

ASSIGNMENT OF RENTS AND LEASES

THIS ASSIGNMENT OF RENTS AND LEASES (this "Assignment") is made and executed as of the 15th day of May, 2020 by SULLIVAN PROPERTIES, L.P., a Delaware limited partnership, whose mailing address is c/o The Zucker Organization, 101 West 55th Street, New York, New York 10019, Attn: Mr. Donald Zucker ("Borrower"), to, in favor of and for the benefit of STATE FARM REALTY MORTGAGE, L.L.C., a Delaware limited liability company, whose mailing address is One State Farm Plaza, Bloomington, Illinois 61710 ("State Farm").

RECITALS

A. State Farm has made a loan to Borrower (the "Loan") which is evidenced by that certain Promissory Note executed by Borrower to and in favor of State Farm of even date herewith in the principal amount of Six Million and 00/100 Dollars (\$6,000,000.00) (the "Note").

B. The Note is secured by (i) a Consolidated, Amended and Restated Mortgage and Security Agreement executed by Borrower to and in favor of State Farm of even date herewith (the "Mortgage") granting to State Farm, among other things, a first priority mortgage lien and encumbrance upon the Secured Property (as defined in the Mortgage) affecting the Real Estate (as defined in the Mortgage) legally described in Exhibit A attached to this Assignment; and (ii) certain other Loan Documents (as defined in the Mortgage) also executed by Borrower to and in favor of State Farm of even date herewith.

C. As a material inducement to State Farm to make the Loan, Borrower makes this Assignment.

AGREEMENTS

NOW, THEREFORE, in consideration of the sum of TEN DOLLARS (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Borrower agrees as follows:

1. Assignment of Rents and Leases.

1.1. Definitions. For purposes of this Assignment, the following definitions shall apply:

Loan No. 50074

MEI 33300053v.2

1.1.1. "**Major Leases**": As used herein, the term "Major Leases" shall not be applicable.

1.1.2. "**Minor Leases**": Leases that are not Major Leases; provided, however, if any Minor Lease, after modification, meets the definition of a Major Lease, such Minor Lease shall thereupon become a Major Lease.

1.1.3. "**Leases**": All Major Leases and Minor Leases.

1.1.4. "**Guaranties**": Any and all guaranties of the payment of rent by and performance of all other obligations of the tenant(s) under the Leases.

1.2. **Assignment of Rents.** Subject to the terms and conditions of this Assignment, Borrower hereby absolutely, unconditionally and irrevocably transfers, conveys, assigns and grants to State Farm all of Borrower's right, title and interest in and to all rents, issues, profits, proceeds, income, revenues, royalties, advantages, avails, claims against guarantors, security and other deposits (whether in cash, letter of credit or other form), advance rentals, damages, insurance and condemnation proceeds and any and all other payments or benefits now or hereafter derived, directly or indirectly, from the Real Estate and Improvements, whether under the Leases or otherwise (collectively, the "**Rents**").

1.3. **Assignment of Leases.** Subject to the terms and conditions of this Assignment, Borrower hereby absolutely, unconditionally and irrevocably transfers, conveys, assigns and grants to State Farm all of Borrower's right, title and interest as landlord in, to and under all Leases, now or hereafter existing or entered into, together with any and all Guaranties.

1.4. **Absolute Assignments.** The foregoing assignments of Rents and Leases are present and absolute assignments and not assignments for or as security only. State Farm's right to the Rents and Leases is not contingent upon its possession of the Secured Property.

1.5. **License.** State Farm hereby grants to and confers upon Borrower a revocable license (the "**License**") to collect and retain the Rents as the same become due and payable under the Leases, but not in excess of thirty (30) days in advance, so long as, and only so long as, no **Event of Default** (as defined below) exists under this Assignment. Upon the occurrence of an Event of Default under this Assignment, the License shall immediately and automatically be revoked, cease and terminate without notice.

Upon any such revocation and termination of the License, State Farm shall have the right to notify all tenants under the Leases to pay the Rents then due and thereafter coming due directly to State Farm. After such revocation and termination of the License, any and all Rents

received by Borrower shall be remitted to State Farm not later than three (3) business days following Borrower's receipt of the same.

