

TOWN OF GUILDERLAND INDUSTRIAL DEVELOPMENT AGENCY

APPLICATION FOR SALE/LEASEBACK TRANSACTION

200
15/9/2015

IMPORTANT NOTICE: The answers to the questions contained in this application are necessary to determine your firm's eligibility for tax exemptions and other assistance from Town of Guilderland Industrial Development Agency. 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 Agency.

TO: TOWN OF GUILDERLAND INDUSTRIAL DEVELOPMENT AGENCY

**Guilderland Town Hall
Western Avenue, Route 20
P.O. Box 339**

**Guilderland, New York 12084
Attention: Chairman**

This application by applicant respectfully states: APPLICANT: NORTHEASTERN IP HOLDINGS, INC.

APPLICANT'S STREET ADDRESS: 695 Rotterdam Industrial Park, Schenectady, New York 12306 **PHONE NO.: 518-356-4445**

NAME OF PERSON(S) AUTHORIZED TO SPEAK FOR APPLICANT WITH RESPECT TO THIS APPLICATION: David Ahl, VP Industrial Parks Division
IF APPLICANT IS REPRESENTED BY AN ATTORNEY, COMPLETE THE FOLLOWING:

NAME OF FIRM:

NAME OF ATTORNEY: Steven K. Porter, Esq.

ATTORNEY'S STREET ADDRESS: 695 Rotterdam Industrial Park, Schenectady, New York 122306

PHONE NO.: 518-356-4445 ext. 111

NOTE: PLEASE READ THE INSTRUCTIONS ON PAGE 2 BEFORE FILLING OUT THIS APPLICATION.

INSTRUCTIONS

1. The Agency will not approve any application unless, in the judgment of the Agency, said application contains sufficient information upon which to base a decision whether to approve or tentatively approve an action.
2. Fill in all blanks, using "none" or "not applicable" or "N/A" where the question is not appropriate to the project which is the subject of this application (the "Project").
3. If an estimate is given as the answer to a question, put "(est)" after the figure or answer which is estimated.
4. If more space is needed to answer any specific question, attach a separate sheet.
5. When completed, return two (2) copies of this application to the Agency at the address indicated on the first page of this application.
6. The Agency will not give final approval to this application until the Agency receives a completed environmental assessment form concerning the Project which is the subject of this application.
7. Please note that Article 6 of the Public Officers Law declares that all records in the possession of the Agency (with certain limited exceptions) are open to public inspection and copying. If the applicant feels that there are elements of the Project which are in the nature of trade secrets or information, the nature of which is such that if disclosed to the public or otherwise widely disseminated would cause substantial injury to the applicant's competitive position, the applicant may identify such elements in writing and request that such elements be kept confidential in accordance with Article 6 of the Public Officers Law.

8. The applicant will be required to pay to the Agency all actual costs incurred in connection with this application and the Project contemplated herein. The applicant will also be expected to pay all costs incurred by general counsel and special counsel to the Agency.
9. The Agency has established an application fee of Two Hundred Fifty Dollars (\$250) to cover the anticipated costs of the Agency in processing this application. A check or money order made payable to the Agency must accompany each application. **THIS APPLICATION WILL NOT BE ACCEPTED BY THE AGENCY UNLESS ACCOMPANIED BY THE APPLICATION FEE.**
10. The Agency has established a project fee for each project in which the Agency participates. **UNLESS THE AGENCY AGREES IN WRITING TO THE CONTRARY, THIS PROJECT FEE IS REQUIRED TO BE PAID BY THE APPLICANT AT OR PRIOR TO THE GRANTING OF ANY FINANCIAL ASSISTANCE BY THE AGENCY.**

