

FIRST AMENDMENT TO FEE AGREEMENT

This First Amendment to Fee Agreement (the “*Amendment*”) is made and entered into as of this ___ day of ~~October~~November, 2015, by and among Greenville County, South Carolina (the “*County*”), a body politic and corporate and a political subdivision of the State of South Carolina; Drive Automotive Industries of America, Inc., a Delaware corporation authorized to do business in the State (the “*Sponsor*”); Granite REIT America Inc. (formerly known as MI Developments (America) Inc.), a Delaware corporation ~~authorized to do business in the State (“~~MIDA (“*Granite*”) and a “*Sponsor Affiliate*”); and Decostar Industries, Inc., a Delaware corporation authorized to do business in the State and any related or affiliated entities of Decostar Industries, Inc. designated by Decostar Industries, Inc. from time to time (“*Decostar*” and a “*Sponsor Affiliate*,” and, together with MIDAGranite, the “*Sponsor Affiliates*,” and, together with the Sponsor and MIDAGranite, the “*Company*”);

WHEREAS, all capitalized terms not specifically defined herein shall have the meaning as defined in the Original Fee Agreement (as that term is defined below), and if not defined therein shall have the meaning as defined in Title 12, Chapter 44 of the Code of Laws of South Carolina 1976, as amended (the “*Act*”);

WHEREAS, the Sponsor operates a manufacturing facility located in the County (the “*Project*”) located on real property owned by Granite;

WHEREAS, the County, the Sponsor, and MIDAGranite entered into that certain Fee-in-Lieu of Ad Valorem Taxes and Incentive Agreement, effective as of September 3, 2013 (the “*Original Fee Agreement*”), a copy of which is attached hereto as Exhibit A, by which there was created a fee-in-lieu-of-tax arrangement and other incentives with respect to certain property owned by Company and located at the Project;

WHEREAS, pursuant to the Original Fee Agreement, the Sponsor committed to invest at least \$50,000,000 (the “*Project Commitment*”) in the Project by December 31, 2017 (the “*Investment Period*”);

WHEREAS, as of the date hereof, the Sponsor’s investment in the Project exceeds \$70,000,000, surpassing the Project Commitment;

WHEREAS, Decostar has requested that the County authorize the transfer of that certain real property, which is an approximately fifty-five (55) acre portion of a parcel currently known as Greenville Tax Map No. 0409000100103 (the “*New Property*”), to a yet-to-be formed legal entity that will serve as the developer of the New Property (“*Developer*”);

WHEREAS, Decostar intends to make continuing and further investment in the Project at the New Property of approximately \$50,000,000 (the “*Expansion*”) and has requested the County provide certain economic development incentives to Decostar by amending the Original Fee Agreement to expand the definition of Project to include Decostar, to designate Decostar as a Sponsor Affiliate, to include the New Property in Exhibit A to the Original Fee Agreement, to extend the Fee Term by ten years, to extend the Investment Period by five years, to extend the special source revenue credit period by five years, and to otherwise reflect the Expansion (the “*Amendments*”);

WHEREAS, the County, contingent on the purchase of the New Property, authorized the transfer of the New Property to Developer and approved the Amendments by an Ordinance dated ~~October~~20November 3, 2015; and

WHEREAS, the County and the Company now desire to amend the Original Fee Agreement to memorialize the Amendments.

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the County and the Company agree as follows:

1. Condition Precedent.

(a) The effectuation of the Amendments are contingent on Developer's acquiring the New Property upon the terms set forth in the conveyance instrument from the County. Should Developer fail to acquire the New Property by December 31, 2015, this Amendment shall be null and void and of no further force or effect.

(b) Should Decostar not invest \$50,000,000 by the end of the Investment Period, as extended by Section 5-7 below, the amendments set forth in Section 4-6 and 6-8 below shall be null and void and of no further force or effect such that the provisions of the Original Fee Agreement shall control; provided, however, all other amendments provided for herein shall still be effective. Decostar shall certify in writing addressed to the Sponsor and the County (to the parties identified in the Original Fee Agreement as well as the Greenville County Auditor and Assessor), on or before the end of the Investment Period, that Decostar has invested at least \$50,000,000 (the "*Investment Notice*"). Section 4-6 and 6-8 below shall be null and void and of no further force or effect if the Investment Notice is not filed with the County on or before the end of the Investment Period.

2. Expansion of the Project.

(a) The definition of Project under the Original Fee Agreement is hereby amended to include the real and personal property of Decostar and all qualifying investments in real and personal property made by Decostar.

(b) The Original Fee Agreement is hereby amended to include the New Property, as depicted in the attached **Exhibit B**, in Exhibit A to the Original Fee Agreement.

3. Designation of Sponsor Affiliates.

(a) The Original Fee Agreement is hereby amended to reflect the addition of Decostar as the "2015 Sponsor Affiliate."