Borrower hereby authorizes and directs any tenant under the Leases, upon receipt of written notice from State Farm stating that an Event of Default has occurred or exists under this Assignment, to pay directly to State Farm the Rents then due and thereafter coming due under the Leases. Borrower agrees that any tenant shall have the right to rely upon any such notice from State Farm without any obligation, and without any right, to inquire as to whether any such Event of Default has actually occurred or exists and notwithstanding any claim of Borrower to the contrary. Borrower shall have no claim (and hereby waives any claim) against any tenant for the Rents paid by such tenant directly to State Farm following its receipt of any such notice from State Farm.

1.6 Covenants.

1.6.1. General. All Leases shall be written on Borrower's standard form of lease or on such other form of lease, each of which shall have been approved by State Farm, which approval shall not be unreasonably withheld. Borrower shall furnish State Farm with executed copies of all non-residential Leases within fifteen (15) days after execution thereof and all residential Leases within fifteen (15) days after written request by State Farm. All proposed Leases and extensions, renewals, amendments or modifications of existing Leases shall (a) be at rental rates (including rental concessions) that are at least equal to those charged for comparable properties within the submarket area of the Secured Property; (b) have been negotiated at arm's length with bona fide independent third party tenants; and (c) in Borrower's prudent business judgment, not materially impair the value of the Secured Property. All Leases shall state that they are subordinate to the Mortgage and shall include an agreement by the tenant to attorn to State Farm.

1.6.2. Negative Covenants. Borrower shall not, without the prior written consent of State Farm, (a) enter into any new Major Lease or extend, renew, amend or modify any Major Lease (other than extensions, renewals, amendments or modifications in accordance with the terms of a Major Lease previously approved by State Farm); (b) consent to or permit the assignment or subletting of any Major Lease (other than assignments or subleases in accordance with the terms of a Major Lease previously approved by State Farm); (c) amend or modify any Minor Lease so as to cause such Minor Lease to become a Major Lease; (d) cancel or terminate any Lease; or (e) alter, amend, modify, change or terminate the terms of any guaranties of any Major Lease.

1.6.3. Affirmative Covenants. So long as no Event of Default is in existence under any of the Loan Documents and subject to Sections 1.6.1 and 1.6.2(c) and (d) above, Borrower may enter into, extend, renew, amend, modify or permit the assignment or sublease of any of the Minor Leases.

1.6.4. Major Leases. Any Major Lease submitted for State Farm's consent shall be accompanied by (a) a lease abstract; (b) a then-current rent roll for the Secured Property; (c) the floor plan for the demised premises; and (d) tenant financial statements. State Farm shall require a tenant estoppel certificate and a subordination, non-disturbance and attornment agreement for Major Leases on State Farm's then current form (subject to revisions as may be accepted by State Farm in State Farm's commercially reasonable discretion), or such other form as State Farm may approve in its commercially reasonable discretion.

1.6.5. Consent. Any consent to be given or denied with respect to any Lease shall be given or denied no later than ten (10) business days after the actual receipt by State Farm of the Lease to be approved and any other additional information reasonably requested by State Farm regarding such Lease, or such consent shall be deemed given; provided, however, such ten (10) business day period shall commence only upon State Farm's receipt of all information reasonably necessary to make an informed decision about the Lease and a written notice from Borrower accompanying such Lease and additional information, which notice includes a statement in capitalized letters substantially as follows:

PURSUANT TO SECTION 1.6 OF THE ASSIGNMENT OF RENTS AND LEASES, STATE FARM HAS TEN (10) BUSINESS DAYS FROM THE RECEIPT OF THIS NOTICE TO APPROVE OR DISAPPROVE THE LEASE OR SUCH LEASE SHALL BE DEEMED APPROVED.

1.6.6. Servicing Fees. State Farm shall have the right to impose a Servicing Fee (as defined in the Mortgage) in connection with the review of any documentation submitted for State Farm's approval hereunder. Borrower shall also be responsible for the payment of all reasonable fees and expenses of State Farm's outside counsel in the event State Farm, in its sole discretion, shall determine that the assistance of an attorney is necessary.