FOR AGENCY USE ONLY

1. Project Number	
2. Date application Received by Agency	, 20 ____
3. Date application referred to attorney for review	, 20 ____
4. Date copy of application mailed to members	, 20 ____
5. Date notice of Agency meeting on application posted	, 20 ____
6. Date notice of Agency meeting on application mailed	, 20 ____
7. Date of Agency meeting on application	, 20 ____
8. Date Agency conditionally approved application	, 20 ____
9. Date scheduled for public hearing	, 20 ____
10. Date Environmental Assessment Form ("EAF") received	, 20 ____
11. Date Agency completed environmental review	, 20 ____
12. Date of final approval of application	, 20 ____

Northeastern IP Holdings, Inc. - 009

Check Number: 1300900049

Check Date: 07/18/2013

Check Amount: \$250.00

Remit To

600146

Town of Guilderland I.D.A.

Date	Vendor Reference #	Remarks	Invoice Total	Discount	Net Amount Paid
07/18/2013	IDA app NIP bldg 13		\$250.00	\$.00	\$250.00

File Copy

Check Total \$250.00

Northeastern IP Holdings, Inc. - 009

195 Rotterdam Industrial Park
Albany NY 12206
JSA

Bank of America-Disb
625 8th Ave
New York, NY 10018

52-153/112

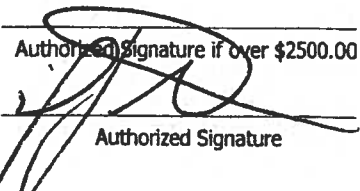
1300900049

CHECK DATE 07/18/2013

PAY
Two hundred and fifty Dollars and 00 /100 Cents*****

AMOUNT \$250.00

TO THE
ORDER
OF **Town of Guilderland I.D.A.**

Authorized Signature if over \$2500.00

Authorized Signature

I. INFORMATION CONCERNING THE PROPOSED OCCUPANT OF THE PROJECT (HEREINAFTER, THE "COMPANY").

A. Identity of Company:

1. Company Name: **Distribution Unlimited, Inc.**

Present Address: **695 Rotterdam Industrial Park, Schenectady, New York**

Zip Code: **12306**

Employer's ID No.: **16-0975242**

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

3. Indicate type of business organization of Company: **Logistics and Warehousing**

a. Corporation. If so, incorporated in what country **United States**; What State? **New York**; Date Incorporated **9/22/69**; Type of Corporation? ~~Domestic General Business, Authorized to do business in New York?~~ Yes **X**; No .

b. Partnership. If so, indicate type of partnership _____; Number of general partners _____; Number of limited partners _____.

c. Limited liability company. If so, formed in what State? _____ Date formed: _____; Authorized to do business in New York State? Yes ; No

d. Sole proprietorship.

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: **Company is owned 100% by Rotterdam Ventures, Inc. whose sole shareholder is also the majority shareholder of the Applicant's sole shareholder, Northeastern Industrial Park, Inc.**

B. Management of Company:

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

NAME AND HOME ADDRESS	OFFICE HELD	OTHER PRINCIPAL BUSINESS
Francesco Galesi	Chairman, Director	Owner of numerous private companies
David M. Buicko	President, Director	
Gerald J. Hennigan	Vice President	
Michael J. McDermott	Vice President	
David W. Ahl	Vice President	

2. Is the Company or management of the Company now a plaintiff or a defendant in any civil or criminal litigation? Yes ____; No X.
3. Has any person listed above ever been convicted of a criminal offense (other than a minor traffic violation)? Yes ____; No X.
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 ____; No X.
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 Company publicly held? Yes ____; No: X. If yes, please list exchanges where stock traded: _____

2. If no, list all stockholders having a 5% or more interest in the Company:

1

NAME	ADDRESS	PERCENTAGE OF HOLDING
Rotterdam Ventures, Inc.	695 Rotterdam Ind. Park Schenectady, NY 12306	100%

D. Company's principal bank(s) of account:

**Bank of America, Att: Lori Powel
345 Princetown Road,
Schenectady, NY 12306
518-344-5080**

II. DATA REGARDING PROPOSED PROJECT.

- A. Description of the Project: (Please provide a brief narrative description of the Project.)

