

2/1/06 - 1/31/26

AGREEMENT made this 19 day of October 2006 by and between:

THE COUNTY OF WESTCHESTER, a municipal corporation of the State of New York, having an office and place of business in the Michaelian Office Building, 148 Martine Avenue, White Plains, New York, 10601

(hereinafter referred to as the "County") and

TWIN LAKES FARM, INC., a New York corporation having an office and principal place of business at 960B California Road, Bronxville, New York 10708

(hereinafter referred to as the "Lessee")

W I T N E S S E T H

WHEREAS, the County and the Lessee entered into a license agreement for the period February 1, 1998 through January 31, 2008 for the operation of the South Equestrian Stable at Twin Lakes Park in Eastchester, New York (the "License Agreement"); and

WHEREAS, the County acting through the Commissioner of Parks, Recreation and Conservation ("Commissioner"), desires to make certain services and facilities available through a lease agreement with a stable operator for the accommodation of the public using the County recreational facilities located at the South Equestrian Stable at Twin Lakes Park, which lease agreement shall supersede the License Agreement between the County and the Lessee; and

WHEREAS, pursuant to Chapter 427 of the 2003 Laws of the State of New York, the State authorized the County to enter into a lease agreement with Lessee for the lease of certain County parkland; and

WHEREAS, the County represents that it has dedicated an amount equal to the fair market value of those interests being transferred under this Lease agreement for the acquisition of additional parklands and/or for capital improvements to existing County park and recreational facilities; and

WHEREAS, pursuant to Local Law 20-2005, the County Board of Legislators authorized the lease of certain County parkland, more particularly described herein, to the Lessee; and

WHEREAS, Lessee desires to provide such services and operate such facilities for the County.

NOW, THEREFORE, the parties hereto in consideration of the terms and conditions herein contained do agree as follows:

1. **DESCRIPTION**: The County grants to Lessee and Lessee hereby accepts from the County, a Lease (the "Lease") to operate the South Equestrian Stable at Twin Lakes Park, located at 960B California Road in the Town of Eastchester, New York, as a public equestrian riding facility.¹ The Lessee hereby acknowledges and agrees that it shall comply in all respects with the "Summary of Responsibilities," attached hereto and made a part hereof as Schedule "A," at all times during any term, or extended term, of this Agreement. The License Agreement between the County and the Lessee is hereby terminated effective as of January 31, 2006 and is superseded and replaced in its entirety by this Lease.

2. **TERM**: The Lease shall operate for a period of twenty (20) years, commencing on February 1, 2006 and terminating on January 31, 2026, unless terminated sooner in accordance with the provisions hereinafter set forth. Should the Leased Premises, as defined herein, cease to be operated by Lessee as a public equestrian center, this Lease shall terminate for cause effective immediately and the Leased Premises shall revert to the County for public park and recreational purposes. Should any of the Lessee's employees at the Leased Premises (defined below) be convicted of a misdemeanor or felony directly related to the operation of the equestrian facility during the term hereof, Lessee agrees to remove that employee immediately from the Leased Premises

3. **RENT**: As compensation for this Lease and for the privilege of operating said Lease, Lessee shall pay to the County rent as follows:

¹ Of note, the stable is physically located at 960B California Road in the Town of Eastchester, although, the mailing address for said stable is in the Town of Bronxville. Therefore, Lessee's principal place of business is listed, in the heading to this Lease Agreement, as Bronxville, New York.

| <u>YEAR</u> | <u>RENT TO COUNTY</u> |
|--------------------------------------|-----------------------|
| February 1, 2006 to January 31, 2007 | \$14,000 |
| February 1, 2007 to January 31, 2008 | \$14,000 |
| February 1, 2008 to January 31, 2009 | \$14,000 |
| February 1, 2009 to January 31, 2010 | \$14,000 |
| February 1, 2010to January 31, 2011 | \$18,000 |
| February 1, 2011 to January 31, 2012 | \$22,200 |
| February 1, 2012 to January 31, 2013 | \$23,310 |
| February 1, 2013 to January 31, 2014 | \$24,476 |
| February 1, 2014 to January 31, 2015 | \$25,699 |
| February 1, 2015 to January 31, 2016 | \$26,984 |
| February 1, 2016 to January 31, 2017 | \$28,333 |
| February 1, 2017 to January 31, 2018 | \$29,750 |
| February 1, 2018 to January 31, 2019 | \$31,238 |
| February 1, 2019 to January 31, 2020 | \$32,800 |
| February 1, 2020 to January 31, 2021 | \$34,439 |
| February 1, 2021 to January 31, 2022 | \$36,161 |
| February 1, 2022 to January 31, 2023 | \$37,970 |
| February 1, 2023 to January 31, 2024 | \$39,868 |
| February 1, 2024 to January 31, 2025 | \$41,861 |
| February 1, 2025 to January 31, 2026 | \$43,954 |
| | |
| TOTAL | \$553,043 |
| | |

In the event that any payment due under the terms of this section of the Lease Agreement is made more than seven (7) consecutive days after its due date, Lessee shall be required to pay a late payment penalty equal to (1.5%) percent of said late payment.

In the event that Lessee shall make two (2) or more payments after the due date in any given Lease Year, the Commissioner, in his sole discretion, may require that the entire annual Lease Fee for that Lease Year be accelerated, and same shall become due and payable within thirty (30) days of the issuance of written notice of acceleration by the Commissioner.

All fees due to the County hereunder shall be paid by check made to the order of County of Westchester and delivered by mail, postage prepaid, or in person to the Westchester County, Department of Finance- A/R, 148 Martine Avenue-Room 718, White Plains, New York 10601 or at such other office as the County may designate by notice.

4. **LEASED PREMISES:** The Lessee shall be required to manage and operate all that portion of the South Equestrian Stable which is outlined on Schedule "B" attached hereto and made a part hereof (the "Leased Premises"). Lessee acknowledges that this Agreement is subject to the County's right (and its invitees) to utilize the driveway from California Road to access the adjacent compost area, as shown on Schedule "A".

Lessee shall have the authority to restrict access to the Stable Area, as indicated in the map attached hereto as Schedule "B" to resident horses and those persons having business at the stable, including, but not limited to boarders and equestrian students. Lessee may be required to erect and maintain signs to that effect. Lessee acknowledges and agrees that the public shall have access to the bridle trails. Lessee further acknowledges and agrees that use of the Leased Premises shall be made available to the general public on an equitable basis. Where availability of the leased Premises is limited, the use of the facilities shall be determined by a reservation policy administered by the Lessee, in conjunction with the County, which provides priority use to the general public.

5. **HOURS DAYS AND OPERATION:** The stable shall be open seven days per week. Requests to change the schedule shall be made to the Commissioner in writing, who, at his sole discretion may approve or deny any schedule change. There must be a minimum of one trained attendant, over the age of (21), on duty at all times from 9:00 a.m. to 6:00 p.m. each day, and at all times when the barn is open. During such times, said attendant shall not be permitted to perform other duties which would render the barn and stable area unattended. Notwithstanding same, Lessee shall operate the Lease granted hereunder for the accommodation of the public at such times and in such manner as the Commissioner may reasonably prescribe from time to time.

6. **ELECTRICITY, GAS AND WATER:** In addition to the Lease Fees specified herein, above, Lessee shall pay for all electric light, power, heat, gas and water used and consumed upon the Leased Premises, and utilized in connection with this Lease. Lessee shall use only electricity for motive power and illumination of the premises, buildings, or spaces included in this Lease.

The County is not responsible for the installation of water supply, sewer or drain pipes or fixtures, but the County shall be responsible for the maintenance of all such existing systems which feed into the Leased Premises. In the event that the electric current for all lights and power and all water is furnished by County, same shall be paid for by Lessee as billed.

7. **LESSEE'S IMPROVEMENTS:** As a material term of this Agreement and in addition to and not in lieu of any other Lease fees, charges or payments to be made by the Lessee hereunder, the Lessee expressly agrees to make the improvements to the Leased Premises as described in Schedules "C" and "D", which are attached hereto and made a part hereof, at the sole cost and expense of the Lessee. Hereinafter, the "Improvements" shall be defined as those improvements listed in Schedules "C" and "D". All such Improvements shall be performed by skilled and competent workers and shall be completed to the reasonable satisfaction of the Commissioner and the County Commissioner of Public Works. Prior to the commencement of the work, the Lessee shall submit to the Commissioner, for review and approval, such plans,

drawings, specifications or work orders as the Commissioner may reasonably require. Approval by the Commissioner shall not be unreasonably withheld or unduly delayed.

All Improvements shall be completed within two years of the execution of the Lease and will be subject to approval of the Commissioner of Parks, Recreation and Conservation and the Commissioner of Public Works. Nothing contained in this paragraph shall be construed to relieve Lessee of its obligation to complete each and every one of the Improvements regardless of any revised estimates or increases in the actual cost of completing the work.

In the event that this Agreement is terminated prior to the end of the original term as set forth in Section (2), herein, for any reason other than cause, the Lessee shall be entitled to reimbursement for the value of the Improvements then made and approved in writing by the Commissioner, based upon a twenty (20) year, straight-line amortization, which amortization period begins upon the commencement date of this Agreement for all improvements listed in Schedule "C" and/or "D" made prior to the commencement of this Agreement. For improvements listed in Schedule "C" and/or "D" made within two years of the commencement date of this Agreement, the amortization period shall begin upon completion of the work and approval by the County in writing. The Lessee represents that the work listed in Schedule "H" has been completed prior to the commencement date of this Agreement and is subject to the approval of the Commissioner of Public Works. Reimbursement shall only be made for those Improvements listed in Schedules "C" and "D". As a condition to the payment by the County of any reimbursement for Lessee's expenses incurred in completing the Improvements, Lessee shall be required to provide the County with proof of receipts for such expenditures.