2. Default and Remedies.

2.1. Default.

2.1.1. It shall constitute an event of default (an "Event of Default") of and under this Assignment and under the other Loan Documents if Borrower shall fail to perform or observe any of the covenants, agreements or conditions of this Assignment and such failure shall remain uncured for thirty (30) days after written notice to Borrower of the occurrence of such failure, provided, however, that State Farm shall extend such cure period up to ninety (90) days if State Farm determines in good faith that: (i) such default cannot reasonably be cured within such 30 days period but can be cured within ninety

(90) days; (ii) no lien or security interest created by the Loan Documents shall be impaired prior to the anticipated completion of such cure; and (iii) State Farm's immediate exercise of any remedies provided in this Assignment or by law is not necessary for the protection or preservation of the Premises or State Farm's security interest therein or lien thereon, and Borrower shall immediately commence and diligently pursue the cure of such default.

2.1.2. It shall constitute an Event of Default of and under this Assignment if there shall occur under the Note, Mortgage and other Loan Documents an "**Event of Default**" as defined in any of those Loan Documents.

2.2. **Remedies.**

2.2.1. Upon the occurrence of an Event of Default, the License shall automatically be revoked, cease and terminate without notice to Borrower and without regard to the adequacy or inadequacy of State Farm's security under this Assignment, the Mortgage or the other Loan Documents. Thereupon, State Farm shall be entitled to exercise any and all rights and remedies provided in this Assignment, the Mortgage and the other Loan Documents. The application of any Rents collected by State Farm shall be in accordance with the terms of the Mortgage.

2.2.2. The rights and remedies provided in this Assignment shall not be deemed exclusive of any rights or remedies granted to State Farm in the Mortgage or by law, but shall be deemed special and additional rights and remedies and shall be cumulative with those rights and remedies granted in the Mortgage or by law.

3. **Miscellaneous.**

3.1. **Perfection.** This Assignment shall be perfected upon its recordation in the official public records of New York County, New York. Neither possession of the Rents nor the appointment of a receiver of the Secured Property shall be required for such perfection.

3.2. **Assignment.** State Farm may assign its rights in and under this Assignment to any subsequent holder of the Note and Mortgage and to any person acquiring title to the Secured Property through foreclosure of the Mortgage or otherwise.

3.3. **Obligations.** State Farm shall not be obligated to perform or discharge, nor, by its acceptance of this Assignment, does it undertake to perform or discharge, any obligation, duty or liability of Borrower, as landlord under the Leases, or otherwise. Nothing herein contained shall be construed as causing State Farm to be a "Mortgagee in Possession" and State Farm shall

have no liability of a Mortgagee in Possession by exercising its rights under this Assignment, all such liability being expressly waived and released by Borrower.

3.4. Ownership. Borrower represents and warrants that (a) it is the absolute owner of the Rents and Leases with full right, power and authority to execute and deliver this Assignment; and (b) there is no outstanding assignment or pledge of the Rents or Leases or any one thereof.

3.5. Notices. Any Notice required to be given hereunder shall be given in the manner specified in the Mortgage.

3.6. Conflict. In the event of a conflict between the provisions of this Assignment and any other Loan Documents, this Assignment shall control.

3.7. Cooperation. Borrower agrees to cooperate with any reasonable request of State Farm to implement the provisions of this Assignment.

3.8. Successors and Assigns. Whenever the word "Borrower" is used herein, it is agreed and understood that the same includes and shall be binding upon Borrower's successors and assigns and any party holding title to the Secured Property by, through or under Borrower. All of the rights, powers, privileges and immunities herein granted and assigned to State Farm shall also inure to its successors and assigns, including all holders of the Note and Mortgage.

3.9. Waiver of Trial by Jury. Borrower hereby waives, to the fullest extent permitted by Applicable Law (as defined in the Note), the right to trial by jury in any action, proceeding or counterclaim filed by any party, whether in contract, tort or otherwise, relating, directly or indirectly, to this Assignment or any acts or omissions of Borrower in connection therewith or contemplated thereby.

3.10 Non-recourse. The provisions of Article V of the Note are incorporated herein by this reference as if such provisions were fully set forth herein.


