

**APPLICATION  
FOR  
INDUSTRIAL DEVELOPMENT  
REVENUE BOND FINANCING  
AND  
LEASEBACK TRANSACTIONS**

**IMPORTANT NOTICE:** The answers to the questions contained in this Application are necessary to determine your firm's eligibility for financing, tax exemptions and other assistance from the Auburn Industrial Development Authority (the "Authority"). These answers will also be used in the preparation of papers in this transaction. Accordingly, all questions should be answered accurately and completely by an officer or other employee of your firm who is thoroughly familiar with the business and affairs of your firm and who is also thoroughly familiar with the proposed project. This application is subject to acceptance by the Authority.

**TO: AUBURN INDUSTRIAL DEVELOPMENT AUTHORITY**  
24 South Street  
Memorial City Hall  
Auburn, New York 13021

This application by Applicant respectfully states:

APPLICANT: Logan Street, LLC

APPLICANT'S  
ADDRESS: 282 State Street CITY: Auburn STATE: NY ZIP: 13021

NAME OF PERSON(S) AUTHORIZED TO SPEAK FOR APPLICANT WITH RESPECT TO THIS

APPLICATION: Joe Bartolotta TELEPHONE NO: 315-282-7926 FAX NO: Same

E-MAIL ADDRESS: jpbartolotta@yahoo.com

**APPLICANT'S ATTORNEY:**

NAME OF FIRM: Gilberti Stinziano Heintz & Smith, P.C.

NAME OF  
ATTORNEY: Joseph P. Bartolotta

ATTORNEY'S  
ADDRESS: 555 East Genesee Street

CITY: Syracuse STATE: NY ZIP: 13202

TELEPHONE NO: 315-442-0100 FAX NO: \_\_\_\_\_ E-MAIL ADDRESS: jbartolotta@gilbertilaw.com

**APPLICANT'S ACCOUNTANT:**

NAME OF FIRM: Beauchine & Associates, P.C.

NAME OF  
ACCOUNTANT: Richard Beauchine

ACCOUNTANT'S  
ADDRESS: 128 Grant Avenue

CITY: Auburn STATE: NY ZIP: 13021

TELEPHONE NO: 315-253-5381 FAX NO: \_\_\_\_\_ E-MAIL ADDRESS: \_\_\_\_\_

**NOTE: PLEASE READ THE INSTRUCTIONS ON PAGE 2 HEREOF BEFORE FILLING OUT THE REST OF THIS APPLICATION.**

I. **INFORMATION CONCERNING THE PROPOSED OCCUPANT OF THE PROJECT (HEREINAFTER REFERRED TO AS THE "COMPANY").**

A. **Identity of Company.**

1. Company Name: Logan Street, LLC

Present Address: 282 State Street

City: Auburn State: NY Zip: 13021

Employer's Federal ID No.: 20-3485277 NAICS Code No.: 531110

2. If the Company differs from the Applicant, give details of relationship:

N/A

3. Indicate the type of business organization of Company:

a.  Corporation. If so, incorporated in what country? \_\_\_\_\_; What State? \_\_\_\_\_; Date Incorporated \_\_\_\_\_; Type of Corporation? \_\_\_\_\_; Authorized to do business in New York?  Yes  No; Date so authorized \_\_\_\_\_.

b.  Limited Liability Company. If so, State of organization? New York; Date Organized 9/16/05; Authorized to do business in New York? \_\_\_\_\_; Date so authorized N/A Number of members One.

c.  Partnership. If so, indicate type of partnership \_\_\_\_\_; Number of general partners \_\_\_\_\_; Number of limited partners \_\_\_\_\_.

d.  Sole proprietorship.

e.  Other. Please explain \_\_\_\_\_

4. Is the Company a subsidiary or direct or indirect affiliate of any other organization(s)? If so, indicate name of related organization(s) and relationship: N/A

5. Is the Applicant a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code?  Yes;  No. If yes, please attach the Applicant's Determination Letter from the Internal Revenue Service with respect to such status. Has the Applicant received any notice indicating that its exempt status is under investigation or subject to revocation?  Yes;  No. If yes, please explain and attach relevant correspondence.

