for more than ten (10) consecutive years. The Company agrees that it will not seek any tax exemption for the Facility which would provide benefits for more than ten (10) consecutive years. Notwithstanding the foregoing, nothing contained in this PILOT Agreement shall render the Company ineligible for a continued tax exemption under Real Property Tax Law Section 485-b or any other applicable statute if this PILOT Agreement is terminated prior to the expiration of the exemption schedule set forth herein.

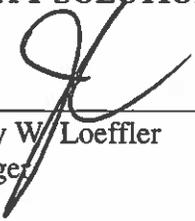
[Remainder of Page Intentionally Left Blank]

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

**COUNTY OF MONROE INDUSTRIAL
DEVELOPMENT AGENCY**

By: 
Name: Ana J. Liss
Title: Executive Director

JK PROPERTY SOLUTIONS, LLC

By: 
Name: Jeffrey W. Loeffler
Title: Manager

SCHEDULE A TO

**PILOT AGREEMENT DATED AS OF OCTOBER 1, 2025
BY AND BETWEEN THE
COUNTY OF MONROE INDUSTRIAL DEVELOPMENT AGENCY
AND JK PROPERTY SOLUTIONS, LLC**

"Total PILOT Payment" shall be calculated as follows:

<u>Tax Year</u>	<u>County and Town Tax Year</u>	<u>School District Tax Year</u>	<u>Total Taxable Valuation</u>
Year 1	2027	2026/2027	Base Valuation, plus (Added Value x .10)
Year 2	2028	2027/2028	Base Valuation, plus (Added Value x .20)
Year 3	2029	2028/2029	Base Valuation, plus (Added Value x .30)
Year 4	2030	2029/2030	Base Valuation, plus (Added Value x .40)
Year 5	2031	2030/2031	Base Valuation, plus (Added Value x .50)
Year 6	2032	2031/2032	Base Valuation, plus (Added Value x .60)
Year 7	2033	2032/2033	Base Valuation, plus (Added Value x .70)
Year 8	2034	2033/2034	Base Valuation, plus (Added Value x .80)
Year 9	2035	2034/2035	Base Valuation, plus (Added Value x .90)
Year 10	2036	2035/2036	Full Taxes

For the term of this PILOT Agreement, the Company shall continue to pay full taxes based on the assessed value of the Land and any existing improvements before the completion of any Improvements (the "Base Valuation"). During the term of this PILOT Agreement, the Base Valuation shall be revised from time to time by the change in the assessed valuation in all taxable real property in the Town of Chili, Monroe County, New York, as of the respective tax status date for the tax year for which the recalculation is being made. The Total Taxable Valuation for each Total PILOT Payment shall be calculated such that a graduated abatement factor (the "Abatement Factor") shall be applied to the increased assessed valuation attributable to the Improvements made to the Facility by the Company, as an agent of the Agency, for the Project (the "Added Value"). The abatement schedule shall allow for a 90% exemption from taxation for the Added Value in Year 1, with such exemption being eliminated in 10% increments in PILOT Years 2-10.

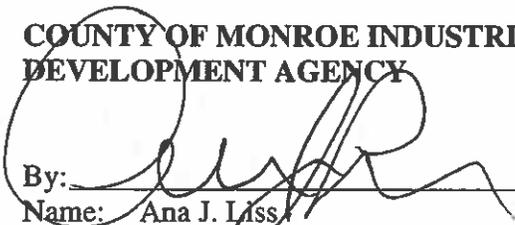
Once the Total Taxable Valuation is established using the Abatement Factor, the Total PILOT Payment shall be determined by multiplying the Total Taxable Valuation by the respective tax rate for each Affected Taxing Jurisdiction (after application of any applicable equalization rate). After Year 9, the Facility shall be subject to full taxation by the Affected Tax Jurisdictions.

