



BCIDA

Broome County Industrial Development Agency P.O. Box 1510, Binghamton, NY 13902-1510

APPLICATION FOR TAX EXEMPTION – LEASE TRANSACTIONS

Date: February 4, 2010

Company Name: Washington Development Associates, LLC

Address: 3101 Shippers Road
Vestal, New York 13850

Contact Person: Marc Newman Telephone: 607-770-1010

List the name and address of the individual or company to appear on the lease

Name: Washington Development Associates, LLC

Address: 3101 Shippers Road
Vestal, New York 13850

BUSINESS INFORMATION

Date Established July 29, 2004

Principal Business Activity Real Estate Development

Number of Present Employees 0 Full-time _____ Part-time _____

Type of Organization: Corporation Public Private Partnership
Sole Proprietorship Other Limited Liability Company

Name of Affiliates and/or Subsidiaries None.

COMPANY OFFICERS			
Name	Office	% Ownership	SS #
Marc Newman	Managing Member	16 2/3%	
Barry Newman	Member	16 2/3%	
David Newman	Member	16 2/3%	
Ronald Akel	Member	16 2/3%	
Ferris Akel	Member	16 2/3%	
George Akel	Member	16 2/3%	

Total amount of tax exempt industrial revenue bonds presently outstanding in the name of the individual(s), company, and any parent, affiliate or subsidiary
Not Applicable.

Legal Counsel
Levene Goudlin & Thompson, LLP Name: Howard M. Rittberg, Esq.
Address: 450 Plaza Drive
Vestal, NY 13850
Phone: 607-763-9200

Accountant
Piaker & Lyons Name: James Lewis
Address: 92 Hawley Street
Binghamton, New York 13902
Phone: 607-729-9373

PROJECT DATA

1. Attach complete narrative description of project including location, proposed product lines and market projections, square feet by usage, type construction, machinery for products, machinery for building, office, parking HVAC, and any items for which bond proceeds will be expended.
See Attached.
2. Attach a photo of the site or existing facility to be improved.
See Attached.
3. Attach copies of preliminary plans or sketches of proposed construction of floor plan of existing facility.
See Attached.
4. Attach environmental assessment form.
See Attached.

5. Are utilities on site or must they be brought in? If so, which ones?
Utilities are available to the site.
6. Who presently is legal owner of building or site? Washington Development Associates, LLC and Newman Development Group of Water Street, LLC
7. Is there an existing or proposed lease for all or a portion of the project?
 Yes No If so, attach copy.
8. Is there a purchase option in force or other legal or common control in the project which is described under the bond proposal? If so, detail on attached sheet. No.
9. If Applicant will not occupy 100% of the building in a real estate related transaction, provide a list of all tenants. Applicant will lease to students.
10. Is owner or tenant(s) responsible for payment of real property taxes?
Owner.

EMPLOYMENT AND TAX INFORMATION

All applicants must answer the following as they pertain to the County in which the project is located. For start up companies or new real estate projects, please provide estimates for #9. If a question is not applicable, answer N/A. **Provide total employment of each tenant in building for multi-tenant properties.**

IF ALL QUESTIONS ARE NOT ANSWERED, THE APPLICATION CAN NOT BE CONSIDERED.

1. Project location (county) Broome
2. Current employment in county 0
3. Projected 1st year new employment in county* 5
4. Projected 3rd year total employment in county* 5
5. Current payroll in county 0
6. Projected 1st year new payroll in county \$180,000.00
7. Projected 3rd year total payroll in county \$191,000.00

*To be employed by Company or Company's Managing Agent.

8. Current annual real property tax payments made within county (include total of taxes paid to County, Town/ Village/City, School District and any Special District Charges or PILOT Payments) \$106,200.00
9. Additional estimated tax payments (for start-ups/new real estate projects only) Unknown.

PROJECT COSTS

1. Give an accurate estimate of cost or value of all items whose title will be transferred to the Broome County IDA.

	Amount
Land & building (current value or cost if new construction)	\$18,797,000.00*
Proposed Additions	\$0
Renovations	\$0
Engineering Fees	\$1,203,100.00
Legal & Financial Charges	\$1,129,000.00
Other (specify)	\$2,870,900.00
TOTAL PROJECT COST (OR VALUE)	\$24,000,000.00
Project related costs subject to sales tax	\$3,730,000.00
Total amount of mortgage(s) currently outstanding on property	\$3,605,000.00
Amount of new mortgage(s) required for project	\$20,395,000.00

* Includes land acquisition, demolition, abatement, off-site work, utilities etc...

2. List Financing Sources

Not yet determined.

3. Is there a commitment for financing? No.

If so, give name, address and copy of commitment, if available.