N/A

B. Management of Company.

1. List all owners, officers, directors, managers and partners (complete all columns for each person):

<i>NAME</i>	<i>HOME ADDRESS</i>	<i>OFFICE HELD</i>	<i>OTHER PRINCIPAL BUSINESS AFFILIATIONS</i>
Matteo Bartolotta	7353 State Street Rd., Auburn, NY	Member	Bartolotta Furniture; R&M Associates

2. Is the Company or management of the Company now a plaintiff or a defendant in any civil or criminal litigation?  Yes; (x) No.
3. Has any person listed above ever been convicted of a criminal offense (other than a minor traffic violation?)  Yes; (x) No.
4. Has any person listed above or any concern with whom such person has been connected ever been in receivership or been adjudicated a bankrupt?  Yes; (x) No.
5. If the answer to any of questions 2 through 4 is yes, please furnish details in a separate attachment.

C. Principal Owners of Company.

1. Is the Company publicly held?  Yes; (x) No. If yes, please list exchanges where stock of the Company is traded: N/A
2. If "No", list all stockholders having a 5% or more interest in the Company:

<i>NAME</i>	<i>HOME ADDRESS</i>	<i>PERCENTAGE OF HOLDING</i>
Matteo Bartolotta	7353 State Street Rd., Auburn, NY	100%

D. Company's principal bank(s): Five-Star Bank; First Niagara Bank  
\_\_\_\_\_  
\_\_\_\_\_

E. Absence of Conflicts of Interest. The Applicant has received from the Authority a list of the members, officers and employees of the Authority. No member, officer or employee of the Authority has an interest, whether direct or indirect, in any transaction contemplated by this application, except as hereinafter described:  
N/A  
\_\_\_\_\_  
\_\_\_\_\_

II. **INFORMATION CONCERNING PERSON(S) TO WHOM THE COMPANY INTENDS TO LEASE OR SUBLEASE THE PROJECT (HEREINAFTER REFERRED TO AS THE "SUBLESSEES").** Please give the following information with respect to each Lessee or Sublessee to whom the Company intends to lease or sublease more than 10% (by area or fair market rental value) of the Project:

A. Sublessee Name: N/A  
Present Address: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_  
Employer's Federal ID No.: \_\_\_\_\_ NAICS Code No.: \_\_\_\_\_  
Sublessee is:  Corporation;  Limited Liability Company;  Partnership;  
 Sole Proprietorship  
Relationship to Company: \_\_\_\_\_  
Percentage of Project to be leased or subleased: \_\_\_\_\_  
Use of Project intended by Sublessee: \_\_\_\_\_  
Date of lease or sublease to Sublessee: \_\_\_\_\_  
Term of lease or sublease to Sublessee: \_\_\_\_\_  
Will any portion of the space leased by this Sublessee be primarily used in making retail sales of goods or services to customers who personally visit the Project?  Yes;  No. If yes, please provide on a separate attachment (a) detail and (b) the answers to questions III(F)(4) through (6) with respect to each Sublessee.

B. Sublessee Name: N/A  
Present Address: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Employer's Federal ID No.: \_\_\_\_\_ NAICS Code No.: \_\_\_\_\_

Sublessee is:  Corporation;  Limited Liability Company;  Partnership;  
 Sole Proprietorship

Relationship to Company: \_\_\_\_\_

Percentage of Project to be leased or subleased: \_\_\_\_\_

Use of Project intended by Sublessee: \_\_\_\_\_

Date of lease or sublease to Sublessee: \_\_\_\_\_

Term of lease or sublease to Sublessee: \_\_\_\_\_

Will any portion of the space leased by this Sublessee be primarily used in making retail sales of goods or services to customers who personally visit the Project?  Yes;  No. If yes, please provide on a separate attachment (a) detail and (b) the answers to questions III(F)(4) through (6) with respect to each Sublessee.

C. Sublessee Name: \_\_\_\_\_ N/A

Present  
Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Employer's Federal ID No.: \_\_\_\_\_ NAICS Code No.: \_\_\_\_\_

Sublessee is:  Corporation;  Limited Liability Company;  Partnership;  
 Sole Proprietorship

Relationship to Company: \_\_\_\_\_

Percentage of Project to be leased or subleased: \_\_\_\_\_

Use of Project intended by Sublessee: \_\_\_\_\_

Date of lease or sublease to Sublessee: \_\_\_\_\_

Term of lease or sublease to Sublessee: \_\_\_\_\_

Will any portion of the space leased by this Sublessee be primarily used in making retail sales of goods or services to customers who personally visit the Project?  Yes;  No. If yes, please provide on a separate attachment (a) detail and (b) the answers to questions III(F)(4) through (6) with respect to each Sublessee.

