

## REAL ESTATE OPTION AGREEMENT

THIS REAL ESTATE OPTION AGREEMENT (this "*Agreement*") is made this \_\_\_ day of April, 2022, by and between BINGHAMTON LOCAL DEVELOPMENT CORPORATION ("*Optionor*") with address of BLDC, 38 Hawley St., Binghamton, NY 13901 and BT CNY, LLC ("*Optionee*") with address of BT CNY, LLC c/o Bates Troy, Inc., 151 Laurel Ave., Binghamton, NY 13905.

### Recitals

A. Optionor is the fee owner of certain real property situate at Charles Street, Binghamton, NY, identified as a Lot # 2 (Charles St. Business Park Site Plan) portion of Tax Parcel No. 144.70-1-31.1, consisting of approximately 4.9 acres, as more particularly described on Exhibit "A" attached hereto and made a part hereof (the "*Property*").

B. Optionee desires to acquire an option to purchase the Property upon the terms and conditions set forth herein, and Optionor desires to grant such option to Optionee.

NOW THEREFORE, in consideration of the covenants and agreements contained in this Agreement, and with intent to be legally bound hereby, the parties agree as follows:

1. Grant of Option. Optionor hereby grants to Optionee the option, right and privilege to purchase the Property (the "*Option*") commencing \_\_\_\_\_, 2022 and terminating \_\_\_\_\_, 2023. The Optionee shall pay the Optionor \$10,000.00 upon execution of this Option for the Initial Option Period.

2. Duration and Exercise of Option.

2.1. The Option shall remain in effect, subject to exercise by Optionee, for the twelve (12) months terminating automatically as of \_\_\_\_\_, 2023 (the "*Initial Period*"); provided, however, that Optionee shall have the right to extend the Initial Period for one (1) additional six (6) month period to \_\_\_\_\_, 2023, by delivering written notice of same to Optionor no less than sixty (60) days prior to \_\_\_\_\_, 2023, together with payment(s) in an amount equal to \$5,000.00 ("*Extension Payment*"). (The Initial Period, as so extended, is referred to as the "*Second Option Period*"). The payment made by Optionee under this Paragraph 2 shall be credited against (and reduce, dollar-for-dollar) the Purchase Price (as defined below) if the Option is exercised and closed.

2.2. Optionee may exercise its option by delivering to Optionor, in accordance with Paragraph 11 below, notice in writing of its intent to exercise the Option. The Parties agree that upon exercise of the Option, the Parties shall enter into a separate standard commercial real estate Purchase and Sale Agreement which will contain all of the normal and standard commercial real estate purchase and sale terms and conditions as well as all of the terms and conditions that are contained in this Agreement. The Purchase and Sale Agreement shall provide for a Closing on or about One Hundred Eighty (180) days from the full execution of the Purchase and Sale Agreement. Said standard commercial real

estate Purchase and Sale Agreement shall be fully executed by the Parties within thirty (30) days of the exercise of the Option.

3. Purchase Price. The purchase price for the Property (the "*Purchase Price*") shall be One Hundred Seventy-One Thousand Five Hundred & 0/100 dollars (\$171,500.00) payable in cash or by certified check at Closing (as hereinafter defined).

4. Contingencies. The Option offer and the Purchase and Sale Agreement are contingent upon the following:

A. Environmental investigation Phase 1 performed by Optionor to be acceptable to Optionee / Purchaser / Optionee's Environmental Consultant and or its Lender. If Phase 2 investigation is needed as determined by Optionee / Purchaser / Optionee's Environmental Consultant and or its Lender then, Optionor shall bear costs of Phase 2 Investigations. Optionor shall provide any previous Phase 1 & 2 studies that it may have in its possession within ten (10) days of execution of Option Agreement.

B. Utilities: Water, Sewer, Natural Gas, & Electricity availability to site and service size being acceptable to Optionee/Purchaser.

C. Geotechnical Study confirming subsurface conditions suitable for new factory buildings construction.

D. City/Government Approval(s) / Permit(s) to be used as a Commercial / Industrial Laundry operational 24 hrs. per day up to 7 days per week

E. Tax PILOT agreement suitable for Optionee/Purchaser.

F. Financing: Financing Terms at a Commercial Lender to Optionee/Purchaser's satisfaction.

Due Diligence Period shall be that period time within the Option Period(s) and the Purchase and Sale Agreement to obtain/satisfy all contingencies, which overall period for such contingencies to be conducted and/or completed shall be from the full execution of this Option agreement and not later than One Hundred Twenty (120) days of full execution of the Purchase and Sale Agreement, but with reasonable extensions due to unforeseen conditions or circumstances. Both parties shall diligently work on satisfaction of the contingencies within the Due Diligence Period. Optionor shall furnish any information or documents pertaining to the above Property within 20 days of full execution of this Option agreement.