Name:
Address:
Phone:

PROJECT COSTS

Furniture, Fixtures & Equipment	990,000
Archeological & Environmental	378,000
Property Taxes	215,000
Insurance	120,000
Other Soft Costs	590,600
Utility Company Charges	54,600
Leasing & Marketing	385,700
Municipal Fees	102,000
Property Management	35,000

CERTIFICATION

Marc Newman

(name of managing member of company submitting application) deposes and says that he is the managing member of Washington Development Associates, LLC, the LLC named in the attached application; that he has read the foregoing application and knows the contents thereof; that the same is true to his knowledge.

Deponent further says that the reason for this verification is made by the deponent and not by Washington Development Associates, LLC (company name) is that the said company is an LLC. The grounds of deponent's belief relative to all matters in the said application which are not stated upon his own personal knowledge, are investigation which deponent has caused to be made concerning the subject matter of this application as well as information acquired by deponent in the course of his duties as a managing member of, and from the books and papers of, said LLC.

As a managing member of said LLC (hereinafter referred to as the "applicant") deponent acknowledges and agrees that applicant shall be and is responsible for all costs incurred by the Broome County Industrial Development Agency (hereinafter referred to as the "Agency") in processing the application, in negotiating with the applicant and others, in preparing necessary financing documents, and in taking any other action necessary or appropriate toward the issuance of the lease requested in this application. If, for any reason whatsoever, the applicant fails to conclude or consummate necessary negotiations or fails to act 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 Agency or applicant are unable consummate this transaction and execute the lease, then upon presentation of invoice, applicant shall pay to the Agency, its agents, or assignees all actual costs incurred by the Agency with respect to the application, up to that date and time, including fees of general counsel for the Agency.

An origination fee of \$1,000.00 shall, at the time of the execution of this certification, be payable to Broome County Industrial Development Agency. This origination fee is nonrefundable, regardless of whether the lease hereunder fails to close for reasons beyond either your control or the control of the Broome County Industrial Development Agency.

If the lease transaction hereunder closes, then upon the happening of that event, the \$1,000.00 so paid shall be credited to the agency fee hereinafter referred to.

Upon execution of the lease applied for herein, the applicant agrees to pay the Agency a fee in such amount as shall be set by the Agency, not to exceed an amount equal to 1% of the aggregate cost of the project or value of the assets outlines on page 4 of this application.

The applicant acknowledges that the project must at all times be in compliance with all Federal, State and Local statues, ordinances, rules and regulations including, but not limited to, Immigration and Naturalization Laws, Civil Rights Laws, Occupational Health and Safety Administration(OSHA), NYS Labor Law, Workers Compensation Law, Unemployment Insurance Law, and Disability Benefits Insurance Law.

CERTIFICATION

The applicant will be required to certify to the Agency quarterly, in such manner as the Agency shall in its discretion require, that the project is full compliance with such statutes, ordinances, rules and regulations. An applicant failing to provide proper and accurate certification as required by the Agency shall be subject to termination of benefits received from, by or through the Agency and may, in the Agency's discretion, be required to reimburse the Agency and/or any effected taxing jurisdictions for benefits received including, but not limited to sales and use tax exemptions, mortgage tax exemptions and real property tax abatements.

The Agency believes that public benefits accruing from the Agency's programs and policies should be used to advance the overall employment and economic opportunities within the Broome County and surrounding areas. This policy is best advanced when companies which benefit from the Agency's programs and policies employ New York State residents in general, and Broome County residents in particular, during the construction phase of any Agency sponsored project.

To the extent practicable, the Agency strongly encourages applicants to employ local labor, contractors and suppliers in the development of projects that benefit from the Agency's assistance and to afford local contractors an opportunity to participate in such projects. The term "local," for purposes of this application, shall be defined to include Broome, Tioga, Chenango, Delaware, Cortland and Tompkins counties. The implementation of this policy will best advance the economic interests of the residents of Broome County.



Marc Newman, managing member

Notary

Sworn to before me this 4th day of February, 2010.