3.11. Section 291-f Agreement. This Assignment is intended to be, and shall operate as, the agreement described in Section 291-f of the Real Property Law of the State of New York and shall be entitled to the benefits afforded thereby. Borrower shall (unless such notice is contained in such tenant's Lease) deliver notice (to commercial tenants only) of any interest in any Lease, by assignment or otherwise, and shall take such other action as may now or hereafter be reasonably required to afford State Farm the full protections and benefits of Section 291-f.

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IN WITNESS WHEREOF, Borrower has executed this Assignment as of the day and year first above written.

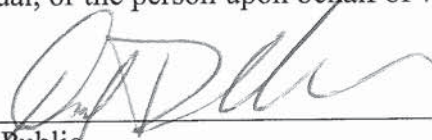
SULLIVAN PROPERTIES, L.P., a Delaware limited partnership

By: Sullivan GP, LLC, a Delaware limited liability company,
its general partner

By: 
Name: Donald Zucker
Title: Manager

State of New York)
) ss:
County of New York)

On the 13 day of May in the year 2020, before me, the undersigned, personally appeared Donald Zucker, 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
[SEAL]

DANIEL F. SULLIVAN
Notary Public, State of New York
No. 02SU4997917
Qualified in Orange County
Commission Expires June 15, 2022

SIGNATURE AND ACKNOWLEDGMENT PAGE
ASSIGNMENT OF RENTS AND LEASES

Exhibit A
Legal Description

PARCEL I

ALL that certain plot, piece or parcel of land, situate, lying and being in the Borough of Manhattan, County, City and State of New York, bounded and described as follows:

BEGINNING at a point on the easterly side of Sullivan Street, distant 75 feet northerly from the corner formed by the intersection of the easterly side of Sullivan Street and the northerly side of Spring Street;

RUNNING THENCE northerly along the easterly side of Sullivan Street, 25 feet;

THENCE easterly parallel with the northerly side of Spring Street, 65 feet 11 inches;

THENCE southerly parallel with the easterly side of Sullivan Street, 25 feet;

THENCE westerly parallel with the northerly side of Spring Street, 65 feet 11 inches to the easterly side of Sullivan Street, at the point or place of BEGINNING.

(For Information Only: Block 503, Lot 1 – 97 Sullivan Street, NY, NY)

PARCEL II

ALL that certain plot, piece or parcel of land, situate, lying and being in the Borough of Manhattan, County, City and State of New York, bounded and described as follows:

BEGINNING at a point on the easterly side of Sullivan Street, distant 200 feet northerly from the corner formed by the intersection of the said easterly side of Sullivan Street and the northerly side of Spring Street;

RUNNING THENCE southeasterly on a line parallel with the said northerly side of Spring Street, 100 feet 5 inches;

THENCE northeasterly and parallel with the said easterly side of Sullivan Street, 50 feet;

THENCE northwesterly on a line parallel with the said northerly side of Spring Street, 100 feet 5 inches to the said easterly side of Sullivan Street;

THENCE southwesterly along the said easterly side of Sullivan Street, 50 feet to the point or place of BEGINNING.

(For Information Only: Block 503, Lot 6 – 107 - 109 Sullivan Street, NY, NY)

PARCEL III

ALL that certain plot, piece or parcel of land, situate, lying and being in the Borough of Manhattan, County, City and State of New York, bounded and described as follows:

BEGINNING at a point on the easterly side of Sullivan Street, distant 201 feet 6-1/2 inches southerly from the corner formed by the intersection of the southerly side of Prince Street with the easterly side of Sullivan Street;

RUNNING THENCE southerly along the easterly side of Sullivan Street, 25 feet 1 inch;

THENCE easterly along a line which forms an angle of 89 degrees 15 minutes 00 seconds on its southerly side with the easterly side of Sullivan Street, 100 feet;

THENCE northerly parallel with the easterly side of Sullivan Street, 25 feet;

THENCE westerly parallel with the southerly side of Prince Street, 100 feet to the point or place of BEGINNING.

