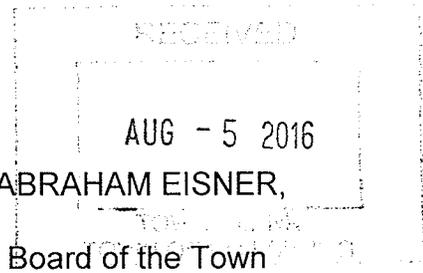


Jackson
Abraham Eisner
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AMENDED APPLICATION FOR
RELIEF FROM MORATORIUM

Applicant, THE NEW PINES VILLAS LLC ("New Pines"), by ABRAHAM EISNER, its Managing Member and sole member, hereby Petitions the Town Board of the Town of Fallsburg for relief from the moratorium adopted by the Town Board as Local Law No. 3 of the year 2016.

Without relief from the moratorium, the Applicant will suffer irreparable injury. For the reasons hereafter set forth, Applicant respectfully requests that the Board's consideration and determination of this application be made prior to September 1, 2016.

The Applicant is the owner of Town of Fallsburg tax lots 39.-1-34.4, 39.-1-88.1, 39.-1-94, 39.-1-96.3, and 56.-1-4.1.

The Applicant's tax lots were included in the property covered in the Memorandum of Understanding Water and Sewer Supply Agreement (the "Memorandum") entered into as of the 13th day of June, 2013, between the Applicant, New Pines, as "Developer", and the Town of Fallsburg (the "Town"). A copy of the Memorandum is attached to and made a part hereof as "Exhibit 1".

As appears from Exhibit 1, the Developer was required to meet the conditions of the Memorandum during the years 2013 and 2014, in which event the Town would allow the Applicant to connect the proposed residential dwelling units to the Town's sewer distribution system and provide municipal sewer service for the proposed development, provided that final approval for the project was obtained within two years and provided construction of the residential units contemplated commenced within one year after final approval.

Thereafter, an Amendment to Memorandum of Understanding ("Amendment #1"), which amended the Memorandum (Exhibit 1), was entered into on the 11th day of August, 2014, between the Developer and the Town. A copy of Amendment 1 is attached hereto as "Exhibit 2".

Thereafter a Second Amendment to Memorandum of Understanding ("Amendment #2"), was entered into on the "____" day of January, 2015, between the Developer and the Town. A copy of Amendment #2 is attached hereto "Exhibit 3". Amendment #2 further amended and extended the Memorandum (Exhibit 1) and Amendment #1 (Exhibit 2).

As appears from the Amendment #2 (Exhibit 3), the Town acknowledged that the Applicant, as Developer, may directly or through others, develop the property in phases, and the Town confirmed that the rights provided for in the Memorandum and its amendments shall include a phased development of the property.

As appears from Exhibit 3, paragraph 5, the Developer's rights pursuant to the Development Agreement were extended to allow for approval of Phase II of the project to be satisfactory if obtained on or before December 31, 2019, with construction of the residential units to commence by December 31, 2020.

The one year moratorium adopted by the Town, and its possible six month extension, if held applicable to the Applicant's proposed project, will prevent the Applicant from complying with the time parameters of the Memoranda, as amended, and thus will leave the New Pines project without water and sewer.

The Memoranda evidence Town's belief that the Applicant's property is best suited for residential development.

New Pines has owned the affected property for years, and has invested hundreds of thousands of dollars in furtherance of the same, both in the costs of obtaining and entering into the Memorandum and its amendments, and in seeking water sources, in order for the project to have water and sewer for the Applicant's project.

Applicant's premises are subject to a mortgage with First Central Savings Bank. Its current balance is approximately \$1,000,000.00, plus interest.

In the past the bank was agreeable to extending the maturity of the loan from time to time upon the Applicant's payment of interest, as the bank anticipated the Applicant's project would come to a successful conclusion, that it would receive the necessary municipal approvals, that the anticipated homes would be marketed, and that the bank would be doing additional lending to both the Applicant, as Developer, and the persons purchasing homes.

The bank had granted the Applicant an extension of the mortgage to June 1, 2016, and in May the Applicant requested a further six month extension of the loan. The bank learned of the moratorium, and for the first time, expressed concern for the successful completion of the project. The bank advised it would consent to an extension of the loan for 90 days only, to September 1, 2016 (see "Exhibit 4"), the bank's letter to Applicant.