8. **EQUIPMENT AND ALTERATIONS:** The Lessee, at its sole cost and expense, shall supply, repair and replace all equipment required for the proper operation of this Lease, including but not limited to, all grooming equipment and all stable implements and tools. The Lessee also agrees to supply, maintain and replace at the sole cost and expense of the Lessee all expendable equipment such as tables, chairs and other equipment required for the proper operation of this Lease. All such equipment must be approved by Commissioner before being delivered to the Leased Premises, and shall comply with all applicable fire, electrical and safety codes and requirements.

Upon expiration or termination of this Lease, the Lessee shall promptly remove, at its sole cost and expense, all its equipment and other property from the areas assigned to the Lessee hereunder. Any property of the Lessee remaining thereon after such termination shall be deemed abandoned by the Lessee and all cost and expense incurred in the removal thereof shall be charged to the Lessee.

However, in the event of termination due to Lessee default, Lessee may be required, at the sole discretion of the County, to leave its basic stable equipment, excluding all horses and bridle equipment, upon the Leased Premises, and the County shall be entitled to use the Lessee's equipment until the earlier of a one year period or until the County can obtain replacement equipment.

The Lessee shall not install any fixtures or make any improvements or alterations to the space assigned to the Lessee hereunder without the prior written consent of the Commissioner. Any fixtures, improvements or alterations shall immediately, upon installation, be deemed to be affixed to the realty and shall become property of the County.

9. **INSPECTION AND BOARDER MEETINGS:** The Commissioner, or his authorized representative, shall have unconditional, unlimited, unrestricted access to all areas of the Leased Premises at all times during the term of this Lease, or any extension thereof. The Commissioner, or his authorized designee, shall be entitled to enter any space assigned to the Lessee hereunder for the purpose of inspecting, observing and monitoring any aspect of the Lessee's operations. The Lessee shall also permit inspection of same by any federal, state, county or municipal officer having jurisdiction. The Lessee, at its sole cost and expense, shall promptly remedy any and all violations issued, which are directly attributable to the Lessee's operations or are within the scope of the Lessee's responsibilities hereunder, as a result of such inspection.

Lessee further agrees that the County has the right, at the County's expense, to hire an independent veterinarian twice per year to examine the conditions of the Leased Premises and the physical condition of the horses, at the discretion of the Commissioner. Lessee shall ensure that the form of the Boarder Agreement includes a provision authorizing the examination of boarded horses by the County or its agent.

Additionally, Lessee agrees to cooperate with all SPCA investigations and inspections and to follow any suggestions made by the SPCA and approved by the Commissioner.

Lessee further agrees to arrange for and participate in a minimum of one boarder meeting per year at the Leased Premises (unless the parties mutually agree to hold the boarder meeting at a separate location), with the Commissioner or his designee and the principal of Lessee in attendance, along with the invited boarders, to discuss any issues regarding the operation of the lease. Notwithstanding the aforesaid, Lessee agrees that the Commissioner may request additional boarder meetings at a location to be determined by the Commissioner if the Commissioner deems additional meetings necessary..

10. **INFLAMMABLES:** The Lessee shall not use or store any explosives, toxic materials or flammables on or about the areas assigned to the Lessee hereunder, except fuel for gasoline for tractors, heating oil, diesel and propane.

11. **INDEMNIFICATION:** In addition to, and not in limitation of, the insurance requirements contained in Schedule "E" entitled "Standard Insurance Provisions", attached hereto and made a part hereof, the Lessee agrees:

(a) that except for the amount, if any, of damage contributed to, caused by or resulting from the negligence or intentional misconduct of the County or its employees, the Lessee shall indemnify and hold harmless the County, its officers, employees and agents from and against any

and all liability, damage, claims, demands, costs, judgments, fees, attorneys' fees or loss arising directly or indirectly out of the performance or failure to perform hereunder by the Lessee or third parties under the direction or control of the Lessee; and

(b) to provide defense for and defend, at its sole expense, any and all claims, demands or causes of action directly or indirectly arising out of this Lease Agreement and to bear all other costs and expenses related thereto.

The aforesaid indemnification and defense provisions shall not apply to or include injuries or damages resulting from trucks utilizing the driveway through the Leased Premises to access the adjacent compost area.

12. **QUALITY & PRICING:** Lessee and the County acknowledge and agree that the fees outlined in Schedule "F," which is attached hereto and made a part hereof, are the approved rates which shall be applicable to the original twenty (20) year Lease period.

Any changes to the pricing schedules, which may from time to time be requested by Lessee, or any addition or modification of services, shall be made only upon the prior written approval of the Commissioner, and the approval of the Westchester County Parks, Recreation & Conservation Board.

Boards of record on the date of the execution of this Lessee Agreement will have the right of first refusal to renew their boarder agreements under any new or revised fee schedule, rules or regulations.

The Lessee shall continually post, in conspicuous places and clearly visible by a person of average eyesight from a distance of ten (10) yards in the stable and on the Leased Premises, the prices to be charged for all stable services, as approved by the Commissioner.

The Lessee shall collect any applicable state or municipal sales or use taxes and remit same to the proper taxing authority or authorities, and hereby agrees to indemnify and hold the County harmless for any claims for said taxes.

13. **BOARDER AGREEMENTS:** The Lessee shall be required to prepare, keep, and maintain boarder agreements for each horse boarded at the facility, which boarder agreements are subject to inspection at any time by the Commissioner or his designee. Lessee shall provide the Commissioner or his designee a list of all boarders including names, address and telephone numbers and shall advise the Commissioner in writing of the termination of any such boarder agreement and/or acceptance of any new boarder. All boarder agreements shall be kept on the Leased Premises and shall be available for inspection by the County.

Said boarder agreements shall contain a detailed outline of the payment schedule to be applied to the particular boarder, the term of the agreement, and health and informational details with respect to the horse to be boarded. Prior to the eviction of any horse or boarder, the Lessee shall notify the Commissioner in writing of such proposed action and clearly specify the

circumstances leading to the eviction decision. All boarder agreements shall contain a stipulation, approved by the County Attorney's Office, stating that in the event that the Lease is terminated, for whatever reason, the County shall have no direct contractual obligation with boarders and all boarder agreements will be deemed void, and the County shall not be responsible for any pre-payments made by any boarders.

Lessee shall keep and maintain a "waiting list" of prospective boarders. The Boarder agreement form shall contain all provisions required under this Lease Agreement including, but not limited to, those provisions in paragraphs 9, 12, 13, 27 and 29 herein.

14. **SIGNS & ADVERTISING:** The Lessee shall not place any new sign or advertisement or renew any advertising contract (i.e. telephone directories), in conjunction with or relating to its Lease with the County, without the written approval of the Commissioner. The Lessee shall submit a detailed plan outlining the proposed sign or advertisement and its proposed placement or distribution to the Commissioner for review and approval. If the Commissioner fails to object within ten (10) days, such approval is deemed to be given. Lessee agrees to remove any sign or cease using any advertising that he Commissioner objects to in writing. All such approved signs, flyers, promotional materials and advertisements shall clearly indicate that the Leased Premises are "a facility of the County of Westchester Department of Parks, Recreation & Conservation."

15. **PERSONNEL:** The Lessee shall manage, supervise, direct, control and assume full responsibility for the services and safety of all employees hired to assist in the operation of the Lease.

If the Lessee shall hire persons to teach riding lessons, the Lessee may hire only those persons who eighteen (18) years of age or older and are demonstrably qualified and experienced trainers of horses or teachers of horsemanship and riding, and Lessee shall assume full responsibility for the actions and conduct of all such instructors.

16. **ASSIGNMENT:** Lessee shall not assign or subcontract any portion of this Lease or the Leased Premises without prior written approval from the Commissioner. In the event that the Commissioner shall approve of the use of any such subcontractor, said approval shall not create any relationship between the County and the subcontractor, and Lessee shall remain solely responsible for all obligations of the subcontractor.

17. **FIRE, DAMAGE, DESTRUCTION:** In the event the areas assigned to the Lessee, or any building or structure thereon, become unfit for use or occupancy due to damage by fire or other casualty, this Lease shall terminate and the County shall have no liability to the Lessee hereunder; provided, however, Lessee shall have the right to restore and rebuild the damaged areas at its own cost and expense and in accordance with plans approved by the County's Dept. of Parks, Recreation and Conservation and Public Works. Should such damage result from any act or omission of the Lessee, then this Lease shall continue in full force and effect and the Lessee, at its sole cost and expense, shall repair the damage. Upon the failure of the Lessee to make such repairs, the County may repair such damage at the Lessee's cost and expense.

18. **CONDEMNATION:** In the event that the space assigned to Lessee hereunder, or such a substantial part thereof so as to render impossible the operation of this Lease, is taken by eminent domain, this Lease shall terminate on the date upon which title vests in the condemnor, and neither party shall have any liability to the other on account of such termination; provided, however, the County shall reimburse Lessee for unamortized expenses in accordance with paragraph 7 above.

19. **TERMINATION:** In the event that the Lessee materially defaults in the performance of any term, condition or covenant herein contained, the County, at its option and in addition to any other remedy it might have, may terminate this Agreement upon forty-five (45) days' written notice to Lessee. Lessee shall have the notice period to cure such default, or if the default is such that it cannot be cured within such period, Lessee shall commence and diligently pursue such cure within the notice period and make good faith efforts to cure as soon as practicable. If such default remains uncured, the County, at its sole option, may extend the period to cure. Upon expiration of the extension, absent further extension, termination becomes effective.

In the event of such termination, Lessee agrees to peaceably surrender the Leased Premises to the County. Upon such surrender, the County may re-enter and reoccupy the Leased Premises and use any property of Lessee located at the Leased Premises on the date of termination in order to operate the Concession until such time as all obligations and indebtedness of Lessee to the County hereunder shall be fully satisfied or upon the County leasing or sub-leasing the Leased Premises to a third party. Lessee shall be solely responsible for removing its property after such period at its own expense. Any property that is not removed within thirty (30) days of notice to Lessee to remove such property, shall be considered abandoned and the County shall dispose of it as it sees fit. Notwithstanding the above, the Commissioner may determine, in its discretion, that the Lessee shall not be given an opportunity to cure such breach in the event that Lessee fails to comply with that portion of Section (30), "Physical Condition of Leased Premises," which requires the Lessee to be on twenty-four (24) hour call for emergencies at the facility.