(Seal)

HOWARD M. RITBERG
Notary Public, State of New York
No. 4623413
Residing in Broome County
My Commission Expires Aug. 31, 2013

**Broome County Industrial Development Agency
Application for Tax Exemption—Lease Transactions**

College Suites of Binghamton

**PROJECT DATA
Area Map**



**Broome County Industrial Development Agency
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College Suites of Binghamton

**PROJECT DATA
Project Site Location**



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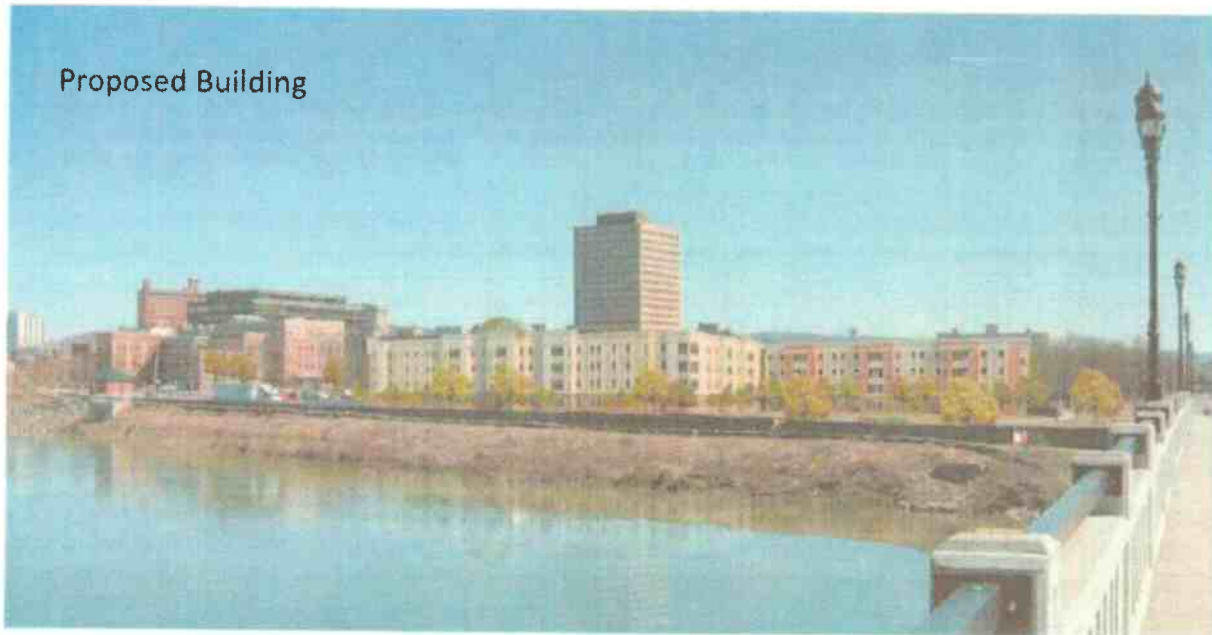
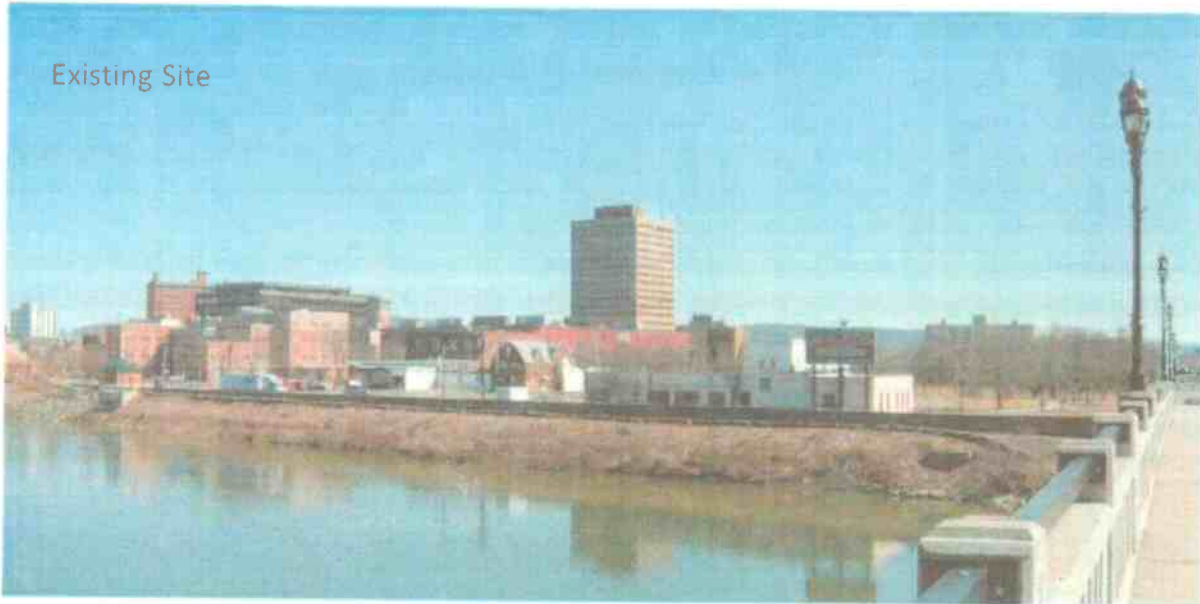
**PROJECT DATA
Site Plan**



