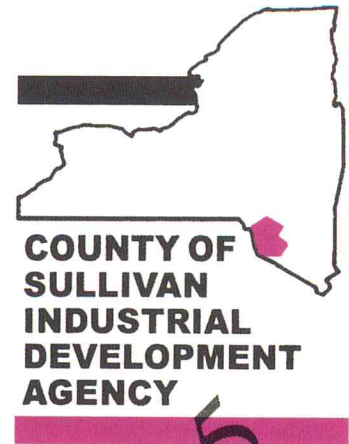


548 Broadway
Monticello, New York 12701
(845) 428-7575
(845) 428-7577 FAX
TTY 711



March 31, 2025

To Whom It May Concern:

Re: New York State Sales and Use Tax Exemption
County of Sullivan Industrial Development Agency with Fay Hospitality
Catskills LLC (the "Company") – Project

Pursuant to TSB-M-87(7) issued by the New York State Department of Taxation and Finance on April 1, 1987, you have requested a letter from the County of Sullivan Industrial Development Agency ("Agency") containing the information required by said policy statement regarding the sales tax exemption with respect to the purchase, lease or rental of building materials, furniture, fixtures, equipment and supplies to be used in connection with the renovation, rehabilitation, installation and equipping of the following described Project by the Company:

(i) acquisition, renovation, rehabilitation, installation and equipping of the existing Villa Roma Resort and Conference Center including but not limited to (a) a resort hotel including 139 guest rooms with amenities ("Resort Hotel"); (b) an 18 hole golf course with driving range ("Golf Course"); (c) a golf clubhouse and pro shop ("Golf Clubhouse"); (d) a ski area ("Ski Area"); and (e) multiple pool areas, restaurants, a fitness center, and numerous other recreational facilities ("Related Facilities," and together with the Resort Hotel, the Golf Course, the Golf Clubhouse, and the Ski Area, the "Resort and Conference Center") situate on fourteen (14) parcels of real estate consisting of approximately 462 acres located at Villa Roma Road, County Road 164, and Polster Road, Town of Delaware ("Town"), County of Sullivan, State of New York and identified on the Town tax map as Section 5, Block 1, Lot 26.2; Section 20, Block 1, Lots 7.1, 8.2, 8.3, 9.1, 9.4, 9.6, 9.8, 9.9, 9.10, 11.3, 11.4, 12.6, and 14.2 ("Land"); (ii) acquisition and installation thereon and therein of certain furniture, fixtures, machinery, equipment and tools ("Equipment"); (iii) renovation and rehabilitation of improvements to the Resort and Conference Center, the Land and the Equipment (collectively, the Resort and Conference Center, the Land and the Equipment are referred to as the "Project"); and (iv) lease of the Project from the Agency to the Company.

70349-036v2

* This Sales Tax Exemption Letter shall not be used to abate sales tax on purchases of motor vehicles.

On September 4, 2024, the Agency, a corporate governmental Agency constituting a body corporate and politic and a public benefit corporation and a governmental agency of the State of New York adopted a resolution whereby the Agency appointed the Company as its agent to renovate and rehabilitate the Project.

This is to certify that purchases, leases or rentals by the Agency, through its agent, the Company, of materials to be incorporated into the Project and purchases, leases or rentals of supplies, tools, equipment, or services necessary to renovate, rehabilitate, install and equip such Project are exempt from any sales or use tax imposed by the State of New York and any governmental instrumentality located within the State of New York.

It is further certified that since the Agency is a public benefit corporation, neither it, nor the Company as its agent, is required to furnish an "Exempt Organization Certificate" in order to secure exemption from sales or use tax for such items.

A copy of this letter retained by any vendor or seller to the Company as agent for the Agency, may be accepted by such vendor or seller as a "statement and additional documentary evidence of such exemption" as provided by New York Tax Law 1132(c)(2), thereby relieving such vendor or seller from the obligation to collect sales or use tax upon purchases or rentals of such materials, supplies, tools, equipment, or services by the Agency through its agent, the Company.

THIS LETTER SHALL BE IN EFFECT FROM APRIL 1, 2025 TO AND INCLUDING SEPTEMBER 30, 2025.

In the event you have any questions with respect to the above, please do not hesitate to contact me.

COUNTY OF SULLIVAN INDUSTRIAL
DEVELOPMENT AGENCY



By: Howard Siegel, Chairman

Expiring September 30, 2025