In the event that the County shall be required to dismantle, dispose of, or store any such equipment of Lessee, all expenses associated with same shall be charged to the Lessee, and the County shall incur no liability for any use, disposal or storage of such equipment.

20. **PERMITS AND REGULATIONS:** The Lessee shall, at its sole cost and expense, procure and maintain in full force and effect for the term of this Lease, all permits, Leases and approvals as may be required by law. The Lessee shall comply with all applicable federal, state and local laws, rules, regulations and orders including, but not limited to the Labor Law, Workers' Compensation Law, State Unemployment Insurance Law, Federal Social Security Law and all rules and regulations promulgated by the United States Department of Labor and/or the Industrial Commissioner of the State of New York and all amendments and additions thereto.

21. **SECURITY DEPOSIT:** The Lessee shall, at or before the execution of this Lease, deposit with the County the sum of Seven Thousand Five Hundred (\$7,500.00) Dollars as security for the faithful performance of this Lease and for the payment of fees and charges due hereunder. In the event of any default by the Lessee hereunder, the County may, but shall not be required to, apply such security deposit and any accrued interest toward curing such default. Upon the application of all or part of such security deposit as hereinabove provided, the Lessee shall, upon demand, deposit with the County the amount applied so that the entire security deposit shall remain with the County throughout the entire term of this Lease. Nothing hereunder shall be construed to limit any other right the County may have in the event of a default by the Lessee. If the Lessee shall fully and faithfully comply with all of the terms and conditions of this Lease, the security deposit and any accrued interest, or any balance thereof, shall be returned to the Lessee upon the expiration of this Lease and the removal of the Lessee and its property from the Leased Premises.

22. **LEASE:** It is expressly understood and agreed that the Lessee's privilege to use and occupy the Leased Premises for the operation of this Lease shall continue only for so long as the Lessee shall comply with each and every material term and condition of this Lease, provided, however, this Lease shall not be terminated by the County until Lessee has had opportunity to cure as provided in paragraph 19 herein.

23. **RISK OF OPERATION:** The Lessee assumes all risks in the operation of this Lease. The Lessee shall comply with the rules and regulations prescribed by the County for the operation of the Leased Premises as set forth in Schedule "A" attached hereto and made a part hereof.

24. **BANKRUPTCY:** If at any time during the term of this Lease, any petition in bankruptcy shall be filed by or against the Lessee; or if the Lessee shall be adjudicated a bankrupt; or if a Receiver shall be appointed to take possession of the Lessee's property; or if the Lessee shall make any assignment for the benefit of creditors, this Lease shall, at the option of the County, immediately cease, terminate and expire, and such cessation, termination and expiration shall be deemed 'for cause' hereunder. Nothing hereunder shall relieve the Lessee from any liability incurred under this Lease and the Lessee covenants and agrees to yield and deliver to the County possession of the Leased Premises promptly and in good condition on the date of the cessation of this Lease, whether such cessation be by termination, expiration or otherwise.

25. **NON-SOLICITATION:** The Lessee represents that it has not paid or agreed to pay any person (other than payments of fixed salary to a bona fide full-time salaried employee working solely for the Lessee) any fee, commission, percentage, gift or other consideration, contingent upon or resulting from the award or making of this Lease Agreement. The Lessee further represents that it (including its officers, directors and employees) has no interest and will not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of the duties and services hereunder. The County acknowledges that Mr. Charles

Rustin Holzer, President of Riverdale Riding Corp., has a financial interest in the Lessee. The County does not deem this interest a conflict under this paragraph 25.

26. **RECORDS, AUDITS, AND BOOKKEEPING:** The Lessee shall keep books of accounts and records of all operations and establish a system of bookkeeping and accounts in a manner consistent with generally accepted accounting principals according to the American Institute of Certified Public Accountants, and shall, upon three (3) days prior written notice from the County, permit inspection of said books and records by the County as often as deemed necessary in the opinion of the Commissioner. Lessee shall maintain all supporting records incident thereto including, but not limited to: tax reports, Federal and State tax returns, banking records, sales records, cash receipts journals, and all financial records relating to the lease. All such books and records shall be retained and preserved by the Lessee for a period of thirty-six (36) months after the end of the Lease Year to which they relate, and shall be subject to inspection and audit by the County and its agents at the Leased Premises upon reasonable advance notice to the Lessee.

The Lessee shall at all times be obligated to disclose the location of all of its books and records pertaining to the operation of this Lease. The County shall have the right to have its auditors make a special audit of all such books and records of the Lessee pertaining to all income generated by Lessee's operation of this Lease, wherever located and whenever deemed necessary by the Commissioner.

The Lessee shall submit, within ninety (90) days of the end of each fiscal year, a certified, audited annual report or a profit and loss statement of operations, in a form which is consistent with generally accepted accounting principles according to the American Institute of Certified Public Accountants and satisfactory to the Commissioner. Said reports shall be prepared by a Certified Public Accountant, all at the Lessee's sole cost and expense, as may be required by the Commissioner.

27. **SAFETY AND MONITORING:** The Lessee shall regularly monitor the behavior and health of the horses under its care, and shall be responsible for promoting safe riding practices and conditions upon the Leased Premises. The Lessee shall not rent or permit to be used any animal which the Lessee has reason to believe to be vicious, unruly, dangerous, ill, or likely to cause injury to persons or property. In the event that any such horse on the premises is deemed by the Lessee to be likely to cause injury to person or property, the Lessee shall be required to provide written notice of same to the Commissioner within twenty-four (24) hours of that determination, and have that horse removed from the Leased Premises within 48 hours, and shall be responsible for ensuring the safety of all other horses, stable patrons and personnel

Notwithstanding the above, the County shall not be responsible for determinations regarding the health and safety of horses stabled on the property which are made at the sole discretion of the Lessee.

The Lessee shall submit to the Commissioner for approval within seven (7) days of the execution of this Lease Agreement the names of stable veterinarian(s), who will be on call for all animal illnesses and emergencies.

Additionally, the Lessee shall provide the Commissioner with the name(s), address(es) and telephone number(s) of its preferred veterinarian(s) within seven (7) days of the execution of this Lease. The Commissioner shall have the sole discretion to approve or disapprove of any of the veterinarians proposed by the Lessee. The boarder agreements shall state that Boarders may continue to use their own equine veterinarian, but must keep the Lessee fully informed of all medical treatment to, and /or medical conditions of, horses boarded at the facility, and shall be required to provide the Lessee with documentation of all vaccines, worming and Coggins tests.

The Lessee shall also provide the Commissioner with the name(s), address(es) and telephone number(s) of its preferred farrier(s) within seven (7) days of the execution of this Lease. The Commissioner shall have the sole discretion to approve or disapprove of any of the farriers proposed by the Lessee. Boarders may continue to use their own farrier, provided the scheduling of time(s) and location(s) to perform farrier services have been approved in advance by the Lessee. Lessee shall ensure that its boarder agreements state that Boarders must keep the Lessee fully informed of all farrier services performed by the farrier(s).

The Lessee shall not permit any person to use a horse owned by the Lessee for use on the park's bridle trails unless and until the Lessee or its authorized designee has ascertained that the person is competent to handle the mount such person intends to ride. Lessee shall have the right to refuse to rent mounts or permit use of the facilities by any person who, in the professional opinion of the Lessee or its authorized designee, is unfit to control such person's mount or who rides in a dangerous or reckless manner. This policy must be enforced uniformly and not in an arbitrary and capricious manner. Lessee shall assume all responsibility for damages incurred due to Lessee's failure to assess, or negligence in assessing, a rider's competency or fitness to ride.

In the event that a dispute arises as to the safety of any horse or rider, the Commissioner may, in his sole discretion and at the County's expense, order an evaluation of the horse or rider by an independent party of his choosing in order to resolve said dispute. The Commissioner shall also have the discretion to order an independent review of any animal's health at any time during the term of the Lease.

Lessee shall not permit any of its employees or any of its boarders or riders to abuse or mistreat any horse or to treat any horse in any manner which is inconsistent with the established practices and principles of good horsemanship.

28. **MAINTENANCE**: Lessee accepts all buildings and equipment "as is" in their present existing condition.

The Lessee shall observe all applicable public health laws, rules, and regulations including but not limited to Department of Health regulations and shall, at all times, keep the stable area, barns, adjacent facilities and the surrounding areas in a clean and sanitary condition.

The Lessee will be required to keep the Leased Premises, as described in Schedule "B", and an area within fifteen (15) feet of the Leased Premises, in an orderly and clean condition at all times and shall keep all refuse in closed containers. The Lessee shall be responsible for the prompt, lawful removal, from the Leased Premises, of all refuse and waste products generated from this operation, including but not limited to, the removal of all horse manure, used shavings and bedding material. The Commissioner shall exercise reasonable judgment and be the sole judge of whether the Lessee has met such standards. Except as otherwise provided for herein, the Lessee shall be responsible for repairing and replacing stall walls, barn floors and fencing when needed, snow removal and shall keep all gutters clean and free of debris. Lessee shall also be responsible for keeping drains at horse baths clean and free of debris, and shall repair and replace any portion of the Leased Premises damaged through the neglect of Lessee.

Except as otherwise provided for herein, the Lessee shall be responsible to perform all major structural repairs to the Leased Premises. In the event that the Lessee fails to commence to maintain, clean, repair, replace rebuild or repaint within a period of thirty (30) days after written notice from the County requesting such work, or in the event that the Lessee fails to diligently continue to completion of any such work, the County may, at its sole option, and in addition to any other remedies available to it, enter the Leased Premises and clean, repair, replace rebuild or repaint all or any part of the Leased Premises or the improvements thereon at the reasonable cost and expense to Lessee. However, if in the sole opinion of the County, the failure of the Lessee to perform such maintenance materially endangers the safety of the public, the employees or the property of the County, and the County states the same in such notice, the County may, at its sole option, and in addition to any other remedies available to it, enter the Leased Premises and perform such maintenance at any time after giving notice to Lessee. Lessee agrees to pay all reasonable costs and expenses associated with such maintenance.