5. Closing and Settlement. Closing on the sale and purchase of the Property pursuant to the Option and Purchase and Sale Agreement ("*Closing*") shall take place within approximately One Hundred Eighty (180) days following Optionee's notice to Optionor of its intent to exercise the Option and full execution of the Purchase and Sale Agreement. Optionee/Purchaser shall designate the time and place for Closing at the Lender by providing written notice thereof to Optionor/Seller at least five (5) business days prior to Closing. At Closing, all real estate taxes and municipal charges and assessments shall be apportioned as of the date of Closing Settlement on the basis of the fiscal periods of the assessing authorities. At Closing, Optionor/Seller shall deliver a fully executed warranty deed for the Property to Optionee/Purchaser or its designee, which deed shall be in recordable form, be in accordance with Paragraph 6 below, and be otherwise acceptable to

Optionee (the "*Deed*").

6. Optionor's Representations and Warranties. Optionor's covenants, warranties, and representations contained in this Paragraph shall be effective immediately, shall be included in the Purchase and Sale Agreement, and shall continue to and survive Closing. To induce Optionee to enter into this Agreement, and with the knowledge that Optionee is relying on same, Optionor, upon due diligence and after having conducted all appropriate investigation and inquiry, represents, warrants and covenants to and with Optionee, its successors, and assigns, as follows:

6.1. Optionor owns record legal title to the Property, and has the full right, power and authority to execute this Agreement, to sell and convey the Property to Optionee as provided in this Agreement, and to carry out all of its obligations hereunder.

6.2. Other than City Council resolution, no consent of any other person or entity is required in connection herewith or the transaction contemplated hereby.

6.3. Optionor will not cause, permit, or suffer to be imposed any monetary lien on the Property that is not able to be satisfied in full at Settlement out of the Purchase Price.

6.4. Optionor is in possession of the Property, and the Property will, at Settlement, not be subject to any leases, options, liens or similar agreements.

6.5. No litigation or private enforcement actions or orders of any kind are pending with respect to the Property, or with respect to any other matter affecting the Property or the use thereof.

6.6. Optionor has not received any notice from any source of any claimed violations of federal or state laws, rules, regulations, ordinances, orders, policies, or requirements of common law with respect to the Property, its use or condition or any operations thereon relating to the health and safety of the public or the protection of the environment (each, an "*Environmental Law*").

6.7. Optionor does not know of any activity at the Property which has been conducted or is being conducted in violation of any Environmental Law.

6.8. To the best of Optionor's knowledge, except as previously disclosed to Optionee, no portion of the Property constitutes: (i) a wetland or other "water of the United States" or "waters of the State" under any Environmental Law; (ii) a floodplain, floodway, or other flood hazard area as defined by any Environmental Law; or (iii) any other area, development of which is specifically regulated under any Environmental Law by reason of its physical characteristics or prior use.

6.9. To the best of Optionor's knowledge, there are no underground

storage tanks on or near the Property. Optionor does not know of any releases or threatened releases from any of the underground storage tanks on or near the Property, and nothing has come to Optionor's attention that would reasonably cause Optionor to believe any such release has occurred.

6.10. Optionor has received no notices, oral or written, from any state governmental body, and nothing has come to Optionor's attention that would reasonably cause Optionor to believe, that the Property, any improvements erected or situate thereon, or the uses conducted thereon or therein violate any laws, ordinances or regulations of any governmental body having jurisdiction over the Property.

6.11. If any at time Optionor is notified or otherwise becomes aware of any event or incident inconsistent with or contrary to the representations, warranties, and covenants contained herein, Optionor shall promptly give notice thereof to Optionee.

7. Optionee's Representations and Warranties. Optionee's covenants, warranties, and representations contained in this Paragraph shall be effective immediately, shall be included in the Purchase and Sale Agreement, and shall continue to and survive Closing. To induce Optionor to enter into this Agreement, and with the knowledge that Optionor is relying on same, Optionee represents, warrants and covenants to and with Optionor, its successors, and assigns, as follows:

7.1. Optionee has the financial wherewithal to purchase the Property in accordance with the terms and conditions of this Agreement.

7.2 Optionee, shall undertake all necessary due diligence with respect to the title to the Property and the condition of the Property so that at the time that Optionee exercises the Option the Optionee has satisfied itself of the title to the Property and the condition of the Property, and that assuming no changes occur with respect to title or condition of the Property from time of exercise of the Option to time of Settlement, the Optionee accepts title and accepts the condition of Property as is.

8. Title. The Optioner shall provide an Abstract of Title to Optionee within thirty (30) days of the full execution of this Option Agreement. Optionee shall immediately upon receipt of said Abstract of Title undertake a full and complete search and review of the title to the subject property to satisfy Optionee, its legal counsel and title company within an additional thirty (30) days that the Property to be conveyed has good and marketable title. Should such review note any issues with respect to good and marketable title, Optionor shall be provided a list and explanation of such issues in writing within forty-five (45) days of execution of this Agreement so that the same can be addressed and cured within a reasonable period of time. As provided in the Purchase and Sale Agreement, at Closing, the Property shall be conveyed to Optionee, or its designee, by the Deed, conveying good and marketable title insurable (with such affirmative title insurance policy and endorsements as Optionee may reasonably require at its own expense) at regular rates by any title insurance company selected by Optionee, free and clear of all liens and monetary

encumbrances, except for easements which are of record prior to the date of this Agreement. In the event, at Closing, Optionor is unable to deliver title to the Property in accordance with the above standards, Optionee shall, in addition to all other remedies available to Optionee at law or in equity, have the option of either taking such title as Optionor is able to deliver without change or abatement in the Purchase Price or terminating this Agreement.

