

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 8-K

Current Report

Pursuant to Section 13 or 15(d) of the  
Securities Exchange Act of 1934

September 19, 2019

Date of Report (Date of earliest event reported)

**GRIFFIN INDUSTRIAL REALTY, INC.**

(Exact name of registrant as specified in charter)

**Delaware**

(State or other jurisdiction of incorporation)

**06-0868496**

(IRS Employer Identification No.)

Commission File Number

**1-12879**

**641 Lexington Avenue, New York, New York**

(Address of principal executive offices)

**10022**

(Zip Code)

Registrant's Telephone Number, including Area Code

**(212) 218-7910**

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(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2 (b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4 (c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered or to be registered pursuant to Section 12(b) of the Act

<b>Title of each class</b>	<b>Trading Symbol(s)</b>	<b>Name of each exchange on which registered</b>
Common Stock, \$0.01 par value per share	GRIF	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 1.01. Entry into a Material Definitive Agreement

The information set forth in Item 2.03 below is incorporated by reference into this Item 1.01.

Item 2.03. Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement

On September 19, 2019, Griffin Industrial Realty, Inc. (“Griffin” or Registrant”) entered into a new \$15.0 million line of credit (the “Acquisition Credit Line”) with Webster Bank, N.A. (“Webster Bank”) to provide financing for real estate acquisitions. The Acquisition Credit Line is unsecured, expires on September 30, 2021, and may be used to fund up to 65% of the purchase price of the acquired real estate (the “Acquired Property”). Interest on advances under the Acquisition Credit Line will accrue at the one-month LIBOR rate plus 2.75% and shall be payable on the first day of each month.

Amounts borrowed under the Acquisition Credit Line are expected to be repaid from proceeds from long-term financing for such Acquired Property. Within 135 days of the date of the advance in connection with an Acquired Property, Griffin has agreed to either (a) repay the portion of the Acquisition Credit Line allocable to such advance or (b) execute a first-lien mortgage in favor of Webster Bank.

Under the terms of the Acquisition Credit Line, Griffin must maintain (i) a minimum debt service coverage ratio of the aggregate Acquired Property equal to or greater than 1.25 times, (ii) a total stockholders equity and minimum net worth of not less than \$80.0 million, (iii) a minimum liquidity (as defined in the Acquisition Credit Line) of \$5.0 million, (iii) a ratio of total debt plus preferred stock, to total assets not to exceed 50% of the total fair market value of Griffin’s assets and (iv) a fixed charge coverage ratio, defined as EBITDA minus cash income taxes and dividends paid, divided by debt service, of at least 1.1 to 1.0.

On September 19, 2019, Griffin also executed an amendment (the “Revolving Credit Line Amendment”) to its existing revolving credit line (the “Webster Credit Line”) with Webster Bank that extends the Webster Credit Line through September 30, 2021. The Revolving Credit Line Amendment increases the amount of the Webster Credit Line from \$15.0 million to \$19.5 million while adding an approximately 31,000 square foot industrial/warehouse building in Bloomfield, Connecticut, to the Webster Credit Line’s existing collateral of approximately 283,000 square feet (mostly office/flex space). Under the terms of the Revolving Credit Line Amendment, the interest rate under the Webster Credit Line was reduced from the one-month LIBOR rate plus 2.75% to the one-month LIBOR rate plus 2.50%. Griffin has not had any borrowings under the Webster Credit Line since its inception in fiscal 2013. Under the terms of the Revolving Credit Line Amendment, Griffin must maintain (a) a maximum loan to value ratio of 72%, (b) a minimum liquidity of \$5.0 million and (c) a fixed charge coverage ratio of at least 1.1 to 1.0.

Both the Acquisition Credit Line and the Webster Credit Line may be extended by Griffin for an additional year through September 30, 2022.

The foregoing descriptions of the Acquisition Credit Line and Revolving Credit Line Amendment, respectively, are subject to and qualified in their entirety by reference to the full text of the Acquisition Credit Line and Revolving Credit Line Amendment, as applicable, copies of which are filed herewith as Exhibit 10.1 and Exhibit 10.2 and are incorporated herein by reference.

Item 7.01. Regulation FD Disclosure

A copy of Griffin's September 24, 2019 press release announcing the Acquisition Credit Line and the Revolving Credit Line Amendment is attached hereto as Exhibit 99.1.

Item 9.01. Financial Statements and Exhibits

[Exhibit 10.1: Revolving Line of Credit Loan Agreement between Griffin Industrial Realty, Inc. and Webster Bank, N.A., dated September 19, 2019](#)

[Exhibit 10.2: Third Amendment to Revolving Line of Credit Loan Agreement Griffin Industrial Realty, Inc. and Webster Bank, N.A., dated September 19, 2019](#)

[Exhibit 99.1: Registrant's September 24, 2019 Press Release \(attached hereto\).](#)

*Forward-Looking Statements:*

*This Current Report on Form 8-K includes "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements include statements regarding Griffin's beliefs and expectations regarding the use of borrowings under the Acquisition Credit Line and obtaining long-term financing to repay amounts borrowed under the Acquisition Credit Line. Although Griffin believes that its plans, intentions and expectations reflected in such forward-looking statements are reasonable, it can give no assurance that such plans, intentions or expectations will be achieved. The projected information disclosed herein is based on assumptions and estimates that, while considered reasonable by Griffin as of the date hereof, are inherently subject to significant business, economic, competitive and regulatory uncertainties and contingencies, many of which are beyond the control of Griffin and which could cause actual results and events to differ materially from those expressed or implied in the forward-looking statements. Other important factors that could affect the outcome of the events set forth in these statements are described in Griffin's Securities and Exchange Commission filings, including the "Business," "Risk Factors" and "Forward-Looking Statements" sections in Griffin's Annual Report on Form 10-K/A for the fiscal year ended November 30, 2018. Griffin disclaims any obligation to update any forward-looking statements as a result of developments occurring after the date of this Current Report on Form 8-K except as required by law.*

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

GRIFFIN INDUSTRIAL REALTY, INC.

By: /s/ Anthony J. Galici  
Anthony J. Galici  
Vice President, Chief Financial Officer  
and Secretary

Dated: September 24, 2019

**WEBSTER BANK, N.A.**  
**REVOLVING LINE OF CREDIT LOAN AGREEMENT**

September 19, 2019

THIS REVOLVING LINE OF CREDIT LOAN AGREEMENT (this “Agreement”), made as of the above date, by and between **GRIFFIN INDUSTRIAL REALTY, INC.**, a Delaware corporation, having an address at 641 Lexington Avenue, 26<sup>th</sup> Floor, New York, New York 10022 (“Borrower”), and **WEBSTER BANK, N.A.**, a national banking association, with an address at CityPlace II, 185 Asylum Street, Hartford, Connecticut 06103 (the “Bank”).

Borrower and the Bank agree as follows:

1. The Credit Loan. In reliance on the representations and warranties contained herein, and upon the fulfillment of all conditions set forth herein, the Bank agrees to make advances (each an “Advance”; collectively, *the* “Advances”) to Borrower at any time and from time to time on or after the date hereof to and including the Maturity Date (as hereinafter defined) or the Extended Maturity Date (as hereinafter defined), as the case may be, pursuant to that certain Revolving Line of Credit Note, dated the date hereof (the “Note”), made by Borrower in favor of the Bank, for the purpose of Borrower’s funding the acquisition of real property (each such property, an “Acquisition Property”) by Borrower and/or any direct or indirect wholly owned subsidiary of Borrower (any directly or indirectly wholly owned subsidiary of Borrower which acquires an Acquisition Property with the proceeds of an Advance hereunder, herein an “Acquisition Subsidiary”), provided that the aggregate unpaid principal amount of the Advances shall not exceed **FIFTEEN MILLION AND NO/100 DOLLARS (\$15,000,000.00)** (the “Credit Loan”). Notwithstanding anything contained herein to the contrary, no Advance shall be made if at any time there is an Event of Default (hereinafter defined) existing or any event has occurred, and is existing, which with the passage of time or the giving of notice, or both, would constitute an Event of Default. All Advances made to Borrower hereunder shall be payable in full upon demand of the Bank on the Maturity Date or the Extended Maturity Date, as the case may be. The Credit Loan is subject to the terms and conditions of this Agreement and the Note. Each Advance made by the Bank hereunder and each payment of principal or interest under the Note shall be noted by the Bank on its records provided that any failure to record any such information on such records shall not in any manner affect the obligation of the Borrower to make payments of principal and interest in accordance with the terms of this Agreement or the Note. Borrower hereby agrees to repay the outstanding Advances under the Credit Loan together with interest thereon as set forth in Section 3 herein. Proceeds of the Credit Loan are to be used to fund the acquisition of industrial real property in connection with Borrower’s business.

2. Definitions. All capitalized terms used in this Agreement, or in any certificate, report or other document, instrument or agreement executed or delivered pursuant hereto and thereto (unless otherwise indicated therein) shall have the meanings ascribed to such terms below.