(b) The Original Fee Agreement is hereby further amended such that the defined term Company now includes the 2015 Sponsor Affiliate.

(c) The Original Fee Agreement is hereby further amended to refer to replace the name of "MI Developments (America), Inc. -as-" with "Granite REIT America Inc." The defined term in the Original Fee Agreement referring to Granite REIT America Inc. shall be the "2013 Sponsor Affiliate."

4. Amendment to Section 2.3 of the Original Fee Agreement.

Section 2.3 of the Original Fee Agreement shall be amended so that each reference to the term "Sponsor Affiliate" is replaced with "2013 Sponsor Affiliate," thereby limiting the representations and obligations set forth therein to the 2013 Sponsor Affiliate. In addition, Section 2.3(a) shall be replaced in

its entirety by the following language: “(a) The 2013 Sponsor Affiliate is a corporation organized under the laws of the State of Delaware and has power to enter into this Fee Agreement.”

5. Addition of Section 2.4 to the Original Fee Agreement.

There shall be added a new Section 2.4 to the Original Fee Agreement that reads as follows:

“**Section 2.4. Representations of the 2015 Sponsor Affiliate.** The 2015 Sponsor Affiliate hereby represents and warrants to the County as follows:

(a) The 2015 Sponsor Affiliate is a corporation organized under the laws of the State of Delaware and is qualified to conduct business in the State and has power to enter into this Fee Agreement.

(b) The 2015 Sponsor Affiliate’s execution and delivery of this Fee Agreement and its compliance with the provisions hereof do not result in a default, not waived or cured, under any agreement or instrument to which the Sponsor is now a party or by which it is bound.

(c) As required by the Act, the 2015 Sponsor Affiliate agrees to be bound by the terms of this Fee Agreement insofar as such terms concern the property owned by the 2015 Sponsor Affiliate which comprises the Project. The 2015 Sponsor Affiliate hereby agrees to indemnify and hold harmless the Sponsor, the 2013 Sponsor Affiliate and any other existing Sponsor Affiliates for any liabilities, costs, damages of any kind that shall arise out of the 2015 Sponsor Affiliate’s failure to fulfill its obligations set forth herein or its breach of any representation or warranties contained herein, including loss of incentive benefits caused by a failure of the 2015 Sponsor Affiliate to meet its investment commitment.”

6. Extension of the Fee Term.

The Original Fee Agreement is hereby amended to extend the Fee Term by ten (10) years such that the Fee Term will total thirty (30) years.

7. Extension of the Investment Period.

(a) The Original Fee Agreement is hereby amended to extend the Investment Period by five (5) years such that the Investment Period will be ten (10) years from the Commencement date and the end date will be December 31, 2022.

(b) All other sections of the Agreement shall be revised to reflect an extension of the Investment Period in accordance with this Amendment.

8. Extension of the Special Source Revenue Credit Period.

The Original Fee Agreement is hereby amended by striking Section 3.2(c) in its entirety and replacing it with the following:

“If the Company invests at least \$70,000,000 of non-exempt investment by the end of the Investment Period, then, beginning with the annual FILOT bill which is first due and payable on the January 15 payment date for the property tax year corresponding to the year in which the Company invests at least \$70,000,000 of non-exempt investment, (i) the Infrastructure Credit increases to 45% against the Company’s annual FILOT liability and (ii) the Company is entitled

to receive the Infrastructure Credit for an additional ten (10) years for a total of twenty (20) years.”

9. Revision of Joinder Agreement. Exhibit C to the Original Fee Agreement is hereby amended by striking, in its entirety, the Joinder Agreement appearing therein and replacing it with the Joinder Agreement attached hereto as **Exhibit C**. Pursuant to the revised Joinder Agreement, the Sponsor (or its successor in interest) and Granite (or its successor in interest) must provide written consent to the addition of an additional Sponsor Affiliate. Such written consent must be timely delivered and shall not be unreasonably withheld by either Sponsor or Granite.

10. Remainder of Original Fee Agreement. Except as described in this Amendment’s Sections 1 through 59, the Original Fee Agreement remains unchanged and in full force.

11. Severability. If any term, provision, or any portion of this Amendment shall to any extent and for any reason be held by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Amendment shall not be affected thereby and shall nevertheless remain in full force and effect, and each term and/or provision of this Amendment shall be valid and enforceable to the fullest extent permitted by the law.

12. Recitals. The parties hereto confirm that the recitals set forth herein are true and correct.

IN WITNESS WHEREOF, the County, acting by and through the County Council, has caused this First Amendment to Fee Agreement to be executed in its name and on its behalf by the Chair of County Council and its County Administrator and to be attested by the Clerk to County Council; and each of the Sponsor, MIDA Granite, and Decostar have caused this First Amendment to Fee Agreement to be executed by a duly authorized officer thereof, all as of the day and year first above written.