III. DATA REGARDING PROPOSED PROJECT.

A. Description of the Project. (Please provide a brief narrative description of the Project.)  
See Exhibit 2

B. Location of the Project.

1. Street Address: 9-11 Logan Street
2. City: Auburn
3. Town: N/A
4. Village: N/A
5. School District: Auburn
6. Fire District: Auburn
7. County: Cayuga
8. Property Tax Identification No.: 116.61-1-31

C. Description of the Project site.

1. Approximate size (in acres or square feet) of the Project site: 1.5 acres (est). Is a map, survey or sketch of the Project site attached?  Yes;  No. (See Exhibit 3)
2. Are there existing buildings on the Project site?  Yes;  No.

a. If yes, indicate the number of buildings on the site: two (2). Also, please briefly identify each existing building and indicate the approximate size (in square feet) of each such existing building:

9 Logan St is a two story building consisting of approximately 10,000 sqft.  
11 Logan is a three story building consisting of approximately 32,000 sqft.

b. Are the existing buildings in operation?  Yes;  No. If yes, describe present use of such buildings: N/A

c. Are the existing buildings abandoned?  Yes;  No. About to be abandoned?  Yes;  No. If yes, describe: The structures are vacant and unproductive

d. Attach photograph of present buildings. (See Exhibit 4)

3. Utilities serving the Project site:

Water-Municipal: Yes  
Other (describe): N/A  
Sewer-Municipal: Yes  
Other (describe): N/A  
Electric-Utility: NYSEG  
Other (describe): N/A  
Heat - Utility: NYSEG  
Other (describe): N/A

4. Present legal owner of the Project site: Logan Street, LLC
- a. If the Company (or any Sublessee) owns the Project site, indicate date of purchase: 11/9/05; purchase price: \$ 140,000.
- b. If the Company does not own the Project site, does the Company (or any Sublessee) have an option signed with the owner(s) to purchase the Project site?  Yes;  No. If yes, indicate date option signed with the owner(s): N/A; date the option expires: N/A.
- c. If the Company (or any Sublessee) does not own the Project site, is there a relationship legally or by common control between the Company (or any Sublessee) and the present owner(s) of the Project site?  Yes;  No. If yes, describe in detail on separate attachment. N/A
5. a. Zoning District in which the Project is located: R-2A Overlay Zone
- b. Are there any variances or special permits affecting the Project site?  Yes;  No. If yes, list below and attach copies of all such variances or special permits: N/A
6. Will any portion of the Project be located outside the geographical boundaries of the City of Auburn?  Yes;  No. If yes, what other municipality is the Project partially located in? N/A. Is the portion of the Project located outside the City of Auburn contiguous with the portion of the Project inside the City of Auburn?  Yes;  No.

D. Description of Proposed Construction.

1. Does part of the Project consist of the acquisition or construction of a new building or buildings?  Yes;  No. If yes, indicate number and size of new buildings: N/A
2. Does part of the Project consist of additions and/or renovations to the existing buildings located on the Project site?  Yes;  No. If yes, indicate the buildings to be expanded or renovated, the size of any expansions and the nature of expansion and/or renovation: Both structures will be completely renovated and rehabilitated into 35 residential loft apartments and townhouses
3. Describe the principal uses to be made by the Company of the building or buildings to be acquired, constructed, renovated or expanded: residential loft apartments and townhouses

E. Description of the Equipment.

1. Does a part of the Project consist of the acquisition or installation of machinery, equipment or other personal property (the "Equipment")?  Yes;  No. If yes, describe the Equipment: N/A  
\_\_\_\_\_  
\_\_\_\_\_
2. With respect to the Equipment to be acquired, will any of the Equipment be Equipment which has previously been used?  Yes;  No. If yes, please provide detail:  
N/A  
\_\_\_\_\_  
\_\_\_\_\_
3. Describe the principal uses to be made by the Company of the Equipment to be acquired or installed: N/A  
\_\_\_\_\_  
\_\_\_\_\_

F. Project Use.

1. What are the principal products to be produced at the Project? 35 residential loft apartments and townhouses  
\_\_\_\_\_  
\_\_\_\_\_
2. What are the principal activities to be conducted at the Project? Leasing of residential loft apartments and townhouses  
\_\_\_\_\_  
\_\_\_\_\_
3. Does the Project include facilities or property that are primarily used in making retail sales of goods or services to customers who personally visit such facilities?  Yes;  No. If yes, please provide detail: N/A  
\_\_\_\_\_  
\_\_\_\_\_
4. If the answer to question 3 is yes, what percentage of the cost of the Project will be expended on such facilities or property primarily used in making retail sales of goods or services to customers who personally visit the Project? N/A %.
5. If the answer to question 3 is yes, and the answer to question 4 is more than 33.33%, indicate whether any of the following apply to the Project:
  - a. Will the Project be operated by a not-for-profit corporation?  Yes;  No. If yes, please explain: N/A  
\_\_\_\_\_  
\_\_\_\_\_



b. Is the Project likely to attract a significant number of visitors from outside the counties of Cayuga, Onondaga, Madison, Cortland and Oswego?  Yes; (x) No. If yes, please explain: N/A