Adjusted LIBOR Rate. The LIBOR Rate *multiplied by* the Statutory Reserve Rate.

Agreement. This Agreement, as the same may be supplemented or amended from time to time.

Applicable Interest Rate. The Adjusted LIBOR Rate plus 275 basis points per annum.

Breakage Costs. An amount equal to all costs Bank sustains in breaking or unwinding any Advance at the Applicable Interest Rate, and all expenses that Bank sustains or incurs as a result of prepayment or receipt of principal with respect to a loan bearing interest at the Applicable Interest Rate on a day other than the last day of the then current Interest Period.

Business Day. Business Day means (a) for all purposes other than as set forth in clause (b) below, any day other than a Saturday, a Sunday or a day on which commercial banks located in Hartford, Connecticut are authorized or required by law or other governmental action to close, and (b) with respect to all notices and determinations in connection with, and payments of principal and interest on, Advances, any day which is a Business Day described in clause (a) above and which is also a day on which funding in Dollars between banks may be carried on in London, England.

Interest Periods. Each Interest Period shall consist of one (1) month, provided, however:

(i) all payment dates herein shall be subject to and adjusted in accordance with the "Modified Following Business Day Convention". The Modified Following Business Day Convention shall mean the convention for adjusting any relevant date if it would otherwise fall on a day that is not a Business Day and provides that, in such event, such date shall be adjusted to the first following day that is a Business Day, except that if such following day shall be a day in the following month, such date shall be adjusted to be the immediately preceding Business Day;

(ii) any Interest Period which begins on a day for which there is no numerically corresponding day in the calendar month during which such Interest Period is to end, shall (subject to clause (i) above) end on the last day of such calendar month; and

(iii) no Interest Period shall end after the Maturity Date.

LIBOR Advance and LIBOR Loan. When used in reference to any Advance or Loan, refers to whether such Advance or Loan bears interest at a rate determined by reference to the Adjusted LIBOR Rate.

LIBOR Rate. Means, with respect to the Interest Period applicable to any LIBOR Advance, a rate of interest per annum, as determined by the Bank, equal to the rate for deposits in U.S. Dollars for a period of one month, which appears on Reuters Page 'LIBOR01' (or such other page as may replace the LIBOR Page on that service for the purpose of displaying such rates or such other service as may be nominated by the ICE Benchmark Administration, for the purpose of displaying London interbank offered rates for Dollar deposits) as of 11:00 a.m., London time, on the day that is two (2) Business Days prior to the first day of such Interest Period. In the event that the LIBOR Rate ever falls below zero, the LIBOR Rate shall be deemed to be zero for purposes of this definition.

Loan. The loan evidenced by the Note and made by the Bank pursuant to the terms and conditions of this Agreement.

Loan Year. Shall mean each successive period of twelve (12) consecutive months which fall during the Revolving Credit Period, beginning on the date hereof.

Maturity Date. September 30, 2021, subject to a one-year extension as set forth in Section 7 hereof.

Note. The Revolving Line of Credit Note attached hereto as Exhibit A evidencing the Loan.

Revolving Credit Period. The period beginning on the date of this Agreement and extending through and including the earlier of (i) Maturity Date, as extended to the Extended Maturity Date, if applicable, or (ii) the date on which the commitment to make advances under the Loan is terminated in accordance with the terms hereof.

Statutory Reserve Rate. A fraction (expressed as a decimal), the numerator of which is the number one and the denominator of which is the number one minus the aggregate of the maximum reserve percentages (including any marginal, special, emergency or supplemental reserves) expressed as a decimal established by the Board of Governors of the Federal Reserve System of the United States to which a lender is subject for eurocurrency funding (currently referred to as "Eurocurrency Liabilities" in Regulation D of such Board). Such reserve percentages shall include those imposed pursuant to such Regulation D. LIBOR Loans shall be deemed to constitute eurocurrency funding and to be subject to such reserve requirements without benefit of or credit for proration, exemptions or offsets that may be available from time to time to the affected lender under such Regulation D or any comparable regulation. The Statutory Reserve Rate shall be adjusted automatically on and as of the effective date of any change in any reserve percentage.

Unused Line Fee. Shall have the meaning set forth in Section 6 hereof.

3. Interest Rate and Payments.

A. During the initial term (the "Initial Term"):

(i) Commencing October 1, 2019 and on the first day of each calendar month thereafter up to and including September 1, 2021, Borrower shall make monthly payments of interest only on any Advances outstanding under the Credit Loan, calculated at the Applicable Interest Rate (hereinafter defined), as well as any other sums that may be due pursuant to the Note or this Agreement. Said payments, as and when received by the Bank, shall be applied by it first, to the payment of any late charges due hereunder; second, to the payment of interest computed at the Applicable Interest Rate; and the balance, if any, toward the satisfaction of the outstanding Advances under the Credit Loan; and

(ii) The entire outstanding Advances under the Credit Loan, together with all interest accrued and unpaid thereon calculated at the Applicable Interest Rate and all other sums due under the Note, this Agreement or any other document executed and delivered by Borrower to the Bank in connection with the Credit Loan, including but not limited to the Mortgage Loan Documents (as hereinafter defined; collectively, the "Other Security

Documents”), shall be due and payable on September 30, 2021 (the “Maturity Date”), unless extended in accordance with Section 3B (ii) hereof, or sooner as provided herein.

B. If the Credit Loan is extended for one (1) additional period of one (1) year (the “Extended Term”) in accordance with Section 7 hereof:

(i) Commencing October 1, 2021 and on the first day of each calendar month of the Extended Term up to and including September 1, 2022, Borrower shall make monthly payments of interest only on any Advances outstanding under the Credit Loan, calculated at the Applicable Interest Rate, as well as any other sums that may be due pursuant to the Note or this Agreement. Said payments, as and when received by the Bank, shall be applied by it first, to the payment of any late charges due hereunder; second, to the payment of interest computed at the Applicable Interest Rate; and the balance, if any, toward the satisfaction of the outstanding Advances under the Credit Loan; and

(ii) The entire outstanding Advances under the Credit Loan, together with all interest accrued and unpaid thereon calculated at the Applicable Interest Rate and all other sums due under the Note, this Agreement or the Other Security Documents shall be due and payable on September 30, 2022 (the “Extended Maturity Date”) or sooner as provided herein.

C. Interest shall be calculated on the basis of the actual number of days elapsed in a 360 day year.

4. Prepayments. Borrower shall have the right to prepay outstanding Advances under the Credit Loan in whole at any time or in part from time to time, upon payment of any Breakage Costs (as defined in Section 2 above) without premium or penalty and principal amounts repaid may be re-borrowed, in whole or in part, up to the Credit Loan and subject to the terms of this Agreement. Prepayments shall be applied first, to the payment of any late charges due hereunder; second, to the payment of interest computed at the Applicable Interest Rate; and the balance, if any, toward the outstanding principal balance of the Advances in the inverse order of their date of advancement. Prepayments shall not affect the duty of Borrower to pay interest when due (except for the amount of such interest to which such prepayment has been applied as provided above) or change the amount of such interest payments and shall not affect or impair the right of the Bank to pursue all remedies available to the Bank under this Agreement, the Note or the Other Security Documents.

5. Notice of Borrowing. Borrower shall give Bank notice of its request for an Advance under the Credit Loan in accordance with the terms set forth in the Conditions to Advance set forth in Section 8 below (each, a “Request”). Each Request shall constitute a representation and warranty by Borrower that (i) no Event of Default or event which with the passing of time or the giving of notice, or both, would constitute an Event of Default has occurred and (ii) the representations and warranties of Borrower under this Agreement shall be deemed true and correct as of the effective date of such Advance unless otherwise disclosed to the Bank in writing prior thereto. If any day on which an Advance is to be made is a day on which banks in the Hartford, Connecticut area are permitted to close, such Advance will be made on the next succeeding Business Day.

6. Fees. Upon execution of this Agreement, Borrower shall pay a fee of 1/2 of one percent (0.50%) of the maximum face amount of the Credit Loan. Borrower shall pay on each anniversary of the date hereof the following fee (the “Unused Line Fee”): (i) 1/8th of

one percent (0.125%) of the average undrawn portion of the Credit Loan, if the average outstanding Advances of the Credit Loan, calculated on a twelve (12) month basis for the preceding twelve (12) months, are equal to or less than one hundred percent (100%) of the Credit Loan. Borrower hereby acknowledges and agrees that the Bank is authorized to pay itself the foregoing fees on the dates specified herein.