GREENVILLE COUNTY, SOUTH CAROLINA

By: _____
Bob Taylor Chairman, County Council
Greenville County, South Carolina

By: _____
Joseph M. Kernell, County Administrator
Greenville County, South Carolina

(SEAL)
ATTEST:

By: _____
Theresa B. Kizer, Clerk to County Council
of Greenville County, South Carolina

DRIVE AUTOMOTIVE INDUSTRIES OF AMERICA,
INC., AS SPONSOR

By: _____

Its: _____

INC., AS MI DEVELOPMENTS (GRANITE REIT AMERICA)
SPONSOR AFFILIATE

By: _____

Its: _____

By: _____

Its: _____

DECOSTAR INDUSTRIES, INC., AS SPONSOR
AFFILIATE

By: _____

Its: _____

Exhibit A

Original Fee Agreement

Exhibit B

**Depiction of That Certain Real Property Which is a Portion of a
Parcel Currently Known as Greenville Tax Map No. 0409000100103**



Exhibit C

Joinder Agreement

Reference is hereby made to that Fee-in-lieu of *Ad Valorem* Taxes and Incentive Agreement effective September 3, 2013 (the “Original Fee Agreement”), between Greenville County, South Carolina (“County”), Drive Automotive Industries of America, Inc. (“Sponsor”), and [Granite REIT America Inc. \(formerly known as MI Developments \(America\) Inc. \(“MIDA”\)\)](#) (“Granite”), as Sponsor Affiliate, and that First Amendment to Fee Agreement effective ~~October 20~~[November 3](#), 2015 (the “First Amendment,” and together with the Original Fee Agreement, the “Amended Fee Agreement”), among Greenville County, Sponsor, ~~MIDI~~[Granite](#), and Decostar Industries, Inc., as an additional Sponsor Affiliate.

1. Execution of Joinder to Amended Fee Agreement.

The undersigned hereby (a) joins as a ~~part-party~~ to, and agrees to be bound by and subject to all of the terms and conditions of, the Amended Fee Agreement; (b) acknowledges and agrees that (i) in accordance with Section 3.13 of the Amended Fee Agreement, the undersigned has been designated as a Sponsor Affiliate by the Sponsor for purposes of the Project and such designation has been consented to by the County pursuant to a Resolution adopted by the County on _____; (ii) the undersigned qualifies or will qualify as a Sponsor Affiliate under the Amended Fee Agreement and Section 12-44-30(A)(19) and Section 12-44-130 of the Act; and (iii) the undersigned shall have all of the rights and obligations of a Sponsor Affiliate as set forth in the Amended Fee Agreement.

2. Consent to Joinder to Amended Fee Agreement.

In order for this Joinder Agreement to be effective, Sponsor (or its successor in interest) and Granite (or its successor in interest) must provide written consent to the addition of the undersigned entity as an additional Sponsor Affiliate under the Amended Fee Agreement as of the date set forth below. Such written consent must be timely delivered and shall not be unreasonably withheld by either Sponsor or Granite.

23. Indemnification of Sponsor and Sponsor Affiliates.

The undersigned hereby agrees to indemnify and hold harmless the Sponsor, ~~MIDI~~[Granite](#) and any other existing Sponsor Affiliates for any liabilities, costs, damages of any kind that shall arise out of the undersigned’s failure to fulfill its obligations under the Amended Fee Agreement or its breach of any representation or warranty contained therein, including loss of incentive benefits caused by a failure of the undersigned to meet its investment commitment.

34. Capitalized Terms.

All capitalized terms used but not defined in this Joinder Agreement shall have the meanings set forth in the Amended Fee Agreement.

| **45. Governing Law.**

This Joinder Agreement shall be governed by and construed in accordance with the laws of the State of South Carolina, without regard to principles of choice of law.

| **[SIGNATURES ~~APPEARS~~ APPEAR ON FOLLOWING PAGE]
[REST OF THIS PAGE LEFT INTENTIONALLY BLANK]**

IN WITNESS WHEREOF, the undersigned has executed this Joinder Agreement to be effective as of the date set forth below.

Date

Name of Entity

By:_____

Name:_____

Its:_____

Address:_____

IN WITNESS WHEREOF, the undersigned provide written consent to the addition of the above-named entity becoming a Sponsor Affiliate under the Fee Agreement effective as of the date set forth above.

Date

DRIVE AUTOMOTIVE INDUSTRIES OF AMERICA, INC., AS SPONSOR

By:_____

Its:_____

Date

~~MI DEVELOPMENTS (GRANITE REIT AMERICA) INC., AS SPONSOR AFFILIATE~~

By:_____

Its:_____

Date