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

c. Would the Project occupant, but for the contemplated financial assistance from the Authority, locate the related jobs outside the State of New York?  Yes;  No. If yes, please explain: N/A

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

d. Is the predominant purpose of the Project to make available goods or services which would not, but for the Project, be reasonably accessible to the residents of the City of Auburn; because of a lack of reasonably accessible retail trade facilities offering such goods or services?  Yes;  No. If yes, please provide detail: N/A

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

e. Will the Project be located in one of the following: (i) the City of New York; (ii) an area designed as an economic development zone pursuant to Article 18-B of the General Municipal Law; or (iii) a census tract or block numbering area (or census tract or block numbering area contiguous thereto) which, according to the most recent census data, has (x) a poverty rate of at least 20% for the year in which the data relates, or at least 20% of households receiving public assistance, and (y) an unemployment rate of at least 1.25 times the statewide unemployment rate for the year to which the data relates?  Yes;  No. If yes, please explain:

N/A  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

6. If the answers to any of subparagraphs c. through e. of question 5 is yes, will the Project preserve permanent, private sector jobs or increase the overall number of permanent, private sector jobs in the State of New York?  Yes;  No. If yes, please explain:

N/A  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

7. Will the completion of the Project result in the removal of a plant or facility of the Company or another proposed occupant of the Project (a "Project Occupant") from one area of the State of New York to another area of the State of New York?  Yes; (x) No. If yes, please explain: N/A

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

8. Will the completion of the Project result in abandonment of one or more plants or facilities of the Company located in the State of New York?  Yes; (x) No. If yes, please provide detail: N/A

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

9. If the answer to either question 7 or 8 is yes, indicate whether any of the following apply to the Project:

a. Is the Project reasonably necessary to preserve the competitive position of the Company or such Project Occupant in its industry?  Yes;  No. If yes, please provide detail: N/A

\_\_\_\_\_

b. Is the Project reasonably necessary to discourage the Company or such Project Occupant from removing such other plant or facility to a location outside the State of New York?  Yes;  No. If yes, please provide detail: N/A

\_\_\_\_\_

G. Project Status.

1. If the Project includes the acquisition of any land or buildings, have any steps been taken toward acquiring same? (x) Yes;  No. If yes, please discuss in detail the approximate stage of such acquisition: The applicant currently owns the project site

\_\_\_\_\_  
\_\_\_\_\_

2. If the Project includes the acquisition of any Equipment, have any steps been taken toward acquiring same? (x) Yes;  No. If yes, please discuss in detail the approximate stage of such acquisition: N/A

\_\_\_\_\_  
\_\_\_\_\_

3. If the Project involves the construction or reconstruction of any building or other improvement, has construction work on any such building or improvement begun?  Yes; (x) No. If yes, please discuss in detail the approximate extent of construction and the extent of completion. Indicate in your answer whether specific steps have been completed, such as site clearance and preparation, completion of foundations, installation of footings, etc.: General clearing and debris removal is in process

\_\_\_\_\_

4. Please indicate amount of funds expended on the Project by the Company in the past three (3) years and the purposes of such expenditures: Funds have been expended for the purchase of the property; general debris removal; and general maintenance and repairs of the structures. Funds have also been expended for architectural design of the proposed redevelopment, legal and consultant costs.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

H. Method of Construction After Authority Approval. If the Authority approves the Project, there are two methods that may be used to construct the Project. The Applicant can construct the Project privately and sell the Project to the Authority upon completion. Alternatively, the Applicant can request to be appointed as "agent" of the Authority for purposes of constructing the Project, which request, if approved, will result in the Applicant constructing the Project as "agent" of the Authority, in which case certain laws applicable to public construction will apply to the Project. Does the Applicant anticipate that in the future the Company may wish to request being designated as "agent" of the Authority for purposes of construction of the Project?  Yes;  No.

IV. EMPLOYMENT IMPACT. Indicate below the number of people presently employed at the Project site and the number that will be employed at the Project site at the end of the first and second years after the Project has been completed. (Do not include construction workers). Also indicate below the number of workers employed at the Project site representing newly created positions as opposed to positions relocated from other project sites of the Applicant.