Total Taxable Valuation = Base Valuation + (Added Value x Abatement Factor)
Total PILOT Payment = Total Taxable Valuation (after equalization) x Tax Rate

**PILOT ADDENDUM
(J. KOZEL & SON, INC.)**

Each of the County of Monroe Industrial Development Agency, JK Property Solutions, LLC (the "Applicant") and J. Kozel & Son, Inc. (the "Tenant") acknowledge and agree that the Tenant is responsible for creating and maintaining the three (3) full-time/full-time equivalent job(s) required under this PILOT Agreement in accordance with Section 9.1 thereof. However, in the event the Tenant does not create the required job(s), the Applicant, as the direct beneficiary of the PILOT Agreement, is responsible for any and all penalties due as a result of Tenant's failure. The Applicant may attempt to find a substitute tenant and create the three (3) full-time/full-time equivalent job(s) with such new tenant, provided the Agency is informed and consents to the new tenant occupying the Facility.

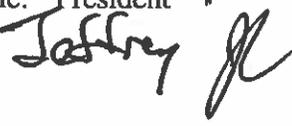
**COUNTY OF MONROE INDUSTRIAL
DEVELOPMENT AGENCY**

By: 
Name: Ana J. Liss
Title: Executive Director

JK PROPERTY SOLUTIONS, LLC

By: 
Name: Jeffrey W. Loeffler
Title: Manager

J. KOZEL & SON, INC.

By: 
Name: ~~James W.~~ Loeffler
Title: President




NYS BOARD OF REAL PROPERTY SERVICES

RP-412-a (1/95)

INDUSTRIAL DEVELOPMENT AGENCIES
APPLICATION FOR REAL PROPERTY TAX EXEMPTION
(Real Property Tax Law, Section 412-a and General Municipal Law, Section 874)

1. INDUSTRIAL DEVELOPMENT AGENCY (IDA)

Name County of Monroe Industrial Developmnt Agency
Street 50 West Main Street, Suite 1150
City Rochester, New York 14614
Telephone no. Day (585) 419-8769
Evening ()
Contact Rachel C. Baranello
Title Agency Counsel

2. OCCUPANT (IF OTHER THAN IDA)

(If more than one occupant attach separate listing)

Name JK Property Solutions, LLC
Street 1150 Scottsville Road
City Rochester, New York 14624
Telephone no. Day (585) 436-9807
Evening ()
Contact Jeffrey W. Loeffler
Title Manager

3. DESCRIPTION OF PARCEL

a. Assessment roll description (tax map no./roll year)
135.03-1-5
b. Street address
1150 Scottsville Road
c. City, Town or Village Chili (Town)

d. School District Wheatland-Chili CSD
e. County Monroe
f. Current assessment \$646,600
g. Deed to IDA (date recorded; liber and page)
Lease Agreement, a memorandum of which was
recorded on or about November 6, 2025.

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

a. Brief description (include property use) construction of an approximately 10,300 sq. ft. addition to
the existing building for use as additional warehouse space.
b. Type of construction
c. Square footage approx. 10,300
d. Total cost \$2,839,891
e. Date construction commenced Fall 2025
f. Projected expiration of exemption (i.e.
date when property is no longer
possessed, controlled, supervised or
under the jurisdiction of IDA)
See Attached PILOT Agreement

5. SUMMARIZE AGREEMENT (IF ANY) AND METHOD TO BE USED FOR PAYMENTS TO BE
MADE TO MUNICIPALITY REGARDLESS OF STATUTORY EXEMPTION

(Attach copy of the agreement or extract of the terms relating to the project).

a. Formula for payment See Attached PILOT Agreement
b. Projected expiration date of agreement See Attached PILOT Agreement

c. Municipal corporations to which payments will be made

	Yes	No
County <u>Monroe</u>	X	
Town/City <u>Chili</u>	X	
Village _____		X
School District <u>Wheatland-Chili</u>	X	

d. Person or entity responsible for payment

Name JK Property Solutions, LLC
 Title _____
 Address 1150 Scottsville Road
Rochester, New York 14624

e. Is the IDA the owner of the property? Yes/No (circle one)
If "No" identify owner and explain IDA rights or interest in an attached statement. The IDA has a leasehold interest in the property.