County and Lessee understand and agree that County shall pave only the driveway from California Road to the compost area, which compost area is currently licensed to Town of Eastchester, (The County is not responsible for any other maintenance of asphalt on the Leased Premises.). The County shall be responsible for the maintenance of this driveway for a period of two years after the completion of the pavement work, and thereafter, it shall be the responsibility of Lessee to maintain the driveway.

29. **STABLE POLICIES:** The Lessee shall establish and conspicuously post, and shall require that all boarders and non-boarder patrons review, all stable rules and policies, which shall require the advanced written approval of the Commissioner, and which shall include a prohibition of smoking on the Leased Premises by employees, boarders and patrons of the stable.

30. **PHYSICAL SECURITY OF LEASED PREMISES:** The Lessee shall be responsible for properly securing the Leased Premises which shall include but not be limited to the parking lot, offices, barns, and turnout facilities, and shall report criminal incidents to the County Department of Public Safety.

Subject to all applicable zoning regulations, the Lessee shall maintain a live-in attendant on the Leased Premises in the trailer behind the barn. No other individuals shall be permitted to live on the Leased Premises other than immediate family. All those persons living in the trailer shall be subject to prior approval of the County.

The Lessee, or Lessee's attendant, shall be on call twenty-four (24) hours a day in case of emergency or immediate need. Lessee shall provide the Commissioner with the telephone, cellular telephone and/or pager numbers by which the Lessee or its attendant may be reached on a twenty-four (24) hour a day basis, and any schedules applicable to same, within seven (7) days of the execution of this Agreement.

31. **TAXES:** Lessee shall be solely responsible for and shall pay and discharge, as an additional fee, when due and payable, any and all real property taxes, assessments, water meter and sewer rents, utility charges, and all other charges which may become due and payable with respect to the Leased Premises during the term of this Agreement; provided, however, the County acknowledges and agrees that Lessee shall have the right to contest any proposed tax assessments. Notwithstanding the foregoing, the County may, at its option, elect to pay any tax or assessment when due. In such case, Lessee shall fully reimburse the County for any such payment within forty-five (45) days after demand therefore. In the event property taxes are levied against the Leased Premises, Lessee shall have the right to apply to the County to renegotiate the fee structures herein.

32. **FORCE MAJEURE:** Neither the County nor the Lessee shall be deemed in breach of any contract if either party is prevented from performing any of the obligations hereunder by reason of acts of God, acts of the public enemy, acts of superior governmental authority, strikes or labor disputes, floods, riots, rebellion, sabotage, or any similar other circumstances not within its reasonable control.

33. **INDEPENDENT CONTRACTOR:** Any mucking service hired by the Lessee shall serve as an independent contractor of the Lessee.

34. **FIREARMS:** As per Section 765.151 of General Ordinance Number 5 and notwithstanding the Lessee's responsibility for security of revenue, neither the Lessee, nor its employees, or agents are authorized to carry firearms or other dangerous weapons on County-owned or Leased property under any circumstances.

35. **NOTICES:** All notices of any nature referred to in this Agreement shall be in writing and sent by registered or certified mail postage pre-paid, to the respective addresses set forth below or to such other addresses as the respective parties hereto may designate in writing:

To the County:

Commissioner
Westchester County Department of Parks, Recreation & Conservation

25 Moore Avenue
Mount Kisco, New York 10549

with a copy to:

County Attorney
Michaelian Office Building, Room 600
148 Martine Avenue
White Plains, New York 10601

To the Lessee:

Mr. Scott Tarter, President
Twin Lakes Farm, Inc.
960B California Road
Bronxville, New York 10708
(for personal service)

Mr. Scott Tarter, President
Twin Lakes Farm, Inc.
P.O. Box 302
Bronxville, New York
10708- 0302
(for service by mail)

With a copy to:

Notices shall be effective on the date of receipt.

36. **REMEDIES CUMULATIVE:** The failure of the County to insist, in any one or more instances, upon strict performance of any term or condition herein contained shall not be deemed a waiver or relinquishment for the future of such term or condition, but the same shall remain in full force and effect. Acceptance by the County of payment of any fee due hereunder with knowledge of a breach of any term or condition hereof, shall not be deemed a waiver of any such breach, and no waiver by the County of any provision hereof shall be implied.

37. **NON-DISCRIMINATION:** The Lessee expressly agrees that neither it, nor any person acting on its behalf, shall discriminate against any individual on the basis of race, creed, color, sex, age, national origin, marital status, physical disability, genetic predisposition or carrier status, in connection with the operation of this Lease.

38. **ENTIRE AGREEMENT:** This Agreement and its attachments constitute the entire agreement between the parties hereto with respect to the subject matter hereof and shall supersede all previous negotiations, commitments and writings. It shall not be released, discharged, changed or modified except by an instrument in writing signed by a duly authorized representative of each of the parties.

39. **MBE/WBE**: Pursuant to Local Law No. 27-1997, it is the goal of the County to use its best efforts to encourage, promote and increase the participation of business enterprises which are owned and controlled by persons of color or women in contracts and projects funded by the County. Therefore, the Lessee hereby agrees to complete the questionnaire attached hereto as Schedule "G."

40. **ENFORCEMENT**: This Agreement may be executed simultaneously in several counterparts, each of which shall be an original and all of which shall constitute one and the same instrument. This Agreement shall be construed and enforced in accordance with the laws of the State of New York and any dispute will be heard in a court of competent jurisdiction of the State of New York located in Westchester County.

41. **APPROVAL**: This Lease shall not be enforceable until signed by both parties and approved by the Office of the County Attorney.

IN WITNESS WHEREOF, the parties hereto have executed this Lease Agreement in triplicate.


THE COUNTY OF WESTCHESTER

By: 

Joseph A. Stout

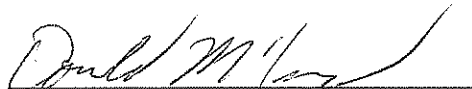
Commissioner of Parks, Recreation & Conservation

TWIN LAKES FARM, INC.


By: (Name & Title)

Authorized by the State of New York pursuant to Chapter 427 of the 2003 Laws of the State to New York and approved by the County Board of Legislators under Local Law 19-2005 and the County Board of Acquisition and Contract on the 26th day of January 2006.

Approved as to form and
manner of execution:



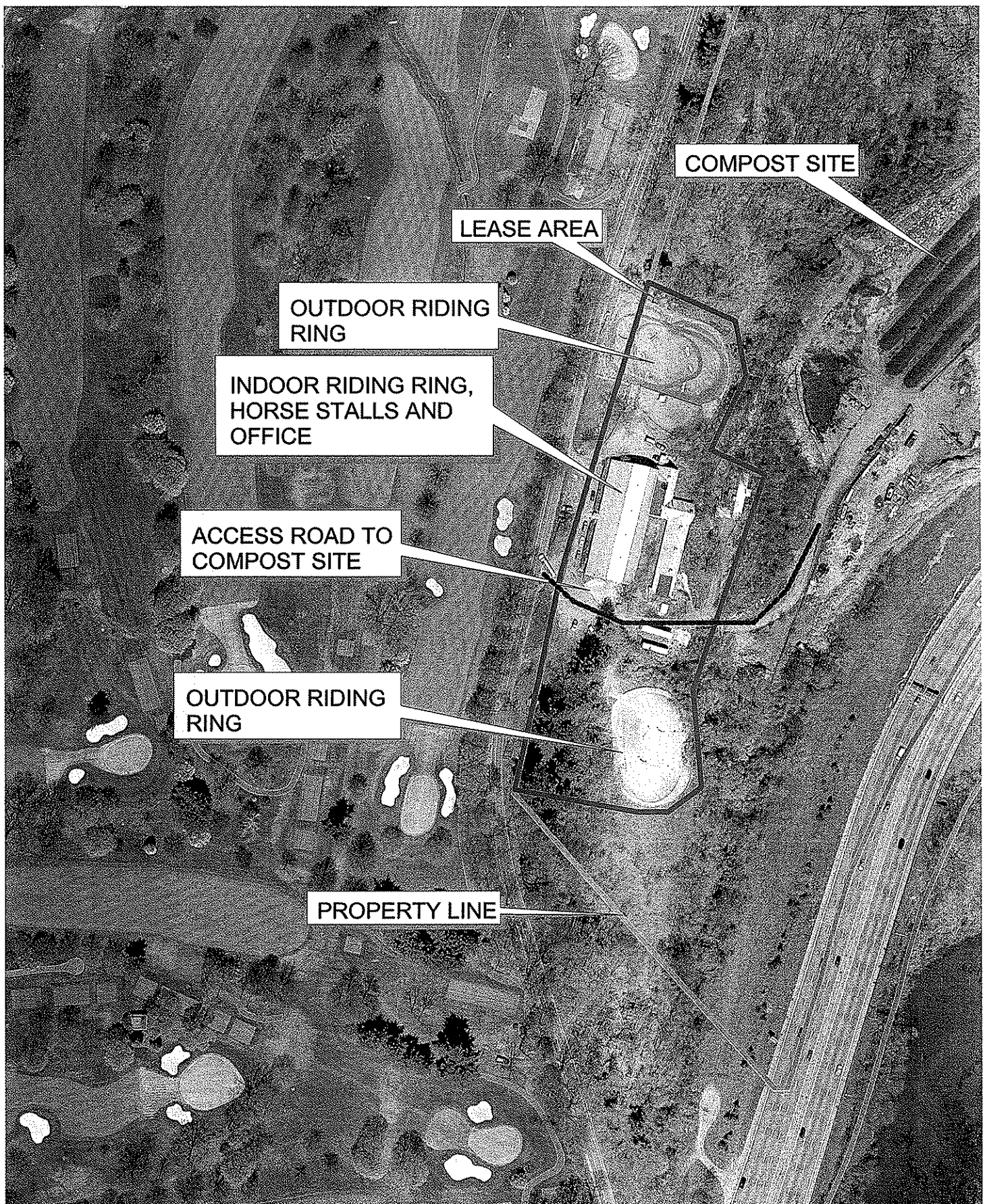
Assistant County Attorney
The County of Westchester