7. Extension Option. The Credit Loan shall expire on the Maturity Date. Notwithstanding the foregoing, Borrower shall have the option to extend the Credit Loan for one (1) additional period of one (1) year (the "Extension Option"), but only if (a) no default exists under this Agreement, the Note or the Other Security Documents at the time the Extension Notice (as hereinafter defined) is given, and on the Maturity Date, (b) in order to elect the Extension Option, Borrower so elects by written notice (the "Extension Notice") to the Bank delivered in accordance with the requirements of this Agreement not later than thirty (30) nor earlier than ninety (90) days prior to the Maturity Date, (c) Borrower shall execute all documents the Bank determines are reasonably necessary to extend the Credit Loan, (d) there shall be no material adverse change in the financial condition of Borrower, in each instance determined by the Bank in its sole discretion, and (e) Borrower shall pay all costs and expenses incurred in connection with such extension, including, but not limited to, the Bank's attorneys' fees and disbursements, payable upon Bank's confirmation that Borrower's exercise of the Extension Option has been accepted.

8. Conditions to Advance. In addition to any other requirements or conditions set forth in this Agreement, Borrower shall satisfy each of the following conditions prior to any Advance to Borrower for Borrower's or Borrower's Acquisition Subsidiary's acquisition of an Acquisition Property (the "Conditions to Advance"):

(a) Each Advance shall not exceed sixty five percent (65%) of the purchase price of the Acquisition Property for which such Advance is to be made. Borrower shall provide to Bank a copy of the executed agreement of purchase and sale with respect to each Acquisition Property at least twenty (20) days prior to the date of the requested Advance, and shall promptly provide copies to Bank of each executed amendment thereto.

(b) At all times during the term of the Credit Loan, Borrower shall maintain a minimum debt service coverage ratio ("DSCR") of the aggregate Acquisition Property equal to or greater than 1.25x based on the greater of ten (10) year Treasury plus two hundred fifty (250) basis points or a rate of 5.5% and a 25-year amortization. This covenant shall be tested annually at the end of each of Borrower's fiscal years during the term of the Credit Loan.

(c) In the event an Acquisition Property has insufficient cash flow (i.e. cash flow with a DSCR of less than 1.25x) to support the Advance to be made to acquire such Acquisition Property, Bank may, in Bank's commercially reasonable discretion, approve an Advance for the acquisition of such Acquisition Property in an amount equal to fifty percent (50%) of the value of such Acquisition Property.

(d) Each Acquisition Property shall be industrial in nature.

(e) Borrower shall obtain and provide to Bank, at least ten (10) business days prior to the date of the requested Advance, a Phase I Environmental Site Assessment that is (i) prepared by an environmental professional qualified under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended (CERCLA),

(ii) in compliance with standard ASTM and AAI Rule guidelines, (iii) less than 6 months old, (iv) identifying no recognized environmental conditions, and (v) concluding that no further action or assessment is recommended with respect to the subject Acquisition Property.

(f) Borrower shall provide to Bank copies of all leases together with a certified rent roll pertaining to each Acquisition Property sufficient in form and substance to compute the required DSCR at least twenty (20) days prior to the date of the requested Advance.

(g) Borrower shall promptly provide additional financial information reasonably requested by Bank.

(h) Borrower shall provide Bank evidence of property and liability insurance coverage with respect to the Acquisition Property, in form and substance satisfactory to Bank.

(i) If title to an Acquisition Property is to be acquired by an Acquisition Subsidiary instead of by Borrower directly, Borrower shall provide Bank with copies of all organizational documents of such direct or indirect wholly owned subsidiary evidencing its (their) existing and organizational structure and governance.

(j) Borrower shall not be in default under the Note, this Agreement, any mortgage now or hereafter securing the Credit Loan, or the Other Security Documents, and such Advance shall not result in a violation of any of the Financial Covenants (as hereinafter defined).

9. Right of First Offer to Finance. Within thirty (30) days following an Advance by Bank hereunder, Borrower shall provide Bank with a written notice setting forth a description in reasonable detail of Borrower's request for permanent financing for such Acquisition Property (a "Request for Financing"). In the event that, within fifteen (15) days following Bank's receipt of such Request for Financing from Borrower, Bank delivers to Borrower a term sheet setting forth the terms under which Bank is prepared to make a loan for the financing of the Acquisition Property (the "Financing Proposal"), Borrower and Bank shall discuss applicable terms, and if the parties are able to reach agreement on loan terms, Borrower shall satisfy Bank's standard due diligence requirements and Bank and Borrower (or if title to the applicable Acquisition Property is held by an Acquisition Subsidiary, such Acquisition Subsidiary) shall use reasonable efforts to consummate such financing on or prior to the date that is one hundred thirty-five days (135) following the date on which the Advance was made with respect to the applicable Acquisition Property. In the event Bank does not so deliver the Financing Proposal or if the parties are unable to reach agreement on terms acceptable to each of them, Borrower shall (i) diligently seek other financing with respect to such Acquisition Property, (ii) keep Bank apprised of the progress of its discussions regarding such other financing and the anticipated closing date, and (iii) if Borrower does not expect to close alternate financing within one hundred thirty five (135) days following the date on which the Advance was made with respect to the applicable Acquisition Property, deliver the Property Due Diligence Items (as hereinafter defined) to Bank within one hundred (100) days following the date on which the Advance was made with respect to the applicable Acquisition Property (the "Due Diligence Deadline"). Bank agrees to provide Borrower with a list of its Property Due Diligence Items at least forty-five (45) days prior to the Due Diligence Deadline.

10. Property Due Diligence Items. In connection with each Acquisition Property, Borrower shall deliver to Bank for Bank's review and approval, on or before the Due Diligence Deadline for such Acquisition Property, such due diligence items as Bank typically requires in connection with a commercial mortgage loan transaction (the "Property Due Diligence Items"), including but not limited to:

- (i) A Commitment to issue a lender's title insurance policy for the Acquisition Property in form and substance satisfactory to Bank and copies of all referenced documents. Such policy shall be issued at closing.
- (ii) An ALTA Survey of the Acquisition Property certified to Bank and the title company.
- (iii) Copies of all leases, licenses agreements, service agreements, management agreements and other contracts affecting the Acquisition Property and, to the extent required by Bank, subordination, non-disturbance and attornment agreements and estoppel certificates.
- (iv) Organizational documents of Borrower or if title to the applicable Acquisition Property is held by an Acquisition Subsidiary, such Acquisition Subsidiary's organizational documents and UCC/litigation/bankruptcy searches required by Bank.
- (v) Legal Opinion.
- (vi) Evidence that the Acquisition Property complies with all zoning requirements.
- (vii) Property Condition Report.

In the event that Bank does not find the Property Due Diligence Items satisfactory, in Bank's commercially reasonable discretion, Bank shall so notify Borrower, in writing, and upon receipt of such written notification the portion of the Credit Line allocable to the Advance to acquire such Acquisition Property shall become immediately due and payable.

11. Acquisition Property as Security.

On or before the date that is one hundred thirty-five (135) days following the date of the Advance in connection with an Acquisition Property (the "Advance Repayment Deadline"), Borrower shall either (i) repay the portion of the Credit Line allocable to such Advance, or (ii) execute and deliver, or cause the execution and delivery of, the Mortgage Loan Documents (hereinafter defined) to Bank together with the Property Due Diligence Items to be delivered at closing, each in form and substance satisfactory to Bank and at Borrower's sole cost and expense. The Mortgage Loan Documents shall be promptly filed or recorded, as applicable. In the event Borrower does not satisfy either of the conditions set forth in this Section 11 on or before the Advance Repayment Deadline, the portion of the Credit Line allocable to such Advance shall become immediately due and payable.

Borrower shall pay all costs and expenses in connection with the Mortgage Loan Documents. Borrower agrees to use diligent and commercially reasonable efforts to cooperate with Bank to enter into the Mortgage Loan Documents in accordance with this Section 11.

The Mortgage Loan Documents shall consist of:

- (a) A first priority Open-End Mortgage and Security Agreement to be filed in the appropriate land records, given by Borrower or the applicable Acquisition Subsidiary

in favor of the Bank, encompassing Borrower's or such Acquisition Subsidiary's right, title and interest in and to (i) the fee estate in the Acquisition Property, (ii) all land, improvements, furniture, fixtures, equipment and other assets (including, without limitation, contracts, contract rights, accounts, licenses and permits and general intangibles), including all after-acquired property, owned, or in which the owner of the applicable Acquisition Property has or obtains any interest, in connection with the applicable Acquisition Property, (iii) all insurance proceeds and other proceeds therefrom, and (iv) all other assets of the owner of the applicable Acquisition Property whether now owned or hereafter acquired and located at and used exclusively at the applicable Acquisition Property, but excluding general business assets of Borrower used at its office in the building known as 204 West Newberry Road.

(b) A first priority assignment of leases and rents for the benefit of Bank, with respect to all leases, subleases and occupancy rights of the Acquisition Property and all income and profits to be derived from the operation and leasing of the Acquisition Property.

(c) An environmental indemnification agreement given by Borrower for the benefit of Bank with respect to environmental matters affecting the Acquisition Property.

