TOWN OF AMHERST INDUSTRIAL DEVELOPMENT AGENCY

AMENDED AND RESTATED
MRT POLICY FOR REFINANCING AND SECOND MORTGAGE TRANSACTIONS

I. Purpose.

The purpose of this Amended and Restated Mortgage Recording Tax ("MRT") Policy for Refinancing and Second Mortgage Transactions (the "Policy") is to establish the conditions by which the Town of Amherst Industrial Development Agency (the "Agency") will authorize requests for project refinancing and second mortgage transactions where the project beneficiary is not seeking an additional MRT exemption from the Agency. This Policy also establishes the circumstances under which an MRT exemption will be considered for refinancing or second mortgage transactions that do not generate additional economic benefits.

II. Circumstances Where the Agency Will Allow the MRT Exemption.

1. The Agency will provide the MRT exemption to project beneficiaries on financing or second mortgage transactions up to the original amount authorized at project inducement. This will be expressed in the inducement resolution for the project as a "not to exceed" amount. As an example, if a project is approved for a mortgage in an amount not to exceed $3,000,000 and the company/borrower only draws down $2.1 million initially, the company/borrower will be eligible for an additional exemption on the remaining $900,000. The mortgage recording tax exemption for the total authorized amount must be utilized within two (2) years of the date of the closing of the Project financing. Once the two (2) year period has lapsed, no further mortgage tax exemption will be provided for the original project.

2. The Agency may participate in permanent mortgage transactions or mortgage refinancing or second mortgage transactions where the mortgage amount exceeds the amount eligible for an MRT exemption (as set forth in paragraph 1 above), provided that the amount of exemption provided is limited to the eligible amount. In the example set forth in paragraph 1 above, if the "not to exceed" amount approved by the Agency is $3,000,000 and the initial financing is $2,100,000 and the company/borrower seeks, within the two (2) year period, to enter into a subsequent financing transaction in which the "new money" is $1,000,000, the Agency may participate in the transaction, but will only provide an exemption for $900,000 in new money. If the subsequent financing occurs after the two (2) year period, the entire new mortgage amount of $1,000,000 will be subject to mortgage recording tax.

3. Nothing contained herein shall preclude The Agency from approving a further MRT exemption in connection with an expansion of a project or under other circumstances in which the Agency is authorizing financial assistance for a new project.

III. Administrative Review and Execution of Refinancing and Second Mortgage Transactions.

The Chair, Vice Chair, Executive Director, Secretary, Treasurer, any Assistant Secretary of the Agency and the CEO/CFO are hereby authorized to execute mortgage and financing documents in connection with refinancing and second mortgage transactions where no additional MRT exemption or project benefit has been requested from the project beneficiary.

IV. **Review**.

This MRT Policy is subject to periodic review of the Agency Board of Directors and may be amended, modified or terminated by an affirmative, majority vote of the Agency Board of Directors.

Adopted: March 17, 2017
Amended and Re-adopted: July 17, 2026