K:/PRC/Twin Lakes Farm Draft Lease Agreement 9 11 06 dmc.DOC

Schedule "A"

Summary of Responsibilities

- Provide food, water and bedding for no more than 55 horses in accordance with quality standards which shall be determined at the sole discretion of the Commissioner of Parks, Recreation and Conservation (the "Commissioner") which shall include, but not be limited to:
 - a. stalls shall be cleaned and bedded with straw or wood chips at a minimum of once per day.
 - b. horses shall be fed and watered responsibly on a daily basis and in conformance with generally accepted professional standards.
- Provide equestrian activities including, but not limited to, providing beginner and progressive English style lessons, public boarding at approved rates, as well as general promotion of good horsemanship for the public.
- Publish and implement stable rules and regulations.
- Operate the stable and related facilities in a professional, clean and efficient manner, in compliance with all Department of Health standards, as well as the standards of the Department of Parks, Recreation and Conservation (the "Department").
- Provide adequate, trained staff to care for horses and muck stables on a daily basis.
- Provide physical presence on (24) hour basis for safety and security of horses and facilities.
- Provide general maintenance and upkeep of the stable grounds, parking lots, buildings and structures constituting the Leased Premises, including, but not limited to, interior and exterior maintenance, cleaning gutters, grass mowing, landscaping, fence repair, stall and floor repair and replacement.
- Report any criminal incidents or potential criminal activity to the Westchester County Department of Public Safety.
- Provide public access for the trail at Twin Lakes Park.



SOUTH STABLES AT TWIN LAKES PARK
SCHEDULE 'B'
MAP OF LEASED PREMISES

100 0 100 200 Feet





PHOTO 10



PHOTO 11

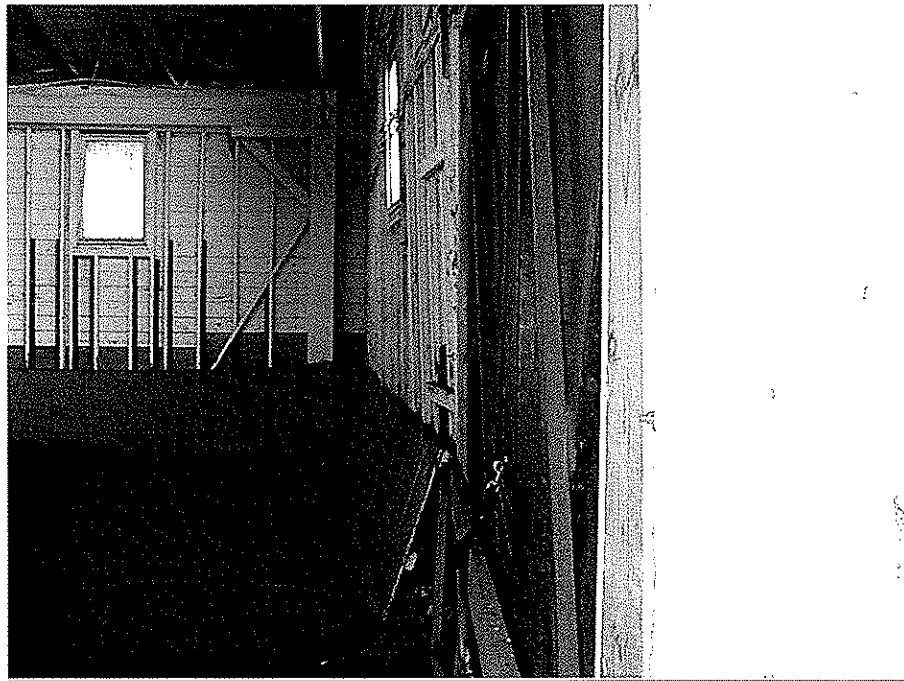


PHOTO 12

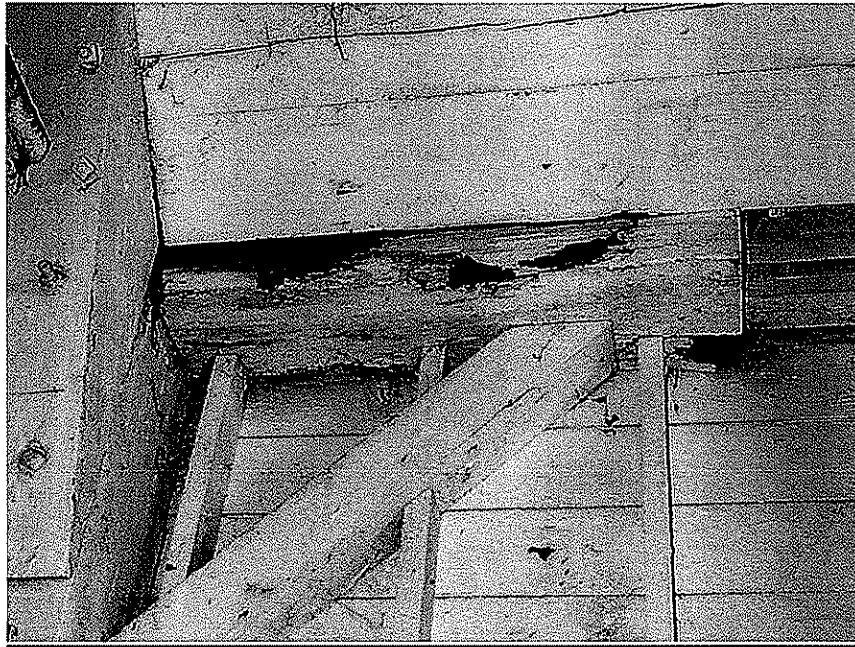


PHOTO 13



PHOTO 14



PHOTO 15



PHOTO 16

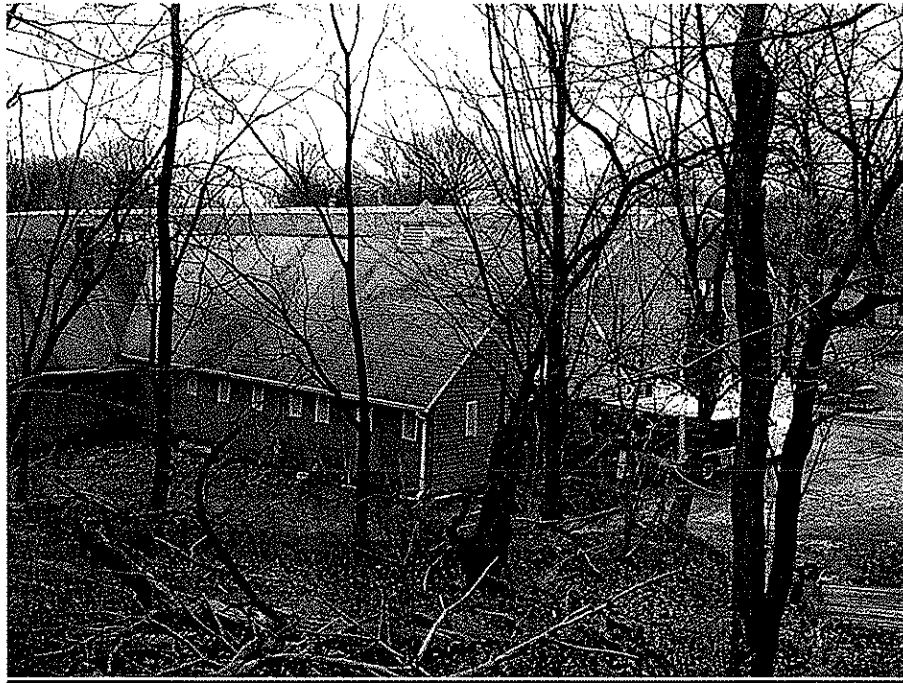


PHOTO 17



PHOTO 18



PHOTO 19

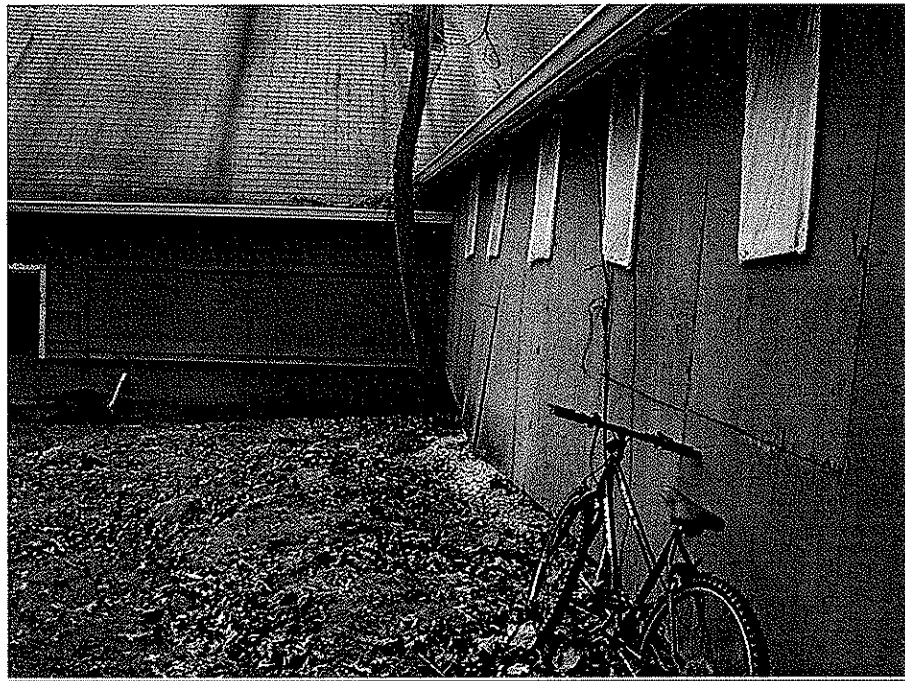


PHOTO 20



PHOTO 21



PHOTO 22



PHOTO 23

SCHEDULE "B" (Cont)
(TWIN LAKES FARM, INC.)