(d) A collateral assignment of all contracts for the benefit of the Bank, including, but not limited to, development contracts, operating agreements, licenses, insurance proceeds, management agreements, and other agreements and plans, specifications and permits affecting the Acquisition Property.

(e) Uniform Commercial Code Financing Statements in favor of the Bank giving notice of a security interest in collateral related to the Acquisition Property, to be filed in the appropriate public records.

(f) A legal opinion of counsel to Borrower and, if applicable, the Acquisition Subsidiary which owns the applicable Acquisition Property, regarding the existence of Borrower and, if applicable, such Acquisition Subsidiary, and the enforceability of the other Mortgage Loan Documents.

(g) Such other documents reasonably required by Bank to effectuate the intent of this Section 11.

12. Representations and Warranties. Borrower makes the following representations and warranties, all of which shall be deemed to be continuing representations and warranties so long as any part of the Credit Loan is unpaid or as otherwise specifically provided herein below:

(a) Good Standing and Authority. Borrower is corporation, duly organized, validly existing and in good standing under the laws of the State of Delaware, authorized to do business in the State of Connecticut. Borrower has the power and authority to transact the business in which it is engaged; is duly licensed or qualified and in good standing in each jurisdiction in which the conduct of its business or ownership of property requires such licensing or such qualification; and has all necessary power and authority to enter into this Agreement and to execute, deliver and perform this Agreement, the Note and the Other

Security Documents, all of which have been duly authorized by all proper and necessary corporate and shareholder action, as appropriate. The execution and delivery of this Agreement, the Note and the Other Security Documents is not and will not be in violation of any agreement to which Borrower is a party. No consent of any kind is required for Borrower to enter into or perform this Agreement or to execute and deliver the Note.

(b) Financial Condition. Borrower has furnished to the Bank its most current financial statements, which fairly represent the results of the operations and transactions of Borrower as of the dates and for the period referred to therein, and have been prepared in accordance with generally accepted accounting principles consistently applied (“GAAP”) during each interval involved and from interval to interval. As of the date hereof, there have not been any materially adverse changes in the financial condition of Borrower which have a material adverse impact on Borrower's ability to perform its obligations with respect to the Credit Loan.

(c) Taxes. Borrower has duly filed all consolidated federal and other tax returns required to be filed and has duly paid all taxes required by such returns. Borrower has not received any notice from the Internal Revenue Service or any other taxing authority proposing additional unpaid taxes, except as otherwise disclosed to the Bank.

(d) Litigation. There are not any actions, suits, proceedings or investigations pending or, to the knowledge of Borrower, threatened against Borrower or any basis therefor, which, if adversely determined, would, in any case or in the aggregate, adversely affect the assets, financial condition or business of Borrower or impair the right of Borrower to carry on its operations, substantially as now conducted.

(e) No Event of Default. No Event of Default has occurred and no event has occurred which with the giving of notice or lapse of time or both would constitute an Event of Default.

(f) Use of Proceeds. Borrower shall not use any part of the proceeds of the Credit Loan to purchase or carry any margin stock within the meaning of Regulation U of the Board of Governors of the Federal Reserve System or to extend credit to others for the purpose of purchasing or carrying any margin stock.

(g) Valid and Binding. This Agreement, the Note and the Other Security Documents to which Borrower is a party, when the same are executed and delivered, will constitute the legal, valid and binding obligations of Borrower, enforceable against the Borrower in accordance with the respective terms thereof subject to bankruptcy, insolvency and similar laws of general application affecting the rights and remedies of creditors and, with respect to the availability of the remedies of specific enforcement, subject to the discretion of the court before which any proceeding therefor may be brought.

13. Affirmative Covenants. So long as any part of the Credit Loan is unpaid, Borrower shall:

(a) Minimum Net Worth/Total Shareholder's Equity. Maintain total shareholder's equity and minimum net worth of not less than Eighty Million (\$80,000,000) Dollars.

(b) Current Liquidity. Maintain a minimum liquidity of \$5,000,000. Liquidity shall include availability under the lines of credit and ATM equity shelf offering, in accordance with the universal shelf registration statement on Form S-3 filed April 11, 2018 and the prospectus supplement filed with the SEC on May 10, 2018 which allow Borrower to issue and sell up to \$30,000,000 of its common stock.

(c) Total Debt Plus Preferred Stock Ratio. Maintain a ratio of total debt, plus preferred stock, to total assets not to exceed fifty (50%) percent of the total fair market value of Borrower's assets.

(d) Fixed Charge Coverage. Borrower shall maintain a Fixed Charge Coverage ratio of at least 1.1:1.0. Fixed Charge Coverage is defined as (1) EBITDA minus cash income taxes, and dividends paid, divided by (2) debt service. EBITDA is calculated as net income plus interest, taxes, depreciation, and amortization.

(e) Taxes. Promptly pay and discharge all of its taxes, assessments and other governmental charges (including any charged or assessed on the issuance of this Agreement) prior to the date on which penalties are attached thereto, establish adequate reserves for the payment of taxes and assessments and make all required withholding and other tax deposits; provided however, that Borrower may dispute or appeal any such charges in good faith in accordance with applicable law, provided that Borrower pays all sums required by statute during the pendency of any such proceeding and provided that no foreclosure or enforcement action which jeopardizes Bank's security is commenced.

(f) Litigation. Promptly notify the Bank in writing as soon as Borrower has knowledge thereof, of the institution or filing of any litigation, or governmental or regulatory proceeding against, or investigation of, Borrower: a) the outcome of which may materially and adversely affect the finances or operations of Borrower, or Borrower's ability to fulfill its obligations hereunder, or which involves more than \$500,000.00, unless fully covered by insurance; or b) which questions the validity of this Agreement, the Note or the Other Security Documents, or any action taken pursuant thereto; and furnish or cause to be furnished to the Bank such information regarding any such matter as the Bank may request.

(g) Good Standing; Business. Maintain its corporate existence in good standing and remain or become duly licensed or qualified and in good standing in each jurisdiction in which the conduct of its business or ownership of its property requires such qualification or licensing; and engage only in the business conducted by it on the date of this Agreement.

(h) Operating Accounts. Maintain its cash management and depository functions at Bank.

(i) Financial and Operating Statements. Borrower shall provide annual financial statements for Borrower and annual property level operating statements and rent rolls for each Acquisition Property, each in form and substance satisfactory to Bank. Borrower shall promptly provide Bank additional financial information as reasonably requested by Bank.

The covenants contained in Subsections (a) through (c) hereof shall be tested annually as of the end of Borrower's fiscal year and Borrower shall submit all documentation

reasonably necessary for the Bank to make its determination as to compliance to Bank. If Borrower is not in compliance with any of the covenants contained in Subsections (a) through (c) hereof as of the date of testing of such covenant, and fails to cure such breach within ninety (90) days after written notice from Bank, such breach shall constitute an Event of Default.

14. Negative Covenants. So long as any part of the Credit Loan is unpaid, Borrower shall not:

(a) Negative Pledge. Borrower shall not guaranty any loan facilities, other than guarantees for the benefit of its subsidiaries, during the Credit Loan without the prior written consent of the Bank. Borrower further agrees not to grant any blanket lien on all or substantially all of its assets to any other lender. Notwithstanding the foregoing, Borrower may take on additional indebtedness unrelated to any Acquisition Property and secured by other properties or groups of properties not encumbered by this Credit Loan without the prior written consent of the Bank provided that (i) Borrower is not then in default under the Note, this Agreement, any mortgage now or hereafter securing the Credit Loan, or the Other Security Documents at the time of the initial closing for such indebtedness, and (ii) the creation of such additional indebtedness would not result in a violation of any of the financial covenants of Borrower under any of such documents (the "Financial Covenants"). If Borrower is in default under the Note, this Agreement, any mortgage now or hereafter securing the Credit Loan, or the Other Security Documents, the Bank's prior written consent shall be required prior to Borrower incurring such additional indebtedness. Borrower's breach of the foregoing covenant shall constitute an Event of Default under this Agreement.

(b) Encumbrances. Create, incur, assume or suffer to exist any mortgages, lien, security interest, pledge or other encumbrance on any Acquisition Property, except in favor of the Bank, without Bank's prior written consent, which may be granted or withheld in Bank's sole discretion.

(c) Sale of the Acquisition Property or Other Assets. Convey, sell, transfer, lease (except as expressly permitted by the terms of any mortgage now or hereafter securing the Credit Loan), or sell and leaseback all or any substantial portion of any Acquisition Property, or Borrower's business to any other person firm or corporation except in the ordinary course of business. Notwithstanding the foregoing, Borrower may sell any Acquisition Property provided that (i) Borrower repays the portion of the Credit Line allocable to the Advance for such Acquisition Property (or repays the portion of the Credit Line which constitutes the portion of the Advance which is allocable to the property to be sold if the property to be sold is part of two or more properties constituting such Acquisition Property), and (ii) such sale would not result in a violation of any of the Financial Covenants. Sale of a portfolio of Borrower's assets, which are not Acquisition Property, shall not be prohibited hereby, provided that such sale would not result in a violation of any of the Financial Covenants, but reasonable advance notice of any such portfolio sale shall be given to Bank in order to permit Bank to review compliance with the Financial Covenants.