College Suites of Binghamton

PROJECT DATA

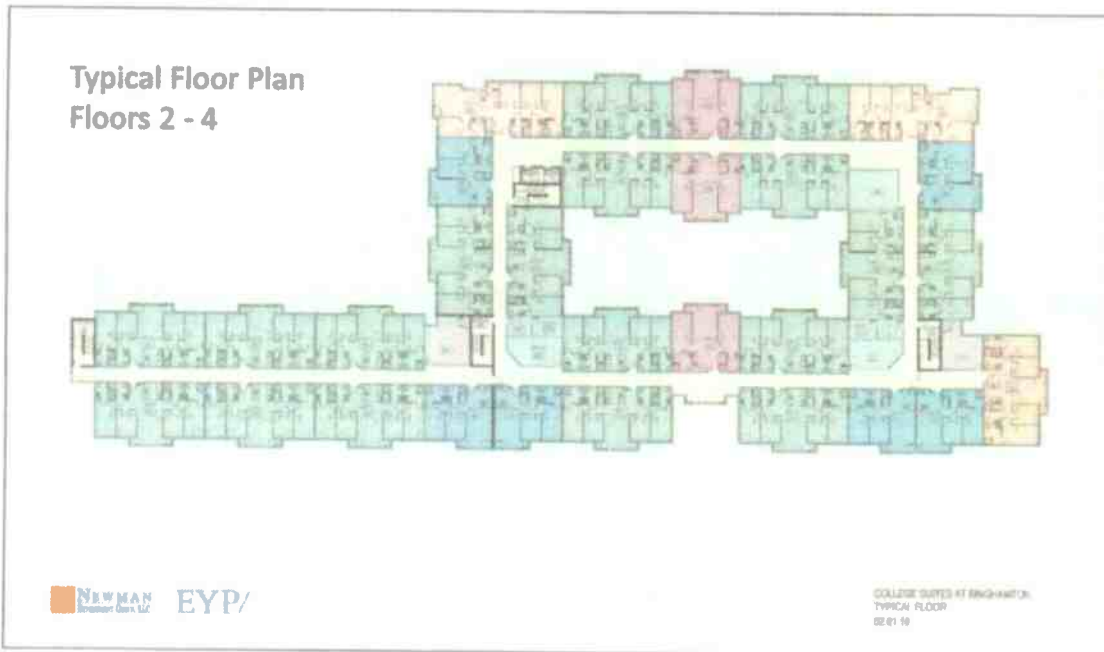
Existing Site and Proposed improvements



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**PROJECT DATA
Building Floor Plans**



EXECUTIVE SUMMARY

INTRODUCTION

In March 2009, Newman Development Group ("Newman") engaged Brailsford & Dunlavey ("B&D") to conduct a market study to determine if sufficient demand exists for developing new student housing. The study examines the downtown area of Binghamton. The purpose of this study is to analyze existing and future conditions with respect to the on- and off-campus markets, quantify demand for the new proposed housing projects, establish unit style preferences, and determine interest in amenities that would attract students to a new complex.

CURRENT SITUATION

In order to assess the market for new housing, it is important to first understand Binghamton University's ("BU") current and future housing plans. At present BU has approximately 6,100 on-campus beds in six residential colleges/communities, offering primarily traditional- and suite-style units. With a total population nearly 15,000 students, the University has capacity to house 52% of all undergraduate students and approximately 41% of all students. BU is in the process of improving and increasing the quantity of on-campus housing, with the replacement of Newing College and Dickinson Community. As the University constructs new housing the current unit mix will change drastically. As it currently stands, there are 40% traditional units, 42% suites, and 18% apartments. By 2013, the unit type mix will change to 12% traditional units, 72% suites and 16% apartments. With the potential increase of students living on campus, the market still remains strong with more than 8,224 students (6,571 full-time, 1,673 part-time) living in the off-campus market. It is also important to reference the downtown campus, home to the College of Community and Public Affairs, situated adjacent to the proposed downtown site. The campus serves approximately 700 undergraduate and graduate students. Although most students take classes at both campuses, there is a population of graduate students who have all their classes exclusively at the downtown location.

SCOPE OF WORK

The scope of work for this project included both qualitative and quantitative analyses of market demand for off-campus housing. B&D initiated the study by meeting with key stakeholders to understand current and future desires with respect to housing. The methodologies employed in this study included the following:

- **Focus group and intercept interviews** were conducted with students to gain qualitative information regarding existing housing issues and preferences to inform the survey;
- **An off-campus market analysis** was completed to assess the competitive environment for potential new housing, with consideration of off-campus housing occupancy rates, facility conditions, amenities, plans for future development, and pricing;

