

**ULSTER COUNTY INDUSTRIAL DEVELOPMENT AGENCY
LEASE/LEASEBACK TRANSACTION
2007 ROUTE 9W, LLC PROJECT**

I. PROJECT IDENTIFICATION:

1. Project Applicant: 2007 Route 9W, LLC, a limited liability company organized and existing under the laws of the State of New York (the “Company”).
2. The Project:
 - (A) Acquisition of Land: the acquisition of an interest in an approximate 5.9 acre parcel of land located at 10 Lumen Lane (Tax Map # 88.1-6-1.100) in the Hamlet of Highland, Town of Lloyd, Ulster County, New York (the “Land”).
 - (B) Construction: the construction on the Land of a new building to contain approximately 17,600 square feet of space (the “Facility”).
 - (C) Equipment component: the acquisition and installation therein and thereon of certain machinery and equipment (the “Equipment”) (the Land, the Facility and the Equipment being collectively referred to as the “Project Facility”).
 - (D) Lease: all of the foregoing to be owned by the Company and operated as an office and warehouse facility and any directly or indirectly related activities.

II. PRIOR ACTION ON PROJECT:

3. Inducement Proceedings:
 - (A) Public Hearing Resolution: adopted on August 10, 2016.
 - (B) Public Hearing:
 - (1) Mailed to Affected Taxing Jurisdictions: August 23, 2016.
 - (2) Date Posted: (a) August 22, 2016 on Agency website; and (b) August 24, 2016 on a public bulletin board.
 - (3) Published in The Daily Freeman: August 26, 2016.
 - (4) Date of Public Hearing: September 6, 2016.
 - (5) Location of Public Hearing: Town of Lloyd Town Hall located at 12 Church Street in the Town of Lloyd, Ulster County, New York.

4. Payment in Lieu of Taxes: Pursuant to the Agency's Uniform Tax Exemption Policy, the Company qualifies for the following abatement schedule:

<u>Tax Year</u>	<u>Abatement</u>
1-3	100%
4	75%
5	75%
6	50%
7	50%
8	50%
9	50%
10	50%

5. SEQR Resolution: By resolution dated August 10, 2016, the Agency adopted the findings of the Town of Lloyd Planning Board.

III. PROPOSED AGENCY ACTION ON SEPTEMBER 7, 2016:

6. Approving Resolution: Approving the Company's project, the proposed financial assistance and the execution and delivery of certain documents in connection therewith.

IV. DETAILS OF PROPOSED STRAIGHT LEASE TRANSACTION:

7. Relationship of Agency to Company: The Agency will acquire, construct and install the Project Facility and lease the Project Facility to the Company pursuant to the Lease Agreement.
8. Business Terms: The Agency fee is estimated to be \$9,900 (1% of the Project costs of \$990,000 (est.)).
9. Basic Documents:
- (A) Underlying Lease from the Company to the Agency.
 - (B) License Agreement from the Company to the Agency.
 - (C) Bill of Sale to Agency.
 - (D) Lease Agreement by and between the Company and the Agency.
 - (E) Payment in Lieu of Tax Agreement by and between the Agency and the Company.
 - (F) Uniform Agency Project Agreement by and between the Agency and the Company.
 - (G) Section 875 GML Recapture Agreement by and between the Agency and the Company
10. Proposed Closing Date: To Be Determined.
11. Agency Counsel: Hodgson Russ LLP, Albany, New York.