(d) No Additional Direct Unsecured Indebtedness. Borrower shall not incur any additional direct unsecured indebtedness other than (i) trade payables incurred in the ordinary course of business and (ii) unsecured indebtedness owed to Bank.

(e) No Merger or Acquisition. Borrower shall not dissolve or liquidate, nor merge or consolidate with or otherwise acquire all or substantially all of the assets of any other entity other than the acquisition of real estate and related improvements thereon.

(f) Transfer of Assets. Borrower shall not sell, convey, transfer or exchange any of its assets of any character, including without limitation any property held directly or indirectly by Borrower, or any portion thereof, whether now owned or hereafter acquired, if such sale, conveyance, transfer or exchange would result in a violation of any of the Financial Covenants.

(g) No Change in Business. Borrower shall not fundamentally change the nature of its business investments or operations to anything other than investment in industrial real estate and land to be developed for industrial purposes.

(h) Ownership Structure. Borrower shall not directly or indirectly permit any sale, transfer, exchange, assignment or pledge of any security interest in any ownership interests in Borrower that will result in a change in control of the Borrower.

(i) Debt. Other than as expressly approved in writing by Bank, Borrower shall not create, incur or assume any indebtedness for borrowed money (including subordinate debt) secured by all or any portion of any Acquisition Property or interest therein or in other real property owned by Borrower (including subordinate debt) other than (i) payment obligations and secured indebtedness contemplated, pursuant to, or permitted by this Agreement (including alternative permanent financing for Acquisition Properties, secured by commercially reasonable first priority permanent mortgage liens on such Acquisition Properties, as contemplated by Section 11 hereof) or the other documents evidencing or securing the Credit Loan, (ii) any new secured indebtedness created, incurred or assumed by Borrower if Borrower is not then in default under the Note, this Agreement, any mortgage now or hereafter securing the Credit Loan, or the Other Loan Documents, and such new indebtedness would not result in a violation of any of the Financial Covenants, and (iii) trade payables incurred in the ordinary course of business.

15. Event of Default. There shall be an Event of Default hereunder if any of the following events occurs:

(a) the Borrower shall fail to pay when due any amount of principal or any amount of interest thereon or any fees or expenses payable hereunder or under the Note within ten (10) days of the due date therefor; or

(b) The Borrower shall fail to perform any term, covenant or agreement contained herein and such failure shall continue for thirty (30) days after written notice thereof has been sent to the Borrower by the Bank; or

(c) any representation or warranty of the Borrower made in this Agreement or in the Note or any other documents or agreements executed in connection with the transactions contemplated by this Agreement or in any certificate delivered hereunder shall prove to have been false in any material respect upon the date when made or deemed to have been made; or

(d) the Borrower shall (i) apply for or consent to the appointment of, or the taking of possession by, a receiver, custodian, trustee, liquidator or similar official of itself or of all or a substantial part of its property, (ii) be generally not paying its debts as such debts become

due, (iii) make a general assignment for the benefit of its creditors, (iv) commence a voluntary case under the Federal Bankruptcy Code (as now or hereafter in effect), (v) take any action or commence any case or proceeding under any law relating to bankruptcy, insolvency, reorganization, winding-up or composition or adjustment of debts, or any other law providing for the relief of debtors, (vi) fail to contest in a timely or appropriate manner, or acquiesce in writing to, any petition filed against it in an involuntary case under the Federal Bankruptcy Code or other law, (vii) take any action under the laws of its jurisdiction of incorporation or organization similar to any of the foregoing, or (viii) take any action for the purpose of effecting any of the foregoing; or

(e) a proceeding or case shall be commenced, without the application or consent of the Borrower in any court of competent jurisdiction, seeking (i) the liquidation, reorganization, dissolution, winding up, or composition or readjustment of its debts, (ii) the appointment of a trustee, receiver, custodian, liquidator or the like of it or of all or any substantial part of its assets, or (iii) similar relief in respect of it, under any law relating to bankruptcy, insolvency, reorganization, winding-up or composition or adjustment of debts or any other law providing for the relief of debtors, and such proceeding or case shall continue undismissed, or unstayed and in effect, for a period of 30 days; or an order for relief shall be entered in an involuntary case under the Federal Bankruptcy Code, against the Borrower; or

(f) a judgment or order for the payment of money shall be entered against the Borrower by any court, or a warrant of attachment or execution or similar process shall be issued or levied against property of the Borrower, that in the aggregate exceeds \$100,000 in value and such judgment, order, warrant or process shall continue undischarged or unstayed for 30 days.

(g) a default occurs under any of the Mortgage Loan Documents which continues beyond any applicable notice and cure period.

16. Remedies. Upon the happening of one or more Events of Default which continues beyond any applicable notice, grace or cure periods, the Note shall become immediately due and payable, without presentation, demand or notice of any kind to Borrower, and the Bank may pursue any and all remedies provided for hereunder, or under the Note or any one or more of the Other Security Documents.

17. Default Rate. Upon the occurrence of an Event of Default which continues beyond any applicable notice, grace or cure periods, and during the continuance thereof, the Bank shall be entitled to receive and Borrower shall pay interest on the entire unpaid principal balance of the Note at a rate that is the lesser of five percent (5%) per annum over the Applicable Interest Rate, or the maximum rate permitted by applicable law (the "Default Rate"). The Default Rate shall be computed from the occurrence of the Event of Default until the earlier of (i) the date upon which the Event of Default is cured or (ii) the date upon which the outstanding Advances are paid in full. Interest calculated at the Default Rate shall be added to the balance of the outstanding Advances and shall be secured by any mortgages constituting part of Mortgage Loan Documents.

18. Late Payment Charge. If any monthly installment of principal or interest (but not including the principal due at maturity) is not paid on or prior to the tenth (10th) day after the date on which it is due, Borrower shall pay to the Bank upon demand an amount equal to the lesser of five percent (5%) of such unpaid portion of the outstanding installment of

principal or interest then due or the maximum amount permitted by applicable law, to defray the expense incurred by the Bank in handling and processing such delinquent payment and to compensate the Bank for the loss of the use of such delinquent payment, and such amount shall be secured by the Other Security Documents.

19. Termination Right; Continuation of Obligation. Borrower shall have the right at any time and from time to time upon at least five (5) Business Days' prior written notice to the Bank to (i) elect to terminate the Credit Loan and pay the entire outstanding Advances under the Credit Loan, together with all interest accrued and unpaid thereon calculated at the Applicable Interest Rate and all other sums due under the Note, this Agreement or the Other Security Documents in order to terminate the Credit Loan, in which event the Bank will have no further obligation to fund further Advances, or (ii) permanently reduce the Credit Loan available under this Agreement to an amount selected by Borrower, subject to the Bank's prior written approval, which approval shall not be unreasonably withheld, conditioned or delayed. Notwithstanding the foregoing, no termination of the Credit Loan and no refusal by the Bank to make future Advances hereunder shall affect Borrower's obligations and liabilities hereunder, under the Note or the Other Security Documents or the Bank's rights, powers or remedies with respect thereto, or otherwise arising following such termination. All of the Bank's rights, liens and security interests shall continue after any termination until all obligations of Borrower to the Bank hereunder until the Note and the Other Security Documents shall have been finally paid and satisfied in full.

20. Expenses and Counsel Fees. Borrower shall reimburse the Bank promptly for all of its out-of-pocket expenses incurred in connection with this Agreement or the Credit Loan, including, without limitation, filing fees, recording fees, any taxes (other than income taxes payable by the Bank) which the Bank may be required to pay in connection with the execution and delivery of this Agreement and the Other Security Documents. Borrower shall also pay: (i) all costs and expenses of the Bank (including, without limitation, reasonable fees and disbursements of counsel) incidental to the preparation and negotiation of this Agreement and the documents referred to herein, and (ii) all costs and expenses of the Bank (including, without limitation, fees and disbursements of counsel) incidental to the protection of the rights of the Bank hereunder and the enforcement of the Bank's rights, powers and remedies hereunder and thereunder, whether by judicial proceedings or otherwise, including, without limitation, such costs and expenses incurred in the course of bankruptcy or liquidation proceedings. The obligations of Borrower hereunder shall survive the termination of this Agreement and the final and indefeasible payment in full of the outstanding Advances under the Credit Loan.

21. Miscellaneous.

(a) Amendments and Waivers. No modification, rescission, waiver, release or amendment of any provision of this Agreement shall be made except by a written agreement signed by a duly authorized officer of Borrower and duly authorized officer of the Bank.