Telephone 585-436-9807

6. Is the property receiving or has the property ever received any other exemption from real property taxation? (check one) Yes No

If yes, list the statutory exemption reference and assessment roll year on which granted:
exemption _____ assessment roll year _____
Real Property Tax Law

7. A copy of this application, including all attachments, has been mailed or delivered on 11/17/25 (date) to the chief executive official of each municipality within which the project is located as indicated in Item 3.

CERTIFICATION

I, Rachel C. Baranello, Agency Counsel _____ of _____
 Name Title
County of Monroe Industrial Development Agency hereby certify that the information
 Organization
 on this application and accompanying papers constitutes a true statement of facts.

11/6/2025
Date

Rachel C Baranello
Signature

FOR USE BY ASSESSOR

1. Date application filed _____
2. Applicable taxable status date _____
- 3a. Agreement (or extract) date _____
- 3b. Projected exemption expiration (year) _____
4. Assessed valuation of parcel in first year of exemption \$ _____
5. Special assessments and special as valorem levies for which the parcel is liable:

Date

Assessor's signature

**MEMORANDUM OF LEASE PURSUANT TO
SECTION 291-c OF THE REAL PROPERTY LAW
(Company to Agency)**

THIS MEMORANDUM, dated as of October 1, 2025 (the "Memorandum of Lease"), is by and between **JK PROPERTY SOLUTIONS, LLC**, a limited liability company formed under the laws of the State of New York with offices at 1150 Scottsville Road, Rochester, New York 14624 (the "Company") and the **COUNTY OF MONROE INDUSTRIAL DEVELOPMENT AGENCY**, a public benefit corporation of the State of New York, having its offices at 50 West Main Street, Suite 1150, Rochester, New York 14614 (the "Agency").

1. Reference to Lease: That certain Lease Agreement, dated as of October 1, 2025 (the "Lease Agreement"), whereby the Company leases certain real property to the Agency.

2. Description of the Leased Premises: Certain real property and improvements located in the Town of Chili, Monroe County, New York, as more particularly described on Schedule A attached hereto (the "Leased Premises").

3. Term of Lease Agreement: Commencing October 1, 2025 and ending **December 31, 2036**.

4. Date of Commencement: October 1, 2025.

5. Date of Termination: December 31, 2036.

6. Rights of Extension or Renewal: None.

7. Lease Subordinate. The Lease Agreement (excepting the Agency's Unassigned Rights as set forth in the Leaseback Agreement) is subject and subordinate to (i) a certain Mortgage, dated November 6, 2025, from the Company and the Agency to Tompkins Community Bank (the "Mortgagee") which is intended to be recorded in the office of the Monroe County Clerk subsequent to the recording of this Memorandum; (ii) a certain related Assignment of Leases and Rents, dated the date of the Mortgage (the "Assignment"), between the Agency, the Company and the Mortgagee; and (iii) that certain Leaseback Agreement, dated as of October 1, 2025, between the Agency and the Company (the "Leaseback Agreement").

Property Address: 1150 Scottsville Road, Rochester, New York 14624

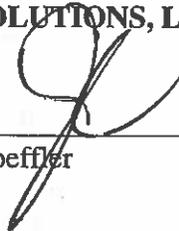
Tax Map No.: 135.03-1-5

Record and Return to:

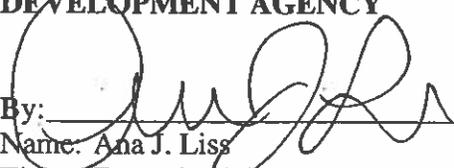
Harris Beach Murtha Cullina PLLC
Attention: Lori A. Palmer, Paralegal
99 Garnsey Road
Pittsford, New York 14534

IN WITNESS WHEREOF, the Company and the Agency have caused this Memorandum of Lease to be executed in their respective names, all as of the date first written above.