TYPE OF EMPLOYMENT				
	PROFESSIONAL, MANAGERIAL OR TECHNICAL	SKILLED	UNSKILLED OR SEMI-SKILLED	TOTALS
Present Full Time	0	0	0	0
Present Part Time	0	0	0	0
Present Seasonal	0	0	0	0
First Year Full Time	1		1	2 (est.)
First Year Part Time	0	0	1	1 (est.)
First Year Seasonal	0	0	0	0
Second Year Full Time	1	0	1	2 (est.)
Second Year Part Time	0	0	1	1 (est.)
Second Year Seasonal	0	0	0	0

V. PROJECT COST.

A. State the costs reasonably necessary for the acquisition of the Project site, the construction of the proposed buildings and the acquisition and installation of any machinery and equipment necessary or convenient in connection therewith, including any utilities, access roads or appurtenant facilities, using the following categories:

<u>Description of Cost</u>	<u>Amount</u>
Land	\$ 140,000
Buildings	\$ _____

{H0473877.2}

Machinery and Equipment costs	\$ _____
Utilities, roads and appurtenant costs	\$ _____
Architects and engineering fees	\$ <u>368,449</u>
Costs of financing (legal, financial and printing)	\$ <u>84,154</u>
Construction loan fees and interest	\$ <u>262,500</u>
Other (specify) Construction Costs; Contingency; Carrying Costs During Construction General Contractor/Const. Manager	\$ <u>5,357,573</u>

**TOTAL PROJECT COSTS** \$ 6,212,676 (est.)

- B. Have any of the above expenditures already been made by the Applicant?  Yes;  No. If yes, indicate particulars: The applicant has already purchased the land and incurred expenses for general maintenance and repairs and remove debris from the site. The applicant has also incurred expenses relative to legal, architectural, and other consultant and professional services.
- 
- C. Amount of financial assistance requested: N/A (applicant not seeking bond financing) Dollars; Maturity requested: N/A Years.
- D. Has the Applicant made any arrangements for the marketing or purchase of the proposed bond issue?  Yes;  No. If yes, please explain: N/A (applicant not seeking bond financing)
- 
- E. Does the Applicant intend to designate the bonds as "qualified tax-exempt obligations" within the meaning of Section 265(b) of the Internal Revenue Code?  Yes;  No. If yes, please provide name of financial institution and details of transaction: N/A (applicant not seeking bond financing)
- 
- F. Will the proceeds of the bonds be used to finance or refund any prior industrial development bond or private activity bond issued by the Authority with respect to the Project?  Yes;  No. If yes, please provide details of prior bond issuance: N/A
- 
- G. Will the proceeds of the bonds be used to finance or refund any existing mortgage, loan or other indebtedness with respect to the Applicant or the Project?  Yes;  No. If yes, please provide details of prior obligations: N/A
- 
- H. Does the Applicant, any affiliate of the Applicant, or any user of the Project, currently have outstanding any bonds, notes or other obligations, the interest on which is, or is claimed to be, exempt from federal taxation under Section 103 of the Internal Revenue Code?  Yes;  No. If yes, please provide details: N/A

VI. FINANCIAL ASSISTANCE EXPECTED FROM THE AUTHORITY.

- A. Is the Applicant requesting any real property tax exemption in connection with the Project that would not be available to a project that did not involve the Authority? (x) Yes;  No. If yes, is the real property tax exemption being sought consistent with the Authority's Uniform Tax Exemption Policy?  Yes; (x) No.
- B. Is the Applicant expecting the financing of the Project to be secured by one or more mortgages? (x) Yes;  No. If yes, what is the approximate amount of financing to be secured by the mortgage(s)? approximately \$3,500,000.
- C. Is the Applicant expecting to be appointed agent of the Authority for purposes of avoiding payment of New York State Sales Tax and Compensating Use Taxes? (x) Yes;  No. If yes, what is the approximate amount of purchases which the Applicant expects to be exempt from the New York State Sales and Compensating Use Taxes? \$ Unknown at this time.
- D. What is the estimated value of each type of tax exemption being sought in connection with the Project? Please detail the type of tax exemption and value of each exemption.