(b) Delays and Omissions. No delay or omission by the Bank in exercising any right or remedy hereunder or with respect to the Credit Loan shall operate as a waiver thereof or of any other right or remedy, and no single or partial exercise thereof shall preclude any other or further exercise thereof or the exercise of any other right or remedy. The Bank may remedy any default by Borrower hereunder or with respect to the Credit Loan

in any reasonable manner without waiving the default remedied and without waiving any other prior or subsequent default by Borrower, and shall be reimbursed for its expenses in so remedying such default. All rights and remedies of the Bank hereunder, under the Note and the Other Security Documents, under any other agreement and otherwise are cumulative; if any provision of this Agreement is inconsistent with any provision of any other agreement between the Bank and Borrower, the provisions of this Agreement shall control.

(c) Successors and Assigns. Borrower and the Bank as used herein shall include the legal representatives, successors and assigns of those parties.

(d) Governing Law. This Agreement shall be construed and interpreted in accordance with, and governed by, the laws of the State of Connecticut without regard to its principles of conflicts or choice of laws.

(e) Usury Law. The Note and this Agreement are subject to the express condition that at no time shall Borrower be obligated or required to pay interest or the principal balance due under the Note at a rate which could subject the Bank to either civil or criminal liability as a result of being in excess of the maximum interest rate which Borrower is permitted by applicable law to contract or agree to pay. If by the terms of the Note or this Agreement, Borrower is at any time required or obligated to pay interest on the principal balance due hereunder at a rate in excess of such maximum rate, the Applicable Interest Rate or the Default Rate, as the case may be, shall be deemed to be immediately reduced to such maximum rate and all previous payments in excess of the maximum rate shall be deemed to have been payments in reduction of principal and not on account of the interest due hereunder. All sums paid or agreed to be paid to the Bank for the use, forbearance, or detention of the Credit Loan, shall, to the extent permitted by applicable law, be amortized, prorated, allocated, and spread throughout the full stated term of the Note until payment in full so that the rate or amount of interest on account of the outstanding Advances does not exceed the maximum lawful rate of interest from time to time in effect and applicable to the Credit Loan for so long as the Advances are outstanding.

(f) Inapplicable Provisions. If any provision hereof or of any other agreement made in connection herewith is held to be illegal or unenforceable, such provision shall be fully severable, and the remaining provisions of the applicable agreement shall remain in full force and effect and shall not be affected by such provision's severance; provided, however, in lieu of any such provision, there shall be added automatically as a part of the applicable agreement a legal and enforceable provision as similar in terms to the severed provision as may be possible.

(g) Further Assurances. At any time and from time to time, upon the reasonable request of the Bank, Borrower shall execute, deliver and acknowledge, or cause to be executed, delivered and acknowledged, such other documents or instruments and do such other acts and things as the Bank may reasonably request in order to fully effectuate the terms of this Agreement and the Other Security Documents. The foregoing may include, without limitation, executing documents to confirm the amount of the Advances outstanding under the Credit Loan from time to time, and the date and amount of payments made in respect of the Credit Loan. All such requests shall receive the full cooperation and compliance by Borrower within seven (7) Business Days of the Bank making such requests. The failure of Borrower to comply with the obligations set forth in this Subsection 20(g) shall constitute an Event of Default.

(h) No Assignment. The rights and obligations of Borrower under this Agreement shall not be assigned or delegated, in whole or in part, without the prior written consent of the Bank, and any purported assignment or delegation without the prior written consent of the Bank shall be void.

(i) LIBOR Termination Provisions. If the Bank, in its sole discretion, determines that (a) (i) the interest rate applicable to LIBOR loans cannot be readily determined or does not adequately and fairly reflect the cost of making or maintaining LIBOR Loans or (ii) deposits of a type and maturity appropriate to match fund LIBOR Loans are not available to the Bank, and such circumstances are likely to be permanent, (b) ICE Benchmark Administration (or any Person that takes over the administration of such rate) ceases its administration and publication of interest settlement rates for deposits in U.S. dollars, or (c) the supervisor for the administrator of the publication of such rates or a Governmental Authority having jurisdiction over the Bank has made a public statement identifying a specific date after which such interest settlement rate shall no longer be used for determining interest rates for loans, then the Bank shall determine an alternate rate of interest to the LIBOR rate taking into account then prevailing standards in the market for determining interest rates for commercial loans made by financial institutions in the United States at such time. The Bank and the Borrower hereby agree to enter into an amendment to this Loan Agreement and/or the Note, if necessary, to incorporate such alternate interest rate and other accompanying changes to this Loan Agreement and/or the Note that are reasonably determined to be applicable thereto. In the event the alternate rate of interest determined pursuant to this Section shall be less than zero, such rate shall be deemed to be zero for the purposes of this Loan Agreement.

(j) Notices. All notices requests, reports or other communications (each, a “Notice”) required hereunder or under the Note or any Other Security Document shall be in writing and shall be deemed to have been properly given (i) upon delivery, if delivered in person, (ii) one (1) Business Day after having been deposited for overnight delivery with any reputable overnight courier service, or (iii) three (3) Business Days after having been deposited in any post office or mail depository regularly maintained by the U.S. Postal Service and sent by certified mail, postage prepaid, return receipt requested, addressed as follows:

If to Borrower:       Griffin Industrial Realty, Inc.  
641 Lexington Avenue, 26<sup>th</sup> Floor  
New York, New York 10022  
Attention: Mr. Michael Gamzon  
President and Chief Executive Officer

With a copy to: Griffin Industrial Realty, Inc.  
204 West Newberry Road  
Bloomfield, Connecticut 06002  
Attention: Mr. Anthony J. Galici  
Vice President and Chief Financial Officer

Murtha Cullina LLP  
CityPlace I  
185 Asylum Street  
Hartford, Connecticut 06103-3469  
Attention: Thomas M. Daniells, Esq.

If to the Bank: Webster Bank, N. A.  
CityPlace II – 185 Asylum Street  
Hartford, Connecticut 06103  
Attention: James Lane, Senior Vice President

With a copy to: Hinckley Allen & Snyder, LLP  
20 Church Street  
Hartford, Connecticut 06103  
Attention: Jorie T. Andrews, Esq.,

or to such other address as any party may designate for itself by like notice.

Either party by notice to the other may designate additional or different addresses for subsequent notices or communications.

22. Right of Offset. Upon the occurrence and during the continuance of any Event of Default, the Bank is hereby authorized at any time and from time to time, to the fullest extent permitted by law, to set off and apply any and all deposits (general or special, time or demand, provisional or final) at any time held and other indebtedness at any time owing by the Bank to or for the credit or the account of Borrower against any and all of the obligations of Borrower now or hereafter existing under this Agreement or the other obligations to the Bank by Borrower, whether or not the Bank shall have made any demand under this Agreement or otherwise and even if such obligation may be unmaturing upon reasonable notice to Borrower. The rights of the Bank under this provision are in addition to any and all other rights and remedies available to the Bank.

23. No Oral Modification. This Agreement embodies the entire agreement and understanding between Borrower and the Bank and supersedes all prior agreements and understandings relating to the subject matter hereof. Any modification, amendment or waiver of, or with respect to, any provision of this Agreement must be made in a writing signed by both the Bank and Borrower. This Agreement may not be contradicted by evidence of prior, contemporaneous or subsequent oral agreements of the parties hereto. There are no unwritten oral agreements among the parties. Borrower and the Bank acknowledge that each has had the benefit of legal counsel of its own choice and has been afforded an opportunity to review this Agreement and the other loan documents in connection herewith with its legal counsel and that this Agreement and the other loan documents shall be consulted as if jointly drafted by Borrower and the Bank.

**24. WAIVER OF TRIAL BY JURY. THE BANK AND BORROWER EACH HEREBY ABSOLUTELY, IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT TO A TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING ARISING OUT OF THIS AGREEMENT, ANY OTHER LOAN INSTRUMENTS, OR ANY OTHER INSTRUMENT OR DOCUMENT EXECUTED OR DELIVERED PURSUANT TO OR OTHERWISE IN CONNECTION WITH THIS AGREEMENT. BORROWER AND THE BANK EACH AGREES THAT THE COURTS OF THE STATE OF CONNECTICUT HAVE EXCLUSIVE JURISDICTION OVER ANY ACTIONS AND PROCEEDINGS INVOLVING THIS AGREEMENT OR ANY OTHER AGREEMENT MADE IN CONNECTION HEREWITH EXCEPT AS SPECIFICALLY PROVIDED IN SUCH OTHER AGREEMENT AND BORROWER AND THE BANK HEREBY IRREVOCABLY AND UNCONDITIONALLY AGREES TO SUBMIT TO THE JURISDICTION OF SUCH COURTS FOR PURPOSES OF ANY SUCH ACTION OR PROCEEDING. BORROWER AND THE BANK EACH HEREBY WAIVES PERSONAL SERVICE OF PROCESS AND CONSENTS TO SERVICE OF PROCESS PROVIDED THE SAME IS GIVEN IN ACCORDANCE WITH THIS AGREEMENT. FINAL JUDGMENT IN ANY SUCH PROCEEDING SHALL BE CONCLUSIVE, SUBJECT TO ANY RIGHT OF APPEAL, AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT.**

**[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK.]**

THE PARTIES HERETO have signed this Agreement as of the date written above.