JK PROPERTY SOLUTIONS, LLC

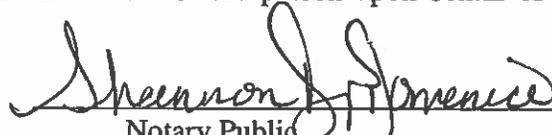
By: 
Name: Jeffrey W. Loeffler
Title: Manager

COUNTY OF MONROE INDUSTRIAL DEVELOPMENT AGENCY

By: 
Name: Ana J. Liss
Title: Executive Director

STATE OF NEW YORK)
COUNTY OF MONROE) ss.:

On the 6th day of October, 2025, before me, the undersigned, a Notary Public in and for said State, personally appeared **Jeffrey W. Loeffler**, 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/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual or the person upon behalf of which the individual acted, executed the instrument.


Notary Public

STATE OF NEW YORK)
COUNTY OF MONROE) ss.:

On the 27th day of October, 2025, before me, the undersigned, a Notary Public in and for said State, personally appeared **Ana J. Liss**, 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/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual or the person upon behalf of which the individual acted, executed the instrument.


Notary Public

LORI A. PALMER
Notary Public, State of New York
No. 01PA4848797
Qualified in Monroe County
Commission Expires May 31, 2027

SCHEDULE A

All that tract or parcel of land situate in the Town of Chili, County of Monroe, State of New York and being part of the lands of Pennel Company bounded and described as follows:

Beginning at a point on the southeasterly boundary of Scottsville Road (S. H. No. 63) at an existing iron pipe at the westernmost corner of the lands conveyed to Cardella Products, Inc. by deed recorded in the Monroe County Clerk's Office in Liber 3035 of Deeds, at page 453; running thence south $30^{\circ} 41' 35''$ east, along the southeasterly line extended on the same bearing, a total distance of 443.46 feet to an iron pipe set 8.50 feet northwesterly measured at right angles from the center line of Track No. 6 of the Rochester Branch of railroad of said Pennel Company; running thence south $50^{\circ} 50' 45''$ west, by remaining land of said Pennel Company, parallel with the said track No. 6 and 8.50 feet northwesterly measured at right angles from the center line of the said Track No. 6 a distance of 739.17 feet to a set iron pipe; running thence south $50^{\circ} 25' 45''$ west, still by remaining land of said Pennel Company a distance of 138.73 feet to an iron pipe set 8.50 feet northwesterly from the center line of said Track No. 6 measured radially therefrom; running thence southwesterly still by remaining land of said Pennel Company on a curve to the left having a radius of 562.5 feet, a distance of 90.37 feet to an iron pipe set 8.50 feet northwesterly from the center line of the said Track No. 6 measured radially therefrom and 40.0 feet easterly from the center line of the main track of the Rochester Terminal Branch of railroad of Pennel Company measured radially therefrom; running thence northerly on a curve to the left parallel with the center line of the said main track of the Rochester Terminal Branch and 40.0 feet easterly measured radially therefrom and on a radius of 982.0 feet a distance of 392.73 feet to a set iron pipe; running thence north $13^{\circ} 06' 15''$ west, parallel with the said center line of the main track of the Rochester Terminal Branch and 40.0 feet easterly measured at right angles therefrom, a distance of 266.06 feet to an iron pipe set on said southeasterly boundary of Scottsville Road; running thence north $59^{\circ} 18' 25''$ east, along said southeasterly boundary of Scottsville Road, a distance of 686.17 feet to the point or place of beginning.

Containing 9.1065 acres be the same more or less, or 396,681 square feet, more or less.