ALL THAT PIECE of land located in Town of Eastchester, east of California Road and west of the Hutchinson River Parkway, also lying within a piece of land identified as Parcel 10 and Parcel 16 on a map titled "MAP OF HUTCHINSON RIVER PARKWAY SHOWING LAND TO BE ACQUIRED BY THE WESTCHESTER COUNTY PARK COMMISSION AUTHORIZED DEC. 23, 1926 AS AMENDED" prepared by Charles A. Hollister, and filed in the Westchester County Clerk's Office, Division Land Records as map number 2713, and being more particularly described as follows:

BEGINNING at a point formed by the intersection of the southerly line of said Parcel 16 and the easterly line of California Road as laid out on filed map 2713,

THENCE northerly along the easterly line of California Road:

North 17-15'12" East, 47.51 feet,
thence through lands of the County of Westchester:
South 67-11'56" East, 195.81 feet,
to a reinforcing bar and cap set in the ground;
South 14-25'35" East, 51.04 feet,
to a reinforcing bar and cap set in the ground;
South 23-54'05" West, 139.61 feet,
to a reinforcing bar and cap set in the ground;
South 62-37'12" East, 95.31 feet,
to a reinforcing bar and cap set in the ground;
South 15-19'39" West, 386.27 feet,
to a reinforcing bar and cap set in the ground;
South 03-53'26" East, 77.99 feet;
South 19-45'24" West, 46.55 feet;
South 53-42'39" West, 66.58 feet;
to a reinforcing bar and cap set in the ground;
North 56-13'37" West, 273.45 feet,
to the easterly line of California Road as laid out on files map 2713;

THENCE northerly along the easterly line of California Road:

North 11-39'14" East, 20.58 feet,
North 15-14'04" East, 182.89 feet,
North 12-53'24" East, 366.93 feet,
North 17-00'44" East, 82.25 feet,

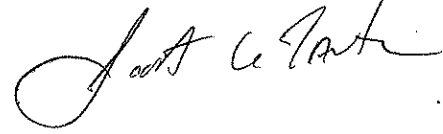
to the Point of Beginning.

Said parcel the containing an area of 4.468 acres.

Schedule "C"

CAPITAL IMPROVEMENTS

Lessee shall complete capital improvements listed on Schedules "C" and "D", totalling approximately \$450,000.

Indoor Ring

Reestablish timbers bearing, reinforce with concrete
Rebuild stalls and redesign straight stalls into box stalls
Repair timber buttresses and concrete footings (exterior)
Reconstruct bleachers in viewing area
Power wash and paint interior ring
Reestablish bearing between the studs along gable walls, north east interior and foundation
Repair and replace column caps for 2 columns
Repair diagonals and other rotted members
Replace all windows
Replace siding on gabled ends
Inspect and repair roof

Structure2: Stable A, Upper Barn

Repair deterioration at south east corner
Reestablish bearing between the bases of 6" X 6" columns
Remove attic debris, remove/replace deteriorated areas of floor
Reestablish bearing between the studs and rebuild north east wall
Combine standing stalls into box stalls
Paint and stain walls and ceiling
Construct wash stalls outside rear entrance
Remove/replace deteriorated sheathing, fascia and soffit along west edge of roof
Replace 18 windows
Replace entire attic floor

Structure 3: Stable B, Lower Barn

Reestablish bearing between the bases of 6" X 6" columns
Remove attic debris, repair/replace deteriorated areas of floor
Paint and stain walls and ceiling
Furnish and install new roof, replace cupolas
Remove/replace deteriorated sheathing
Remove/replace siding on the north end
Replace entire attic floor
Replace 18 windows

Structure 4: Tack room

Remove and replace shingles and sheathing
Repair damaged rafters, soffits and attic floor
Remove, repair and replace dormer and cupola
Replace gutters and leaders
Grout stone and paint

Install laundry machine

Multiple Structures

Furnish and install fire suppressing sprinkler system throughout offices, stables and attic

Paint exterior of stable and indoor riding ring

SCHEDULE "D"

DEPARTMENT OF PUBLIC WORKS

RECOMMENDATIONS FOR INDIVIDUAL BUILDINGS

II. Twin Lakes Farm

Structure 1: Indoor Riding Arena

DESCRIPTION

The 180' x 70' structure is comprised of a lamella roof section (similar to the roof over the main rink at the Playland Ice Casino) covering the actual riding area and a single slope roof covering the entrance way, offices and an area to tie up horses (see photo 10). The lamella roof is supported on large timber beams which in turn are supported by 11" x 11" timber columns (spaced approximately 16 ft. apart) with timber caps. The area between the columns is framed from 2 x 4 timber studs as are the gabled ends of the structure.

RECOMMENDATIONS AND COSTS

A. Immediate Repairs (in order of priority)

Reestablish bearing between the bases of the 11" x 11" timber columns and the footings (see photo 11).

Reestablish bearing between the studs along both gable walls, NE interior and the foundation (see photos 12).

Includes:

Remove sideboards and siding for access on both sides

Temporary shoring during repairs

Modifying footings-adding 12" wide x 36" cont. concrete (includes excavation and backfill)

Sister 2x4s to 2x8s with new sill plate bolted to footing

Replace sideboards and siding

Repair / replace column caps (includes temporary shoring) (see photos 13).
2 column

Repair timber buttresses and exterior concrete bases one at a time (see photo 14).

Includes:

Reestablish bearing between north interior buttress and the footing

Temporarily support exterior buttresses

Repair/reconstruct concrete base

Remove and splice exterior buttress

Repair diagonals and other rotted members (see photo 15).

3 locations (1 known & two assumed)

Fill void under sill of front door, fill all rodent holes and exterminate rodents
(see photo 16)

RECOMMENDATIONS & COST ESTIMATES FOR INDIVIDUAL BUILDINGS (cont'd)

II. Twin Lakes Farm (cont'd)

Structure 1: Indoor Riding Arena (cont'd)

RECOMMENDATIONS

B. Recommended Repairs

Remove and replace existing windows.

12 windows

Removal and replacement of siding (two gabled ends)

Repair sections damaged sections of shingled roof .

Sprinkler system for main building (1st floor and attic)

RECOMMENDATIONS FOR INDIVIDUAL BUILDINGS (cont'd)

II. Twin Lakes Farm (cont'd)

Structure 2: Stable A

DESCRIPTION

Stable A is a timber framed single story structure (80 ft. x 35 ft) with an attic (see photo 17). Portions of the attic were apparently once used as a hay loft.

RECOMMENDATIONS AND COSTS

A. Immediate Repairs (in order of priority)

Repair deterioration at southeast corner (see photo 18).

Includes:

- Remove existing siding for access
- Jack corner and Provide temporarily support
- Remove/splice/repair damaged members
- Replace siding

Reestablish bearing between the bases of the 6" x 6" timber columns and the footings (one at a time) (see photo 19).

all columns

Reestablish bearing between the studs along the badly bowed northeast wall.
(see photo 20).

Includes:

- Remove existing plywood siding for access
- Temporary shoring during repairs
- Modifying footings-adding 12" wide x 36" cont. concrete
(includes excavation and backfill)
- Sister 2x4s to 2x8s with new sill plate bolted to footing
- Replace sideboards and siding

Remove attic debris (see photo 5)

Remove deteriorated areas of attic floor and replace with $\frac{3}{4}$ " plywood (assuming 400 square ft. will require replacement) and add secondary members (2 x 8s) spaced at 16 inches on center between floor joists (see photo 2) .

RECOMMENDATIONS & COST ESTIMATES FOR INDIVIDUAL BUILDINGS (cont'd)

II. Twin Lakes Farm (cont'd)

Structure 2: Stable A

RECOMMENDATIONS

B. Recommended Future Repairs

New roof, repair/replace cupolas.

Remove and replace deteriorated sheathing (4 ft either side of ridge beam)

Remove and replace existing windows.
all windows

Removal and replacement of siding (gabled end, flat end and upper 6')

Sprinkler system for main building (1st floor and attic)

Remove and replace entire attic floor

Provide fascia & soffit along the west edge of roof

RECOMMENDATIONS FOR INDIVIDUAL BUILDINGS (cont'd)

II. Twin Lakes Farm (cont'd)

Structure 3: Stable B

DESCRIPTION

Stable B is a timber framed single story structure (142 ft. x 30 ft) with an attic (see photo 21). Portions of the attic were apparently once used as a hay loft.

RECOMMENDATIONS

A. Immediate Repairs (in order of priority)

Remove toppled tree and repair minor damage (see photo 21)

Reestablish bearing between the bases of the 6" x 6" timber columns and the footings (one at a time). (see photo 23)

50 columns

Remove attic debris (see photos 6)

Remove deteriorated areas of attic floor and replace with $\frac{3}{4}$ " plywood (as needed) (assuming 1000 square ft. will require replacement) and add secondary members (2 x 4s) spaced at 5ft. on center between floor joists (see photo 5) .

B. Recommended Future Repairs

New roof. Repair/replace cupolas.

Remove and replace sections of deteriorated roof sheathing where encountered
500 square ft.

Remove and replace existing windows.
18 windows

Removal and replacement of siding at north end of building
400square ft.

Sprinkler system (1st floor and attic)

8,520 square ft.

**RECOMMENDATIONS & COST ESTIMATES FOR INDIVIDUAL BUILDINGS
(cont'd)**

II. Twin Lakes Farm (cont'd)

Structure 3: Stable B (cont'd)

Remove and replace entire attic floor

Structure 4: Tack Room

DESCRIPTION

The 35' x 15' tack room is comprised of a gabled roof supported on stone walls (see photo 22).

RECOMMENDATIONS

A. Immediate Repairs

Remove and replace shingles and sheathing.