9. Site Inspection/Investigation. Optionor grants Optionee the right to enter upon the Property during the Option Period(s) and during the Due Diligence Period from time to time for the purpose of doing such things as may be necessary or appropriate in order to confirm the accuracy of Optionor's representations, warranties, and covenants including (without limitation intended) a land survey and environmental investigations. Optionee and its contractors or agents shall provide Optionor evidence of liability insurance of at least Two Million Dollars naming Optionor as an additional insured on a non-contributing basis and shall restore the Property to its original condition upon completion of any land survey and/or environmental investigation.

10. Possession. Possession of the Property shall be delivered to Optionee at Closing.

11. Default. In the event that Optionee delivers notice to Optionor of its election to exercise the Option and Optionor fails to diligently proceed to enter into a Purchase and Sale Agreement or to Closing on the Property in accordance with the provisions hereof, Optionee shall have the right to exercise any and all remedies available to it at law or in equity.

12. Realty Transfer Taxes, and other Costs. Optionor shall be responsible for the payment of any and all deed stamps or realty transfer taxes required to be paid as a result of the conveyance of the Property. Optionee shall be responsible for the costs of preparing the Deed; and, subject to Paragraph 6 above, Optionee shall be responsible for its attorney fees, and for the costs of title searches and any surveys.

13. Notices. All notices required hereunder shall be given by registered or certified mail, return receipt requested, or by a nationally recognized overnight courier service, addressed to the respective parties at the addresses set forth below. Either party may change its address for purposes of receiving notice by providing notice in writing to the other of such change.

If to Optionor: City of Binghamton  
BLDC  
38 Hawley Street  
Binghamton, NY 13901  
Attn: \_\_\_\_\_

If to Optionee:           BT STNY, LLC  
                                  c/o Bates Troy  
                                  151 Laurel Ave.,  
                                  Binghamton, NY 13905  
                                  Attn: Brian Kradjian

14. Termination. This Agreement shall become null and void and the option herein shall be terminated upon the occurrence of any one of the following events:

14.1. Recording of the Deed in the Office of the Clerk of Broome County; or

14.2. The expiration of the Option Period (without a breach or default by Optionor under this Agreement) unless an agreement extending the Option Period is executed by the parties hereto.

15. Broker. Each party represents and warrants to the other that it has not contracted with any real estate broker or similar person with respect to this Agreement, and that no brokerage commission is due to anyone in connection with the Option or the conveyance of the Property.

16. Binding Agreement. This Agreement shall be binding upon Optionor, Optionor's successors and assigns, and all successors in title to the Property and shall inure to the benefit of Optionee, its successors and assigns during the term of this Agreement. Optionee shall have the unrestricted right to assign its interest in and to this Agreement and/or the Option.

17. Recording. This Agreement or a memorandum hereof may be recorded by Optionee in the Office of the Clerk of Broome County;

18. Entire Agreement. This Agreement contains the entire understanding between the parties and supersedes any and all prior written or oral agreements between them with respect to the within subject matter. There are no representations, agreements, arrangements or understandings oral or written, between and among the parties hereto relating to the subject matter of this Agreement which have not been fully expressed herein.

19. Amendment. This Agreement may not be altered, amended or modified except by a further written document executed by both parties hereto.

20. Governing Law. This Agreement shall be construed and enforced in accordance with the laws of New York State, without regard to choice-of-law provisions.

IN WITNESS WHEREOF, the parties have caused this Real Estate Option Agreement to be executed as of the day and year first above written.

WITNESS:

OPTIONOR: BLDC / CITY OF BINGHAMTON

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WITNESS:

OPTIONEE: BT STNY, LLC

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By: Brian Kradjian

STATE OF NEW YORK :  
 : SS:  
COUNTY OF BROOME :

On this, the \_\_\_\_\_ day of \_\_\_\_\_, 2022, before me, a Notary Public in and for the above-named Broome County, the undersigned officer, personally appeared \_\_\_\_\_, being authorized to do so, executed the foregoing instrument for the purpose therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

\_\_\_\_\_  
Notary Public

My commission expires:

STATE OF NEW YORK :  
 : SS:  
COUNTY OF BROOME :

On this, the \_\_\_\_\_ day of \_\_\_\_\_, 2022, before me, a Notary Public in and for the above-named Broome County, the undersigned officer, personally appeared Brian Kradjian, being authorized to do so, executed the foregoing instrument for the purpose therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

\_\_\_\_\_  
Notary Public

My commission expires:



Exhibit "A"

**[Attach Legal Description]**