Excepting All that tract or parcel of land, situate in the Town of Chili, County of Monroe and State of New York, and being part of lands formerly of Pennel Company, bounded and described as follows:

Beginning at a point on the southeasterly boundary of Scottsville Road (S.H. No 63) at an iron pipe at the westernmost corner of lands conveyed to Cardella Products, Inc. by deed recorded in the Monroe County Clerk's Office in Liber 3035 of Deeds, at page 453; running thence south $30^{\circ} 41' 35''$ east, along the southwesterly line of the Cardella lands, a distance of 200.0 feet to a point; running thence south $59^{\circ} 18' 25''$ west, in a line parallel with the southeasterly boundary of Scottsville Road, a distance of 150.00 feet to a point; running thence north $30^{\circ} 41' 35''$ west, in a line parallel with the said line of the Cardella lands, a distance of 200.00 feet to a point on the southeasterly boundary of Scottsville Road; and running thence north $59^{\circ} 18' 25''$ east, along said road boundary, a distance of 150.00 feet to the point of beginning; being a rectangular parcel 150.00 feet in width and 200.00 feet in depth on the southeast side of Scottsville Road and in the northeast corner of premises conveyed by deed of Pennel Company and Penn Central Company to 1140 Scottsville Road Inc., recorded February 28, 1969 in the Monroe County Clerk's Office in Liber 3966 of Deeds at page 581.

Together with the benefits, and subject to the burdens of a certain easement recorded in the Monroe County Clerk's Office in Liber 10245 of Deeds, at page 19.

The above-described Land being further described by a surveyor's description created by Daniel T. Hickock of Costich Engineering. All that tract or parcel of land situate in Town Lot 101, 3.000 Acre Tract, Township 2, Range 1, Mill Seat Tract, Phelps and Gorham Purchase, Town of Chili, County of Monroe, State of New York, all as shown on a map entitled "Tool Ranch 1150 Scottsville Road Instrument / As-Built Map", prepared by Costich Engineering, D.P.C., having drawing number 9643, sheet number V1100 dated 07/25/2025, and being more particularly bounded and described as follows:

Beginning at the southerly right of way line of Scottsville Road NYS Route 383, said point being on the common line of lands now or formerly owned by 1150 Scottsville Road, LLC (T.A.#135.03-1-5) to the east and lands now or formerly owned by the City of Rochester (T.A.#135.03-1-32) to the west; thence

N $59^{\circ} 18' 12''$ E, along said southerly bounds of Scottsville Road NYS Route 383, a distance of 536.17 feet to a point; thence
S $30^{\circ} 42' 16''$ E, a distance of 200.00 feet to a point; thence
N $59^{\circ} 18' 12''$ E, a distance of 150.00 feet to a point; thence
S $30^{\circ} 42' 16''$ E, a distance of 243.19 feet to a point; thence
S $50^{\circ} 52' 10''$ W, a distance of 739.17 feet to a 1" pinch top pipe; thence
S $50^{\circ} 27' 10''$ W, a distance of 138.73 feet to a point of curvature; thence

Westerly along a curve to the left having a delta angle of $9^{\circ} 38' 53''$, a radius of 562.50 feet and an arc length of 94.72 feet, said point having a chord of S $45^{\circ} 37' 43''$ W 94.61 to a point of compound curvature; thence

Northerly on a curve to the left having a delta angle of $23^{\circ} 22' 03''$, a radius of 995.37 and an arc length of 405.95 feet, said point having a chord of N $01^{\circ} 27' 31''$ W 403.14 to a point; thence

N $13^{\circ} 08' 32''$ W, a distance of 255.43 feet to the point and place of beginning. Containing 8.420 acres of land more or less.

MEMORANDUM OF LEASEBACK AGREEMENT
Section 291-c of the Real Property Law
(Agency to Company)

THIS MEMORANDUM, dated as of October 1, 2025 (the "Memorandum of Leaseback"), is by and between the **COUNTY OF MONROE INDUSTRIAL DEVELOPMENT AGENCY**, a public benefit corporation duly organized and existing under the laws of the State of New York with offices at 50 West Main Street, Suite 1150, Rochester, New York 14614, as Lessor (the "Agency"), and **JK PROPERTY SOLUTIONS, LLC**, a limited liability company formed under the laws of the State of New York with offices at 1150 Scottsville Road, Rochester, New York 14624, as Lessee (the "Company").