Repair damaged rafters, soffits and attic flooring

Grout stone and paint (Bondo) stone walls. (see photo 23)

Remove, repair, or replace dormer and cupola

Replace gutters and leaders

40 linear ft.

B. Recommended Future Repairs

Sprinkler system (1st floor and attic)

1,050 square ft.

SCHEDULE "E"

STANDARD INSURANCE PROVISIONS (LESSEE)

1. Prior to commencing work, the Lessee shall obtain at its own cost and expense the required insurance from insurance companies Licensed in the State of New York, carrying a Best's financial rating of A or better, and shall provide evidence of such insurance to the County of Westchester, as may be required and approved by the Director of Risk Management of the County. The policies or certificates thereof shall provide that thirty days prior to cancellation or material change in the policy, notices of same shall be given to the Director of Risk Management of the County of Westchester by registered mail, return receipt requested, for all of the following stated insurance policies. All notices shall name the Lessee and identify the Agreement.

If at any time any of the policies required herein shall be or become unsatisfactory to the County, as to form or substance, or if a company issuing any such policy shall be or become unsatisfactory to the County, the Lessee shall upon notice to that effect from the County, within 48 hours obtain a new policy, submit the same to the Department of Risk Management of the County of Westchester for approval and submit a certificate thereof. Upon failure of the Lessee to furnish, deliver and maintain such insurance, the Agreement, at the election of the County, may be declared suspended, discontinued or terminated. Failure of the Lessee to take out, maintain, or the taking out or maintenance of any required insurance, shall not relieve the Lessee from any liability under the Agreement, nor shall the insurance requirements be construed to conflict with or otherwise limit the contractual obligations of the Lessee concerning indemnification. All property losses shall be made payable to and adjusted with the County.

In the event that claims, for which the County may be liable, in excess of the insured amounts provided herein are filed by reason of Lessee's negligent acts or omissions under the Agreement, the amount of excess of such claims or any portion thereof, may be withheld from payment due or to become due the Lessee until such time as the Lessee shall furnish such additional security covering such claims in form satisfactory to the County of Westchester.

2. The Lessee shall provide proof of the following coverage (if additional coverage is required for a specific agreement, those requirements will be described in the "Special Conditions" of the contract specifications):

(a) Workers' Compensation. Certificate form C-105.2 or State Fund Insurance Company form U-26.3 is required for proof of compliance with the New York State Workers' Compensation Law.

State Workers' Compensation Board form DB-120.1 is required for proof of compliance with the New York State Disability Benefits Law. Location of operation shall be "All locations in Westchester County, New York."

(Where an applicant claims to not be required to carry either a Workers' Compensation Policy or Disability Benefits' Policy, or both, a temporary permit may be issued if the employer completes form C-105.2 in duplicate. A copy of form C-105.2 is sent to the Workers' Compensation Board, Information Unit for investigation and report.)

If the employer is self-insured for Workers' Compensation, he should present a certificate from the New York State Workers' Compensation Board evidencing that fact.

(b) Employer's Liability with a minimum limit of \$100,000.

(c) General Liability Insurance with a minimum limit of liability per occurrence of \$5,000,000 for bodily injury and \$100,000 for property damage or a combined single limit of \$5,000,000 (c.s.l), naming the County of Westchester as an additional insured. This insurance shall indicate on the certificate of insurance the following coverages:

- (i) Premises - Operations.
- (ii) Broad Form Contractual.
- (iii) Products and Completed Operations

(d) Automobile Liability Insurance with a minimum limit of liability per occurrence of \$1,000,000 for bodily injury and a minimum limit of \$100,000 per occurrence for property damage or a combined single limit of \$1,000,000 unless otherwise indicated in the contract specifications. This insurance shall include for bodily injury and property damage the following coverages:

- (i) Owned automobiles.
- (ii) Hired automobiles.
- (iii) Non-owned automobiles.

(e) Lessee's Professional Liability, if required by the Director of Risk Management of the County. The Lessee shall provide proof of such insurance. (Limits of \$1,000,000).

3. All policies and certificates of insurance of the Lessee shall contain the following clauses:

(a) Insurers shall have no right to recovery or subrogation against the County of Westchester (including its employees and other agents and agencies), it being the intention of the parties that the insurance policies so effected shall protect both parties and be primary coverage for any and all losses covered by the above-described insurance.

(b) The clause "other insurance provisions" in a policy in which the County of Westchester is named as an insured, shall not apply to the County of Westchester.

(c) The insurance companies issuing the policy or policies shall have no recourse against the County of Westchester (including its agents and agencies as aforesaid) for payment of any premiums or for assessments under any form of policy.

(d) Any and all deductibles in the above described insurance policies shall be assumed by and be for the account of, and at the sole risk of, the Lessee.

Schedule "F"

Pricing Fee Schedule

Twin Lakes Farm, Inc., excluding sales tax

| Year | Large Box Stall Board | Mandatory | | Camp Per Week | Lessons | | | |
|------|--------------------------------|-----------|---------|---------------------|---------------------|----------------------|-------------------------------|-------------------|
| | | Training | Total | | 1/2 Hour Private | 1 Hour Group (4+) | 1 Hour Semi- Private (2-3) | 1 Hour Private |
| 1 | \$1,200 | \$350 | \$1,550 | \$450 | \$45 | \$45 | \$55 | \$70 |
| 2 | \$1,200 | \$350 | \$1,550 | \$450 | \$45 | \$45 | \$55 | \$70 |
| 3 | \$1,200 | \$350 | \$1,550 | \$450 | \$45 | \$45 | \$55 | \$70 |
| 4 | \$1,200 | \$350 | \$1,550 | \$450 | \$45 | \$45 | \$55 | \$70 |
| 5 | \$1,200 | \$350 | \$1,550 | \$450 | \$45 | \$45 | \$55 | \$70 |
| 6 | \$1,260 | \$368 | \$1,628 | \$473 | \$47 | \$47 | \$58 | \$74 |
| 7 | \$1,260 | \$368 | \$1,628 | \$473 | \$47 | \$47 | \$58 | \$74 |
| 8 | \$1,323 | \$368 | \$1,691 | \$473 | \$47 | \$47 | \$58 | \$74 |
| 9 | \$1,323 | \$386 | \$1,709 | \$497 | \$50 | \$50 | \$61 | \$77 |
| 10 | \$1,389 | \$386 | \$1,775 | \$497 | \$50 | \$50 | \$61 | \$77 |
| 11 | \$1,389 | \$386 | \$1,775 | \$497 | \$50 | \$50 | \$61 | \$77 |
| 12 | \$1,459 | \$405 | \$1,864 | \$522 | \$52 | \$52 | \$64 | \$81 |
| 13 | \$1,459 | \$405 | \$1,864 | \$522 | \$52 | \$52 | \$64 | \$81 |
| 14 | \$1,532 | \$405 | \$1,937 | \$522 | \$52 | \$52 | \$64 | \$81 |
| 15 | \$1,532 | \$425 | \$1,957 | \$548 | \$55 | \$55 | \$67 | \$85 |
| 16 | \$1,609 | \$425 | \$2,034 | \$548 | \$55 | \$55 | \$67 | \$85 |
| 17 | \$1,609 | \$425 | \$2,034 | \$548 | \$55 | \$55 | \$67 | \$85 |
| 18 | \$1,690 | \$446 | \$2,136 | \$575 | \$57 | \$57 | \$70 | \$89 |
| 19 | \$1,690 | \$446 | \$2,136 | \$575 | \$57 | \$57 | \$70 | \$89 |
| 20 | \$1,775 | \$446 | \$2,221 | \$575 | \$57 | \$57 | \$70 | \$89 |

Note: Large Box Stall Board Includes Grooming and Turnout,
Training will become mandatory.

Rates do not include sales tax.

SCHEDULE "G"

QUESTIONNAIRE REGARDING BUSINESS ENTERPRISES OWNED AND CONTROLLED BY PERSONS OF COLOR OR WOMEN

As part of the County's program to encourage the meaningful and significant participation of business enterprises owned and controlled by persons of color or women in County contracts, and in furtherance of Local Law No. 27-1997 we request that you answer the questions listed below.

The term persons of color means a United States citizen or permanent resident alien who is and can demonstrate membership of one of the following groups: (a) Black persons having origins in any of the Black African racial groups; (b) Hispanic persons of Mexican, Puerto Rican, Dominican, Cuban, Central or South American descent of either Indian or Hispanic origin regardless of race; (c) Native American or Alaskan native persons having origins in any of the original peoples of North American; or (d) Asian or Pacific Islander persons having origins in any of the Far East countries, South East Asia, the Indian sub-continent or the Pacific Islands.

An enterprise owned and controlled by persons of color or women means a business enterprise including a sole proprietorship, limited liability partnership, partnership, limited liability corporation or corporation that is (a.) at least 51% owned by one or more persons of color or women; (b.) an enterprise in which such ownership by persons of color or women is real, substantial and continuing; (c.) an enterprise in which such ownership interest by persons of color or women has and exercises the authority to control and operate, independently, the day-to-day business decisions of the enterprise; and (d.) an enterprise authorized to do business in this state which is independently owned and operated.

In addition, a business enterprise owned and controlled by persons of color or women shall be deemed to include any business enterprise certified as an MBE or WBE pursuant to Article 15-a of the New York State Executive Law and implementing regulations, 9 NYCRR subtitle N Part 540 et seq., or as a small disadvantaged business concern pursuant to the Small Business Act, 15 U.S.C. 631 et seq., and the relevant provisions of the Code of Federal Regulations as amended.

1. Are you a business enterprise which is owned and controlled by persons of color or women in accordance with the standards listed above?

 X No
 Yes (as a business owned and controlled by persons of color)
 Yes (as a business owned and controlled by women)

2. If you are a business owned and controlled by persons of color, please specify, the minority classifications which apply: _____

3. Are you certified with the State of New York as a minority business enterprise ("MBE") or a women business enterprise ("WBE")?