1. N.Y.S. Sales and Compensating Use Taxes: \$ 8% tax on all taxable materials, equipment and services in connection with the project.
2. Mortgage Recording Taxes: \$ 1% of the amount mortgaged for the project.
3. Real Property Tax Exemptions: \$ Pursuant to a Payment in Lieu of Taxes
4. Other (please specify):  
\_\_\_\_\_ \$ \_\_\_\_\_  
\_\_\_\_\_ \$ \_\_\_\_\_

- E. Are any of the tax exemptions being sought in connection with the Project inconsistent with the Authority's Uniform Tax Exemption Policy? (x) Yes; ( ) No. If yes, please explain how the request of the Applicant differs from the Authority's Uniform Tax Exemption Policy: The applicant will need to deviate from the Authority's Uniform Tax Exemption Policy in order make the project financeable and to provide for stabilization of the project after construction. The applicant is willing to work with the AIDA to reach a mutually agreeable PILOT.

VII. OTHER GOVERNMENTAL INVOLVEMENT.

- A. Has the Applicant contacted any other governmental agency with regard to the Project? (x) Yes;  No. If yes, indicate the agency and the nature or the inquiry: NYSESDC for the Restore New York Grant; NYSSHPO and National Park Services for Historical Preservation Tax Credits.
- B. Does the Applicant have any agreement to subsequently contract with a municipality for the lease or purchase of all or part of the Project?  Yes; (x) No. If yes, please explain: \_\_\_\_\_

- VIII. **FINANCIAL INFORMATION:** (Please attach the following to the Application):
- A. Certified or reviewed Financial Statements of the Applicant (and of any expected guarantor of the bond issue) for the last three fiscal years. N/A (applicant not seeking bond financing).
  - B. Pro forma balance sheet as of the start of operations at the Project site. (N/A applicant not seeking bond financing)
  - C. Projected profit and loss statements for the first two years of operation at the Project site. (N/A applicant not seeking bond financing)
  - D. Projected quarterly cash flow statement for the Project for the first year of operation at the Project site. (N/A applicant not seeking bond financing)

IX. **HOLD HARMLESS AGREEMENT.** Applicant hereby releases the Authority and the members, officers, servants, agents (other than the Company) and employees thereof from, agrees that the Authority shall not be liable for and agrees to indemnify, defend and hold the Authority harmless from and against any and all liability arising from or expense incurred by the Authority with respect to (i) the Authority's examination and processing of, and action pursuant to or upon, the attached application, regardless of whether or not the application or the Project, the issue of bonds requested therein, or the tax exemptions and other assistance requested therein are favorably acted upon by the Authority, (ii) the Authority's acquisition, construction and/or installation of the Project described therein, (iii) the issue of bonds requested therein or the Project described therein, and (iv) any further action taken by the Authority with respect to the Project; including, without limiting the generality of the foregoing, all causes of action and attorney's fees and any other expenses incurred in defending any suits or actions which may arise as a result of any of the foregoing. If, for any reason, the Applicant fails to conclude or consummate necessary negotiations, or fails, within a reasonable or specified period of time, to take reasonable, proper or requested action, or withdraws, abandons, cancels or neglects the application, or if the Authority or the Applicant are unable to reach final agreement with respect to the Project or to find buyers willing to purchase the total bond issue requested, then, and in that event, upon presentation of an invoice itemizing the same, Applicant shall pay to the Authority, its agents or assigns, all actual costs incurred by the Authority in the processing of the application, including attorney's fees, if any.

X. **VERIFICATION.** The undersigned deposes and says that he/she is the Member of the Applicant; that he/she has read the foregoing application and knows the contents thereof and that the same is true and complete and accurate to the best of his/her knowledge. The undersigned further says that the reason this verification is made by the undersigned and not by the Applicant is because the Applicant is an entity. The grounds of the undersigned's belief relative to all matters in this application which are not stated upon his/her own personal knowledge are investigations which the undersigned has caused to be made concerning the subject matter of this application as well as information acquired by the undersigned in the course of his/her duties as an officer of and from the books and papers of the Applicant.

IN WITNESS WHEREOF, the Applicant has duly executed this application this \_\_\_ day of May, 2008.

LOGAN STREET, LLC  
 (Applicant)  
 By: *Matteo Bartolotta*  
 Name: Matteo Bartolotta  
 Its: Member

Sworn to before me this  
16<sup>th</sup> day of May, 2008.

*Deborah A. Morrell*  
 Notary Public

{H0473877.2} **DEBORAH A. MORRELL**  
 NOTARY PUBLIC, STATE OF NEW YORK  
 QUALIFIED IN CAYUGA COUNTY  
 NO. 4952242  
 MY COMMISSION EXPIRES JUNE 12, 2011