1. Reference to Leaseback: That certain Leaseback Agreement, dated as of October 1, 2025 (the "Leaseback Agreement"), whereby the Agency leases certain real property and improvements back to the Company.

2. Description of the Leased Premises: Certain real property and improvements located in the Town of Chili, Monroe County, New York, as more particularly described on Schedule A attached hereto (the "Leased Premises").

3. Term of Leaseback Agreement: Commencing October 1, 2025 and ending **December 31, 2036**.

4. Date of Commencement: October 1, 2025.

5. Date of Termination: December 31, 2036.

6. Rights of Extension or Renewal: None.

7. Leaseback Subordinate. The Leaseback Agreement (excepting the Agency's Unassigned Rights as set forth in the Leaseback Agreement) is subject and subordinate to (i) a certain Mortgage, dated November 6, 2025 (the "Mortgage"), from the Company and the Agency to Tompkins Community Bank (the "Mortgagee"), which is intended to be recorded in the office of the Monroe County Clerk subsequent to the recording of this Memorandum; and (ii) a certain related assignment of leases and rents, dated the date of the Mortgage (the "Assignment",

Property Address: 1150 Scottsville Road, Rochester, New York 14624

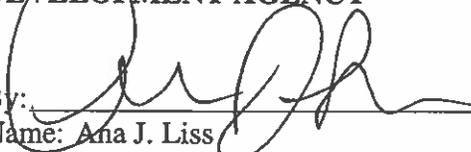
Tax Map No.: 135.03-1-5

Record and Return to:

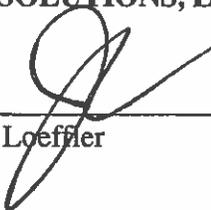
Harris Beach Murtha Cullina PLLC
Attention: Lori A. Palmer, Paralegal
99 Garnsey Road
Pittsford, New York 14534

IN WITNESS WHEREOF, the Agency and the Company have caused this Memorandum of Leaseback Agreement to be executed in their respective names as of the date first written above.

COUNTY OF MONROE INDUSTRIAL DEVELOPMENT AGENCY

By: 
Name: Ana J. Liss
Title: Executive Director

JK PROPERTY SOLUTIONS, LLC

By: 
Name: Jeffrey W. Loeffler
Title: Manager

STATE OF NEW YORK)
COUNTY OF MONROE) ss.:

On the 27th day of October, 2025, before me, the undersigned, a Notary Public in and for said State, personally appeared **Ana J. Liss**, 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/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual or the person upon behalf of which the individual acted, executed the instrument.

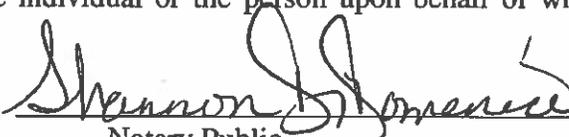


Notary Public

LORI A. PALMER
Notary Public, State of New York
No. 01PA4848797
Qualified in Monroe County
Commission Expires May 31, 2027

STATE OF NEW YORK)
COUNTY OF MONROE) ss.:

On the 16th day of October, 2025, before me, the undersigned, a Notary Public in and for said State, personally appeared **Jeffrey W. Loeffler**, 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/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual or the person upon behalf of which the individual acted, executed the instrument.



Notary Public

SHANNON DIDOMENICO
NOTARY PUBLIC, STATE OF NEW YORK
01D16322664
Qualified in Monroe County
Commission Expires April 6, 2027

SCHEDULE A

All that tract or parcel of land situate in the Town of Chili, County of Monroe, State of New York and being part of the lands of Pennel Company bounded and described as follows:

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S $30^{\circ} 42' 16''$ E, a distance of 243.19 feet to a point; thence
S $50^{\circ} 52' 10''$ W, a distance of 739.17 feet to a 1" pinch top pipe; thence
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N $13^{\circ} 08' 32''$ W, a distance of 255.43 feet to the point and place of beginning. Containing 8.420 acres of land more or less.