 X No
____ Yes (as a MBE)
____ Yes (as a WBE)

4. If you are certified with the State of New York as an MBE, please specify the minority classifications which apply: _____

5. Are you certified with the Federal Government as a small disadvantaged business concern?

 X No
____ Yes

Name of Firm/Business Enterprise: Twin Lakes Farm, Inc.
Address: 460 B CALIFORNIA ROAD, BROOKVILLE NY 10708
Name/Title of Person completing MBE/WBE Questionnaire
: Scott TASTER President
Signature: Scott Taster

Schedule "H"

Twin Lakes Farm, Inc.

Completed Construction at Twin Lakes Farm as of July 15th, 2006 *Schedule C: Capital Improvements*

Indoor Ring:

| | |
|--|------------------------------------|
| Reestablish timbers bearing, reinforce with concrete | Completed and ready for inspection |
| Rebuild Stalls and redesign straight stalls into box stalls | Completed and ready for inspection |
| Repair timber buttresses and concrete footings (exterior) | <i>Not Yet Complete</i> |
| Reconstruct bleachers in viewing area | Completed and ready for inspection |
| Power wash and paint interior ring | Completed and ready for inspection |
| Reestablish bearing between studs of gable walls, NE interior and Foundation | Completed and ready for inspection |
| Repair and replace column caps for 2 columns | <i>Not Yet Complete</i> |
| Repair diagonals and other rotted members | Completed and ready for inspection |
| Replace all windows | <i>Not Yet Complete</i> |
| Replace siding on gabled ends | Completed and ready for inspection |
| Inspect and repair roof | Completed and ready for inspection |

Structure 2: Stable A, Upper Barn

| | |
|--|------------------------------------|
| Repair deterioration at southeast corner | Completed and ready for inspection |
| Reestablish bearing between bases of 6 x 6 columns | Completed and ready for inspection |
| Remove attic debris | Completed and ready for inspection |
| Remove /replace deteriorated areas of floor | <i>Not Yet Complete</i> |
| Reestablish bearing between the studs and rebuild NE wall | Completed and ready for inspection |
| Combine straight stalls into box stalls | Completed and ready for inspection |
| Paint Ceiling | <i>Not Yet Complete</i> |
| Stain stalls and walls | Completed and ready for inspection |
| Construct wash stalls outside rear entrance (*actually Structure B Lower Barn) | Completed and ready for inspection |
| Remove/replace sheathing a, fascia and soffit along west edge of roof | <i>Not Yet Complete</i> |
| Replace 18 Windows | Completed and ready for inspection |
| Replace Attic Floor | <i>Not Yet Complete</i> |

Structure 3: Stable A, Upper Barn

| | |
|--|------------------------------------|
| Reestablish bearing between bases of 6 x 6 columns | Completed and ready for inspection |
| Remove attic debris | Completed and ready for inspection |
| Remove /replace deteriorated areas of floor | <i>Not Yet Complete</i> |
| Paint Ceiling | Completed and ready for inspection |
| Stain stalls and walls | Completed and ready for inspection |
| Furnish and install new roof, replace cupola | <i>Not Yet Complete</i> |
| Remove/Replace deteriorated sheathing | <i>Not Yet Complete</i> |
| Remove/Replace siding on north end | Completed and ready for inspection |
| Replace attic floor (*agreed all floor except diagonal tongue groove) | <i>Not Yet Complete</i> |
| Replace 18 windows (*27 windows actually exist in Stable B, all to be changed) | <i>Not Yet Complete</i> |

Structure 4: Tack Room

| | |
|---|------------------------------------|
| Remove and replace shingles and sheathing | Completed and ready for inspection |
| Repair damaged rafter, soffit and attic floor | Completed and ready for inspection |
| Remove, repair and replace dormer and cupola | Completed and ready for inspection |
| Replace gutters and leaders | Completed and ready for inspection |
| Grout stone and paint | <i>Not Yet Complete</i> |

Install Laundry Machine (*installed in Stable B)

Completed and ready for inspection

Multiple Structures:

| | |
|---|------------------------------------|
| Furnish and install fire suppression sprinkler system office, stables and attic | <i>Not Yet Complete</i> |
| Paint exterior of stable and indoor riding ring (*all but vinyl siding painted) | Completed and ready for inspection |

Schedule "H" (continued)

Twin Lakes Farm, Inc.

Completed Construction at Twin Lakes Farm as of July 15th, 2006

Schedule D: Recommendations for individual buildings

Structure 1: Indoor Ring

Immediate Repairs:

| | |
|---|------------------------------------|
| Reestablish bearing between the bases of 11 x 11 footings | Completed and ready for inspection |
| Reestablish bearing between the studs along both gabled walls. | Completed and ready for inspection |
| Repair/Replace column caps (2 columns) | <i>Not Yet Complete</i> |
| Repair Timber Buttresses and exterior concrete bases (2 Buttress) | <i>Not Yet Complete</i> |
| Repair diagonals and other rotted members | Completed and ready for inspection |
| Fill Void under sill of front door | Completed and ready for inspection |
| Fill Rodent holes and exterminate rodents | Completed and ready for inspection |

Recommended Repairs:

| | |
|--|---|
| Remove and replace windows | Stall windows completed, ring windows summer 06 |
| Removal and replacement of siding at both gable ends | Completed and ready for inspection |
| Repair damaged sections of shingled roof | Completed and ready for inspection |
| Sprinkler system for main building | <i>Not Yet Complete</i> |

Structure 2: Stable A (Upper Barn)

Immediate Repairs:

| | |
|---|------------------------------------|
| Repair deterioration at southeast corner | Completed and ready for inspection |
| Reestablish bearing between the bases of the 6 x 6 timber columns and the footings | Completed and ready for inspection |
| Reestablish bearing between the studs along the badly bowed northeast wall | Completed and ready for inspection |
| Remove Attic debris | Completed and ready for inspection |
| Remove deteriorated and unsafe areas of floor, re-joist 16" on center, cover with 3/4 | <i>Not Yet Complete</i> |

Recommended Repairs:

| | |
|---|------------------------------------|
| New Roof, repair repave copulas (Flat roof) | <i>Not Yet Complete</i> |
| Remove and replace deteriorated sheathing | <i>Not Yet Complete</i> |
| Remove and replace existing windows | Completed and ready for inspection |
| Removal and replacement of siding (North End) | Completed and ready for inspection |
| New Fascia and soffit along west edge of roof | <i>Not Yet Complete</i> |
| Sprinkler system for 1st floor and hayloft | <i>Not Yet Complete</i> |

Structure 3: Stable B (Lower Barn)

Immediate Repairs:

| | |
|--|------------------------------------|
| Remove topped tree and repair minor damage | Completed and ready for inspection |
| Reestablish bearing between the bases of the 6 x 6 timber columns and the footings | Completed and ready for inspection |
| Remove Attic debris | Completed and ready for inspection |
| Remove deteriorated areas of floor, re-joist 16" on center, cover with 3/4 plywood | <i>Not Yet Complete</i> |

Recommended Repairs:

| | |
|---|------------------------------------|
| New Roof, Repair Replace Copulas | <i>Not Yet Complete</i> |
| Remove and replace deteriorated sheathing | <i>Not Yet Complete</i> |
| Remove and replace existing windows | <i>Not Yet Complete</i> |
| Removal and replacement of siding (North End) | Completed and ready for inspection |
| Sprinkler system for 1st floor and hayloft | <i>Not Yet Complete</i> |

Structure 4: Tack Room

Immediate Repairs:

| | |
|--|------------------------------------|
| Remove and replace shingles and sheathing | Completed and ready for inspection |
| Repair Damaged rafter, soffit and attic flooring | Completed and ready for inspection |
| Grout stone and paint exterior rough stone wall | <i>Not Yet Complete</i> |
| Remove, repair or replace dormer and cupola | Completed and ready for inspection |
| Replace gutters | Completed and ready for inspection |

Recommended Repairs:

| | |
|--|-------------------------|
| Sprinkler system for 1st floor and attic | <i>Not Yet Complete</i> |
|--|-------------------------|

CERTIFICATE OF AUTHORITY

I, Elizabeth Tarter,
(Officer other than officer signing contract)

certify that I am the Vice President of
(Title)
the Twin Lakes Farm, Inc.
(the "Corporation")

a corporation duly organized and in good standing under the (Law under which organized, e.g., the New York Business Corporation Law) named in the foregoing agreement; that

Scott Tarter
(Person executing agreement)

who signed said agreement on behalf of the Corporation was, at the time of execution
President
(Title of such person)

of the Corporation and that said agreement was duly signed for and on behalf of said Corporation by authority of its Board of Directors, thereunto duly authorized and that such authority is in full force and effect at the date hereof.

Elizabeth A. Tarter
(Signature)

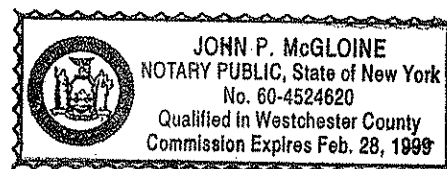
STATE OF NEW YORK)

ss.:

COUNTY OF WESTCHESTER)

On the 13 day of September in the year 2006 before me, the undersigned, a Notary Public in and for said State, personally appeared Elizabeth A. Tarter, 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; and, acknowledged if operating under any trade name, that the certificate required by the New York State General Business Law Section 130 has been filed as required therein.

J. P. McGloine
Signature and Office of individual
taking acknowledgement




2007

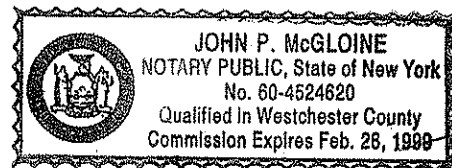
ACKNOWLEDGMENT

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

On the 13 day of September in the year 2006 before me, the undersigned, a Notary Public in and for said State, personally appeared Al Scott A. Tarter, 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; and, acknowledged if operating under any trade name, that the certificate required by the New York State General Business Law Section 130 has been filed as required therein.



Signature and Office of individual
taking acknowledgment



2007