Applicant has advised by the bank that no further extension would be forthcoming, due to the bank's concerns for the moratorium and how delay would affect the Applicant's project. If Applicant's project is to be subject to the moratorium, the Applicant is expected to satisfy the loan or find a buyer for it from the bank. Applicant

does not expect to be able to meet either of the bank's requirement. However, a representative of the bank has advised Applicant that if its project will not be subject to the moratorium, then the bank will cooperate with the Applicant's request for a further extension of the loan.

If the Applicant does not receive relief from the moratorium, it will lose the opportunity to have water and sewer for its project, and will become subject to the bank's remedies.

It is appropriate that the town board have some background of the Applicant's involvement in this project:

In 2008 I was approached by David Piller and Abraham Piller, father and son, people I knew from Brooklyn, asking that I to assist them in financing in order to develop the property. Due to David Piller's prior involvement with criminal dealings, which resulted in him being convicted and sentenced to federal prison, he was unable to obtain financing in his own name.

Out of sympathy for the Piller family, due a tragedy it had recently suffered, I agreed to assist them in obtaining mortgage financing for the project. In order to obtain financing it was necessary that the property be transferred away from Piller. The property was transferred to New Pines, with me as New Pines's sole member and Managing Member. Together with my personal guarantee, New Pines was able to obtain mortgage financing for the project.

The terms of my understanding with the Pillers was that David Piller would be responsible to cover all expenses for the project, including the cost of closing on the mortgage, and all monthly installment payments to the bank. David Piller's default was

from day one. He never made any of the payments he was obligated to make.

I had personally guaranteed the mortgage, thus it was my responsibility to make all the payments and cover all expenses, or go into bankruptcy.

As a respected businessman and Town of Fallsburg homeowner for the past 17 years, I decided to personally cover all costs, and to work with the Town of Fallsburg to make this project a reality.

Over time, I expended additional money in the project. We drilled for water on the property with no success, and in June, 2013, negotiated an agreement with The Town of Fallsburg for water and sewer for 230 homes.

The town and I had many conversations and worked closely to decide the best way to proceed. The property was to be developed in phases.

The property was split into three sections, for a development in phases, and in October, 2015, New Pines sold the first phase to Tribeca, who in one year completed and sold 74 homes.

New Pines is in the process of planning for phases two and three. The Town of Fallsburg is asked to grant New Pines relief from the moratorium so that it can continue with this project in which I am already so heavily vested. Without relief from the moratorium New Pines, I, personally, will suffer irreparable injury, which would include loss of the right to water and sewer, and perhaps the property itself.

The Pillers turned out to be con artists. In spite of the losses they have caused me, personally, New Pines has already accomplished much for the Town of Fallsburg, all with the town's cooperation.

While the town is not getting anywhere close to a resolution with Piller on the issues surrounding the remainder of the former Pines property, it should be clear that

the town's continuing cooperation with New Pines will result in great benefit to the town and the community.

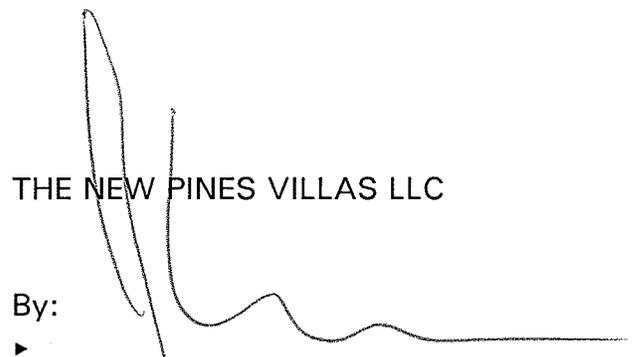
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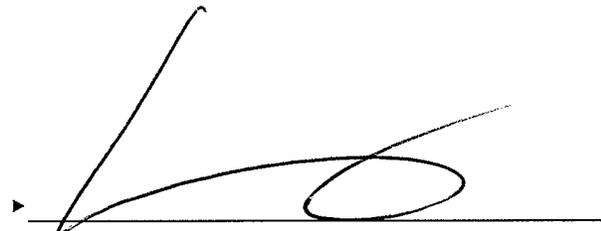
WHEREFORE, Applicant respectfully requests that its property be relieved from the requirements of the moratorium.

Dated: August 5, 2016

THE NEW PINES VILLAS LLC

By:


ABRAHAM EISNER, Managing Member



PERRY E. MELTZER
Attorney for the Applicant
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P.O. Box 1130
Monticello, New York 12701

SEE THE PAGE THAT FOLLOWS FOR AFFIRMATION