**BORROWER:**

**GRIFFIN INDUSTRIAL REALTY, INC.**  
a Delaware corporation

By: /s/Anthony Galici  
Name: Anthony J. Galici  
Title: Vice President and Chief Financial Officer

**BANK:**

**WEBSTER BANK, N.A.**  
a national banking association

By: /s/James Lane  
Name: James Lane  
Title: Senior Vice President

*(Signature page of Revolving Line of Credit Loan Agreement)*

**THIRD AMENDMENT TO REVOLVING LINE  
OF CREDIT LOAN AGREEMENT**

This Third Amendment (this “**Amendment**”) is made by and between **WEBSTER BANK, N.A.**, a national banking association having an address at CityPlace II – 185 Asylum Street, Hartford, Connecticut 06103 (“**Bank**” or “**Lender**”) and **GRIFFIN INDUSTRIAL REALTY, INC.**, formerly known as **GRIFFIN LAND & NURSERIES, INC.**, a Delaware corporation, having an address at 641 Lexington Avenue, 26<sup>th</sup> Floor, New York, New York 10022 (“**Borrower**”).

**STATEMENT OF FACTS**

A. On April 24, 2013, Lender made a loan to Borrower in the principal amount of up to **TWELVE MILLION FIVE HUNDRED THOUSAND and NO/100 DOLLARS (\$12,500,000.00)** (“**Loan**”), evidenced by a certain Revolving Line of Credit Note in that amount dated April 24, 2013 (“**Note**”).

B. In connection with the Loan, Borrower and Lender entered into a Revolving Line of Credit Loan Agreement dated April 24, 2016 (“**Original Loan Agreement**”); the Note, Loan Agreement, as herein defined, and all other documents executed in connection with the indebtedness evidenced by the Note being collectively referred to herein as the “**Loan Documents**”).

C. The Loan had an initial term of two (2) years expiring on May 1, 2015, with an option to extend for one (1) additional year through May 1, 2016.

D. The Loan was previously amended by First Amendment to Revolving Line of Credit Loan Agreement, dated April 26, 2016 between Borrower and Lender (“**First Amendment**”), and by Second Amendment to Revolving Line of Credit Loan Agreement, dated July 22, 2016 between Borrower and Lender (“**Second Amendment**”; and the Original Loan Agreement as amended by the First Amendment and the Second Amendment, herein the “**Loan Agreement**”), which Second Amendment increased the maximum amount of the Loan to **FIFTEEN MILLION and NO/100 DOLLARS (\$15,000,000)** and extended the Maturity Date of the Loan to July 31, 2018 with an option to extend for one (1) additional year through July 31, 2019. The option to extend the Maturity Date of the Loan to July 31, 2019 was exercised, and the Maturity Date was subsequently extended to September 30, 2019 by letter agreement between Borrower and Lender dated July 26, 2019.

E. Borrower and Lender have agreed to further increase the maximum principal amount of the Loan; to further extend the Maturity Date and add one additional option to extend the Maturity Date, on the condition that one (1) additional property owned by Borrower located at 131 Phoenix Crossing, Bloomfield, Connecticut is added as additional collateral for the Loan.

**NOW, THEREFORE**, in consideration of the mutual promises herein contained, the receipt and sufficiency of which is hereby acknowledged:

**IT IS AGREED:**

1. **Increase in Maximum Principal Amount of the Advances.** The Loan Agreement is hereby amended by deleting the amount “Fifteen Million and 00/100 Dollars (\$15,000,000.00)”, as it appears in Paragraph 1 of the Loan Agreement, and the amount “Nineteen Million Five Hundred Thousand and 00/100 Dollars (\$19,500,000.00)” is substituted for it. The Note is being amended and restated of even date herewith up to the original principal amount of Nineteen Million Five Hundred Thousand and 00/100 Dollars (\$19,500,000.00) (“Restated Note”) and all references in the Loan Agreement to the Note shall now mean the Restated Note.

2. **Extension of Maturity Date.** The Maturity Date of the Loan is hereby extended through September 30, 2021, and the following is added to Section 3 of the Loan Agreement:

“F. During the period from October 1, 2019 through September 30, 2021 (the “Third Extended Term”):

(i) Commencing on October 1, 2019 and on the first day of each calendar month thereafter up to and including September 30, 2021, Borrower shall make monthly payments of interest only on any Advances outstanding under the Credit Loan, calculated at the Applicable Interest Rate (hereinafter defined), as well as any other sums that may be due pursuant to the Note, this Agreement or the Mortgages. Said payments, as and when received by the Lender, shall be applied by it first, to the payment of any late charges due hereunder; second, to the payment of interest computed at the Applicable Interest Rate; and the balance, if any, toward the satisfaction of the outstanding Advances under the Credit Loan; and

(ii) The entire outstanding Advances under the Credit Loan, together with all interest accrued and unpaid thereon calculated at the Applicable Interest Rate and all other sums due under the Note, this Agreement, the Mortgages or any other document executed and delivered by Borrower to the Lender in connection with the Credit Loan (collectively, the “Other Security Documents”), shall be due and payable on September 30, 2021 (the “Third Extended Maturity Date”), unless extended in accordance with Section 8 hereof, or sooner as provided herein.”

3. **Extension of Extended Maturity Date.** Borrower is granted the right to extend the term for one (1) additional year thereafter (the “Fourth Extended Term”), and the following is added to Section 3 of the Loan Agreement:

“G. If the Credit Loan is extended for one (1) additional period of one (1) year (the “Fourth Extended Term”) in accordance with Section 8 hereof:

(i) Commencing on October 1, 2021 and on the first day of each calendar month of the Fourth Extended Term up to and including September 30, 2022, Borrower shall make monthly payments of interest only on any Advances outstanding under the Credit Loan, calculated at the Applicable Interest Rate, as well as any other sums that may be due pursuant to the Note, this Agreement or the Mortgages. Said payments, as and when received by the Lender, shall be applied by it first, to the payment of any late charges due hereunder; second, to the payment of interest computed at the Applicable Interest Rate; and the balance, if any, toward the satisfaction of the outstanding Advances under the Credit Loan; and

(ii) The entire outstanding Advances under the Credit Loan, together with all interest accrued and unpaid thereon calculated at the Applicable Interest Rate and all other sums due under the Note, this Agreement, the Mortgages or the Other Security Documents shall be due and payable on September 30, 2022 (the "Fourth Extended Maturity Date") or sooner as provided herein."

4. **Applicable Interest Rate.** From and after the date hereof, the definition of "Applicable Interest Rate" set forth in Section 2 of the Loan Agreement is hereby deleted in its entirety and replaced with the following:

""Applicable Interest Rate" shall mean the One Month LIBOR Rate (as hereinafter defined) plus 250 basis points per annum, or the Daily Rate (as hereinafter defined) plus 250 basis points per annum, as elected by Borrower."

5. **Fees.** Upon execution of this Amendment, Borrower shall pay a fee of ½ of one percent (0.50%) of the maximum face amount of the Loan. Borrower shall pay on each anniversary of the date hereof the following fee: 1/8th of one percent (0.125%) of the average undrawn portion of the Loan, if the average outstanding Advances of the Loan, calculated on a twelve (12) month basis for the preceding twelve (12) months, are less than one hundred percent (100%) of the Loan. Borrower hereby acknowledges and agrees that the Lender is authorized to pay itself the foregoing fees on the dates specified herein.

6. **Extension Option.** Section 8 of the Loan Agreement is amended by deleting the first three (3) lines of such Section , through the words (the "Extension Option" and by substituting the following:

"The Credit Loan shall expire on the Third Extended Maturity Date. Notwithstanding the foregoing, Borrower shall have the option to extend the Credit Loan for one (1) additional period of one (1) year following the Third Extended Maturity Date (the "Fourth Extension Option"),". All remaining terms and conditions of Section 8 shall remain in full force and effect.

7. **Security.** Section 9(b) of the Loan Agreement is amended by adding the words "and a mortgage on Borrower's fee estate in property known as 131 Phoenix Crossing, Bloomfield dated as of September 1, 2019" after the words "55 Griffin Road South, Bloomfield".

8. **Affirmative Covenants.** Section 11(b) of the Loan Agreement is hereby deleted and replaced with the following:

“(b) Loan to Value Ratio. Maintain a maximum ratio of the amount of the Credit Loan to the appraised value of the Property of not more than seventy two percent (72%).”

