



APPLICATION FOR TAX EXEMPTION – LEASE TRANSACTIONS

Date: August 7, 2007

Company Name: Scannell Properties #96, LLC

Address: 800 East 96th Street, Suite 175

Indianapolis, IN 46240

Contact Person: James C. Carlino Telephone: 317.843.5107

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

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Indianapolis, IN 46240

BUSINESS INFORMATION

Date Business was established 2007

Principal Business Activity Developer and owner of office, industrial, and retail facilities

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

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

Name of Affiliates and/or Subsidiaries N/A

COMPANY OFFICERS			
Name	Office	% Ownership	SS #
Robert J. Scannell	Indianapolis, IN	87.5%	Confidential
Douglas L. Snyder	Indianapolis, IN	7.5%	Confidential
James C. Carlino	Indianapolis, IN	5.0%	Confidential

Total amount of tax exempt industrial revenue bonds presently outstanding in the name of the individual(s), company, and any parent, affiliate or subsidiary

N/A

Legal Counsel
Name: Howard M. Rittberg
Address: Levene Gouldin & Thompson
71 State Street, Binghamton, NY 13901
Phone: (607) 763-9200

Accountant
Name: Mark Bernstein
Address: Katz Sapper & Miller
800 East 96 th Street, Suite 500 Indianapolis, Indiana 46240
Phone: (317) 580-2000

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 Exhibit A
2. Attach a photo of the site or existing facility to be improved. See Exhibit B
3. Attach copies of preliminary plans or sketches of proposed construction of floor plan of existing facility. See Exhibit C
4. Attach environmental assessment form. See Exhibit D
5. Are utilities on site or must they be brought in? If so, which ones?
All utilities are on site
6. Who presently is legal owner of building or site? Broome County Industrial Development Agency

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. FedEx Ground Package System, Inc. ("FedEx Ground") would be the only tenant
10. Is owner or tenant(s) responsible for payment of real property taxes?
Tenant

EMPLOYMENT AND TAX INFORMATION¹

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) 299 Broome Corporate Parkway, Town of Conklin, Broome County, New York (Parcel #194.11-1-21.1)
2. Current employment in county 7 full-time employees and 27 part-time employees (plus, 35 full-time independent contractors)
3. Projected 1st year new employment in county 2 full-time employee positions and 16 part-time employee positions (plus, 2 full-time independent contractor positions)
4. Projected 3rd year total employment in county 11 full-time employee positions and 49 part-time employee positions (plus, 42 full-time independent contractor positions)
5. Current payroll in county \$725,000 (plus, independent contractor compensation of \$2,465,000)

¹Employment, payroll, and tax information is for FedEx Ground.

6. Projected 1st year new payroll in county \$87,000 (plus, independent contractor compensation of \$250,000)
7. Projected 3rd year total payroll in county \$1,025,000 (plus, independent contractor compensation of \$3,320,000)
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) \$27,559
9. Additional estimated tax payments (for start-ups/new real estate projects only) To Be Determined

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)	\$5,830,000
Proposed Additions	\$0
Renovations	\$0
Engineering Fees	\$0
Legal & Financial Charges	\$0
Other (specify) – Soft Costs (Building Construction)	\$ 960,000
Material Handling Equipment ²	\$1,170,000
TOTAL PROJECT COST (OR VALUE)	\$7,960,000
Project related costs subject to sales tax (estimate) ³	\$2,235,000
Total amount of mortgage(s) currently outstanding on property	To Be Determined
Amount of new mortgage(s) required for project	To Be Determined

2. List Financing Sources

FedEx Ground – Equity
Scannell Properties – Equity and Borrowed Funds

3. Is there a commitment for financing? No

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

Name: To be Provided by Scannell, if necessary
Address:
Phone:

²Represents FedEx Ground's direct investment in new material handling equipment.

³Includes \$1,100,000 for building construction and \$1,135,000 for FedEx Ground's equipment.

CERTIFICATION

James C. Carlino deposes and says that he is the Manager of Scannell Properties #96, LLC, the limited liability company 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 Scannell Properties #96, LLC is that the said company is a limited liability company. 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 an officer of, and from the books and papers of, said limited liability company.

As an officer of said limited liability company (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 has been paid to the Broome County Industrial Development Agency in conjunction with the submittal of FedEx Ground Package System, Inc.'s preliminary application for the proposed lease transaction on July 20, 2007. 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.

CERTIFICATION

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 outlined on page 4 of this application.



Officer of Company Submitting

Notary

Sworn to before me this 14th day of August, 2007.



(Seal)

STATE OF INDIANA
Notary Seal
Cheryl L. Saalfrank, Notary Public
Hamilton County
My Commission Expires March 30, 2015
Member, Indiana Association of Notaries