(For Information Only: Block 503, Lot 8 - 111 Sullivan Street, NY, NY)

PARCEL IV

ALL that certain plot, piece or parcel of land, situate, lying and being in the Borough of Manhattan, County, City and State of New York, bounded and described as follows:

BEGINNING at a point on the easterly side of Sullivan Street, distant 176 feet 6-1/2 inches southerly from the corner formed by the intersection of the southerly side of Prince Street with the easterly side of Sullivan Street;

RUNNING THENCE southerly along the easterly side of Sullivan Street, 25 feet 1 inch;

THENCE easterly along a line which forms an angle of 89 degrees 15 minutes 00 seconds on its southerly side with the easterly side of Sullivan Street, 100 feet;

THENCE northerly parallel with the easterly side of Sullivan Street, 25 feet;

THENCE westerly parallel with the southerly side of Prince Street, 100 feet to the point or place of BEGINNING.

(For Information Only: Block 503, Lot 9 - 113 Sullivan Street, NY, NY)

PARCEL V

ALL that certain plot, piece or parcel of land, situate, lying and being in the Borough of Manhattan, County, City and State of New York, bounded and described as follows:

BEGINNING at a point on the easterly side of Sullivan Street, distant 151 feet 6 inches southerly from the corner formed by the intersection of the southerly side of Prince Street and the easterly side of Sullivan Street;

RUNNING THENCE easterly and parallel with Prince Street, 100.00 feet to a point;

THENCE southerly and parallel with Sullivan Street, 25.00 feet to a point;

THENCE westerly and parallel with Prince Street, 100.00 feet to a point on the easterly side of Sullivan Street; and

THENCE northerly along the easterly side of Sullivan Street, 25.00 feet to the point or place of BEGINNING.

(For Information Only: Block 503, Lot 10 - 115 Sullivan Street, NY, NY)

PARCEL VI

ALL that certain plot, piece or parcel of land, situate, lying and being in the Borough of Manhattan, County, City and State of New York, bounded and described as follows:

BEGINNING at a point on the easterly side of Sullivan Street, distant 151 feet 6 inches southerly from the southeasterly corner of Sullivan Street and Prince Street;

RUNNING THENCE easterly along the southerly side of the southerly wall of the premises hereby described and in a line in continuation thereof and parallel with Prince Street, 100 feet;

THENCE northerly and in a line parallel with Sullivan Street, 25.00 feet;

THENCE westerly and in a line parallel with Prince Street and part of the way through a party wall, 100.00 feet to the easterly side of Sullivan Street; and

THENCE southerly along the easterly side of Sullivan Street, 25.00 feet to the point or place of BEGINNING. Be the said several distances or dimensions more or less.

(For Information Only: Block 503, Lot 11 - 117 Sullivan Street, NY, NY)

PARCEL VII

ALL that certain plot, piece or parcel of land, situate, lying and being in the Borough of Manhattan, County, City and State of New York, bounded and described as follows:

BEGINNING at a point on the easterly side of Sullivan Street, distant 126 feet 6 inches southerly from the corner formed by the intersection of the southerly side of Prince Street and the easterly side of Sullivan Street;

RUNNING THENCE easterly on a line parallel with Prince Street and part of the distance through a party wall, 100 feet;

THENCE northerly on a line parallel with Sullivan Street, 25 feet;

THENCE westerly on a line parallel with Prince Street, 100 feet to the easterly side of Sullivan Street; and

THENCE southerly along the easterly side of Sullivan Street, 25 feet to the point or place of BEGINNING.

(For Information Only: Block 503, Lot 12 – 119 Sullivan Street, NY, NY)

SULLIVAN PROPERTIES, L.P., as assignor
(Borrower)

to

STATE FARM REALTY MORTGAGE, L.L.C., as assignee
(Lender)

ASSIGNMENT OF RENTS AND LEASES

Dated: as of May 15, 2020

Premises: 97, 107-109, 111, 113, 115, 117 & 119 Sullivan Street, New York, New York
County: New York
Block: 503
Lots: 1, 6, 8, 9, 10, 11 and 12

DOCUMENT PREPARED BY AND WHEN RECORDED RETURN TO:

McCarter & English, LLP
Four Gateway Center
100 Mulberry Street
Newark, New Jersey 07102
Attention: Jeffrey A. Petit, Esq.