Section 11(d) of the Loan Agreement, entitled “Current Liquidity,” is hereby reinstated with the following:

“(d) Current Liquidity. Maintain a minimum liquidity of \$5,000,000. Liquidity shall include cash, cash equivalents, short term investments, and availability under the lines of credit and under the “ATM equity shelf offering”, in accordance with the universal shelf registration statement on Form S-3 filed April 11, 2018 and the prospectus supplement filed with the SEC on May 10, 2018 which allow Griffin to issue and sell up to \$30MM of its common stock.”

The following additional subsection (f) is added to Section 11 of the Loan Agreement, and the remaining subsections of Section 11 are re-lettered as items (g) through (l):

“(f) Fixed Charge Coverage. Maintain a fixed charge coverage ratio of at least 1.1:1.0. The Fixed Charge Coverage is defined as (1) EBITDA minus cash income taxes, and dividends paid, divided by (2) debt service. EBITDA is calculated as net income plus interest, taxes, depreciation, and amortization.”

The first full sentence following subsections (a) through (l) is modified to reference Subsections (a) through (f), rather than (a) through (e).

9. **Negative Covenants.**

a. Section 12, clause (a) of the Loan Agreement is hereby deleted in its entirety and replaced with the following:

(a) Negative Pledge. Borrower shall not guaranty any loan facilities, other than guarantees for the benefit of its subsidiaries, during the Credit Loan without the prior written consent of the Bank. Borrower further agrees not to grant any blanket lien on all or substantially all of its assets to any other lender. Notwithstanding the foregoing, Borrower may take on additional indebtedness unrelated to the Property and secured by other properties or groups of properties not encumbered by this Credit Loan without the prior written consent of the Bank provided that (i) Borrower is not then in default under the Note, this Agreement, any mortgage now or hereafter securing the Credit Loan, or the Other Security Documents at the time of the initial closing for such indebtedness, and (ii) the creation of such additional indebtedness would not result in a violation of any of the financial covenants of Borrower under any of such documents (the “Financial Covenants”). If Borrower is in default under the Note, this

Agreement, any mortgage now or hereafter securing the Credit Loan, or the Other Security Documents, the Bank's prior written consent shall be required prior to Borrower incurring such additional indebtedness. Borrower's breach of the foregoing covenant shall constitute an Event of Default under this Agreement."

b. Section 12 of the Loan Agreement is modified to add the following as Subsections (d), (e), (f), (g), (h) and (i):

“(d) No Additional Direct Unsecured Indebtedness. Borrower shall not incur any additional direct unsecured indebtedness other than (i) trade payables incurred in the ordinary course of business and (ii) unsecured indebtedness owed to Lender.

(e) No Merger or Acquisition. Borrower shall not dissolve or liquidate, nor merge or consolidate with or otherwise acquire all or substantially all of the assets of any other entity, other than the acquisition of real estate and related improvements thereon.

(f) Transfer of Assets. Borrower shall not sell, convey, transfer or exchange any of its assets of any character, including without limitation any property held directly or indirectly by Borrower, or any portion thereof, whether now owned or hereafter acquired, if such sale, conveyance, transfer or exchange would result in a violation of any of the Financial Covenants.

(g) No Change in Business. Borrower shall not fundamentally change the nature of its business investments or operations to anything other than investment in industrial real estate and land to be developed for industrial purposes.

(h) Ownership Structure. Borrower shall not directly or indirectly permit any sale, transfer, exchange, assignment or pledge of any security interest in any ownership interests in Borrower that will result in a change in control of the Borrower.

(i) Debt. Other than as expressly approved in writing by Bank, Borrower shall not create, incur or assume any indebtedness for borrowed money (including subordinate debt) secured by all or any portion of any Property or interest therein or in other real property owned by Borrower (including subordinate debt) other than (i) payment obligations and secured indebtedness contemplated, pursuant to, or permitted by this Agreement or the other documents evidencing or securing the loan evidenced by the Note, (ii) any new secured indebtedness created, incurred or assumed by Borrower if Borrower is not then in default under the Note, this

Agreement, any mortgage now or hereafter securing the Credit Loan, or the Other Loan Documents, and such new indebtedness would not result in a violation of any of the Financial Covenants, and (iii) trade payables incurred in the ordinary course of business.”

10. **Reaffirmation by Borrower.** Borrower hereby represents and warrants to Lender that:

a. As of the date of this Amendment, there exists no default or Event of Default (as defined in the Loan Documents) under the Loan Documents and no circumstance which would constitute an Event of Default after the giving of notice or the passage time, or both;

b. The unpaid principal balance of the indebtedness evidenced by the Note, if any, is due and owing pursuant to, and in accordance with, the terms of the Note and Loan Documents, as amended herein, without any claim, offset, or defense by or from the Borrower, all of which are hereby specifically waived and released;

c. No claim, counterclaim, offset, or defense exists with respect to the full and timely performance of all other duties, obligations, covenants and warranties of the Borrower set forth in the Note and Loan Documents, all of which are specifically waived and released; and

d. There are no claims, litigation, or proceedings pending or, to the best of the knowledge of the person signing on behalf of the Borrower, threatened against the Borrower or the Property (as defined in the Loan Documents), which, if determined against the Borrower or Property will materially and adversely affect the Property or the ability of the Borrower to perform any duties and obligations under the Note and Loan Documents.

11. **Defined Terms.** Any defined terms not defined herein shall have the same meaning and definition as is contained in the Loan Agreement or other Loan Documents, as applicable.

12. **Survival.** The Loan Agreement, as modified herein, is hereby ratified and shall remain in full force and effect.

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SIGNED as of the 19th day of September, 2019.

WEBSTER BANK, N.A.

By /s/James Lane  
James Lane  
Its Senior Vice President

By /s/Anthony Galici  
Anthony J. Galici  
Its Vice President and Chief  
Financial  
Officer

GRIFFIN INDUSTRIAL REALTY, INC.

*(Signature page of Third Amendment to Revolving Line of Credit Loan Agreement)*

**NEWS FROM:**

**Exhibit 99.1**

**GRIFFIN INDUSTRIAL REALTY, INC.**

**CONTACT:**

**Anthony Galici  
Chief Financial  
Officer  
(860) 286-1307**

**GRIFFIN ANNOUNCES NEW LINE OF CREDIT FOR ACQUISITIONS AND  
EXTENSION OF REVOLVING CREDIT LINE**

**NEW YORK, NEW YORK (September 24, 2019) Griffin Industrial Realty, Inc. (NASDAQ: GRIF) (“Griffin”)** announced today that it entered into a new \$15.0 million line of credit (the “Acquisition Credit Line”) with Webster Bank, N.A. (“Webster Bank”) to provide short-term financing for real estate acquisitions. The Acquisition Credit Line is unsecured, expires on September 30, 2021, and may be used to fund up to 65% of the cost of real estate acquisitions. If amounts borrowed under the Acquisition Credit Line are not repaid within 135 days of the acquisition, expected to be from proceeds from long-term financing on the acquired property, a first mortgage would be placed on the property acquired. Borrowings under the Acquisition Credit Line are at the one-month LIBOR rate plus 2.75%.

Griffin also announced that it executed an amendment (the “Revolving Credit Line Amendment”) to its existing revolving credit line (the “Webster Credit Line”) with Webster Bank that extends the Webster Credit Line through September 30, 2021. The Revolving Credit Line Amendment increases the amount of the Webster Credit Line from \$15.0 million to \$19.5 million while adding an approximately 31,000 square foot industrial/warehouse building to the buildings aggregating approximately 283,000 square feet (mostly office/flex space) that collateralize the Webster Credit Line. Under the terms of the Revolving Credit Line Amendment, the interest rate under the Webster Credit Line was reduced from the one-month LIBOR rate plus 2.75% to the one-month LIBOR rate plus 2.50%. Griffin has not had any borrowings under the Webster Credit Line since its inception in fiscal 2013. Both the Acquisition Credit Line and the Webster Credit Line may be extended by Griffin for an additional year through September 30, 2022.

**Forward-Looking Statements:**

*This Press Release includes “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements include statements regarding Griffin's beliefs and expectations regarding the use of borrowings under the Acquisition Credit Line and obtaining long-term financing to repay amounts borrowed under the Acquisition Credit Line. Although Griffin believes that its plans, intentions and expectations reflected in such forward-looking statements are reasonable, it can give no assurance that such plans, intentions or expectations will be achieved. The projected information disclosed herein is based on assumptions and estimates that, while considered reasonable by Griffin as of the date hereof, are inherently subject to significant business, economic, competitive and regulatory uncertainties and contingencies, many of which are beyond the control of Griffin and which could cause actual results and events to differ materially from those expressed or implied in the forward-looking statements. Other important factors that could affect the outcome of the events set forth in these statements are described in Griffin's Securities and*

*Exchange Commission filings, including the "Business," "Risk Factors" and "Forward-Looking Statements" sections in Griffin's Annual Report on Form 10-K/A for the fiscal year ended November 30, 2018. Griffin disclaims any obligation to update any forward-looking statements as a result of developments occurring after the date of this press release except as required by law.*