The Project shall entail the construction of a 97,500 sf warehouse with approximate dimensions of 150' x 650' to be used for logistic services by the Company. The new building will be constructed adjacent to a rail spur, and therefore, will primarily handle rail freight.

B. Location of the Project:

1. Street Address: **Northeastern Industrial Park- Intersection of 3rd St and Avenue A**
2. City of _____
3. Town of **Guilderland** _____
4. Village of: **Guilderland Center** _____
5. County of **Albany**

C. Description of the Project site:

1. Approximate size (in acres or square feet) of the Project site: **6.94 Acres** _____. Is a map, survey or sketch of the Project site attached? Yes **X**; No ____.

2. Are there existing buildings on the Project site? Yes ____; No: **X**.

a. If yes, indicate the number of buildings on the site: Also, please briefly identify each existing building and indicate the approximate size (in square feet) of each such existing building: **NOTE: Proposed development site is vacant land located within the Northeastern Industrial Park which consists of over 3 million square feet of industrial buildings of varying sizes.**

b. Are the existing buildings in operation? Yes **X**; No _____. If yes, describe present use of present buildings: **Various warehousing, office, and production facilities**

c. Are the existing buildings abandoned? Yes ____; No: **X**. About to be abandoned? Yes ____; No **X**. If yes, describe: _____

d. Attach photograph of present buildings. (**Aerial Attached**)

3. Utilities serving the Project site:

Water-Municipal: **Private Infrastructure supplied by the Town of Guilderland**
Other (describe) _____

Sewer-Municipal: **Private Infrastructure supplied by the Town of Guilderland**
Other (describe) _____

Electric-Utility: **National Grid**
Other (describe) _____

Heat-Utility: **National Grid**
Other (describe) _____

4. Present legal owner of the Project site: **Northeastern IP Holdings, Inc. -Applicant**

- a. If the Company owns the Project site, indicate date of purchase: **9/30/02**, purchase price: **\$ N/A. Applicant owns project site; Company will be project site operator.**
- b. If Company does not own the Project site, does Company have an option signed with the owner to purchase the Project site? Yes ___; No **X**. If yes, indicate date option signed with the owner: _____, 20___; and the date the option expires: _____, 20__.
- c. If the Company does not own the Project site, is there a relationship legally or by common control between the Company and the present owner of the Project site? Yes **X**; No ___. If yes, describe; **affiliate** _____
-

5. a. Zoning District in which the Project site is located: **Industrial**

- b. Are there any variances or special permits affecting the Project site? Yes ___; No **X**. If yes, list below and attach copies of all such variances or special permits:
-
-
-
-

D. Description of Proposed Construction:

1. Does part of the Project consist of the acquisition or construction of a new building or buildings? Yes **X**; No ___. If yes, indicate number and size of new buildings: **the construction of a 97,500 square foot warehouse, with approximate dimensions of 150' x 650'.**
-
-
2. Does part of the Project consist of additions and/or renovations to existing buildings located on the Project site? Yes ___; No **X**. If yes, indicate the buildings to be expanded or renovated, the size of any expansions and the nature of expansion and/or renovation
-
-
3. Describe the principal uses to be made by the Company of the building or buildings to be acquired, constructed or expanded: **Logistics warehousing**
Company will use as third party logistics center for non-hazardous consumer/general commodities.
-
-

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 **X**. 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 **X**. If yes, please provided detail:

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? **None**

2. What are the principal activities to be conducted at the Project? **Warehousing of non- hazardous consumer / general commodities (lumber, canned food items, paper products, etc.**

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 X. If yes, please provide detail:

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: N/A

a. Will the Project be operated by a not-for-profit corporation? Yes ___; No X. If yes, please explain: _____

b. Is the Project likely to attract a significant number of visitors from outside the economic development region in which the Project will be located? Yes X; No ___. If yes, please explain: **Company will use the new facility as a showcase to attract new business from other geographic regions outside of New York State**

c. Would the Project occupant, but for the contemplated financial assistance from the Agency, locate the related jobs outside the State of New York? Yes ___; No X. If yes, please explain: **Project would be financially infeasible but for the contemplated financial assistance from the Agency.**

d. Is the predominant purpose of the Project to make available goods or services which would not, but for the Project, be reasonable accessible to the residents of the city, town or village within which the Project will be located, because of a lack of reasonably accessible retail trade facilities offering such goods or services? Yes ___; No X. If yes, please provide detail: _____

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: X If yes, please explain:

6. If the answers to any of subdivisions 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 X ; 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 ____; No X . If yes, please explain: _____

8. Will the completion of the Project result in the abandonment of one or more plants or facilities of the Company located in the State of New York? Yes ____; No X . If yes, please provide detail: _____

9. If the answer to either question 7 or question 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 X ; No _____. If yes, please provide detail: 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: X _____. **If yes, please provide detail: Company has reached its capacity of available warehouse space needed to expand operations and therefore needs to occupy new space in New York State**

10. Will the Project be owned by a not-for-profit corporation? Yes ___; No X. If yes, please provide detail: N/A _____

11. If the answer to question 10 is yes, indicate whether any of the following apply to the Project: N/A

a. Is the Project a housing facility primarily designed to be occupied by individuals 60 years of age or older? Yes ___; No X. If yes, please explain: _____

b. Is the Project a dormitory for an educational institution? Yes ___; No X. If yes, please explain: _____

c. Is the Project a facility as defined in Article 28 of the Public Health Law? Yes ___; No X. If yes, please explain: _____

12. If the answer to any of the questions contained in question 11 is yes, indicate whether the cost of the Project will exceed \$20 million. Yes ___; No ___. If yes, please provide detail: _____
N / A

13. Will the Project be sold or leased to a municipality? Yes X; No ___. If yes, please provide detail: **Lease Leaseback with the Guilderland Industrial Development Agency.**

G. Project Status:

1. If the Project includes the acquisition of any land or buildings, have any steps been taken toward acquiring same? Yes ___; **No X**. If yes, please discuss in detail the approximate stage of such acquisition: **Not applicable.**

2. If the Project includes the acquisition of any Equipment, have any steps been taken toward acquiring same? Yes ___; No ___. If yes, please discuss in detail the approximate stage of such acquisition: **Not applicable.**

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 ___; No **X**. If yes, please discuss in detail the approximate extent of construction and the extent of completion. Indicate in your answer whether such specific steps have been completed as site clearance and preparation; completion of foundations; installation of footings; etc.: **Not applicable.**

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: **Not applicable.**

III. INFORMATION CONCERNING LEASES OR SUBLEASES OF THE PROJECT. (PLEASE COMPLETE THE FOLLOWING SECTION IF THE COMPANY INTENDS TO LEASE OR SUBLEASE ANY PORTION OF THE PROJECT).

- A. Does the Company intend to lease or sublease more than 10% (by area or fair market value) of the Project? Yes ___; No **X**. If yes, please complete the following for each existing or proposed tenant or subtenant:

1. Sublessee name: N/A
Present Address: _____
City: _____ State: _____ Zip: _____
Employer's ID No.: _____
Sublessee is: _____ Corporation: _____ 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) details and (b) the answers to questions II(F)(4) through (6) with respect to such sublessee.

2. Sublessee name: _____
Present Address: _____
City: _____ State: _____ Zip: _____
Employer's ID No.: _____
Sublessee is: _____
_____ Corporation: _____ 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) details and (b) the answers to questions II(F)(4) through (6) with respect to such sublessee.

3. Sublessee name: _____
Present Address: _____
City: _____ State: _____ Zip: _____
Employer's ID No.: _____
Sublessee is: _____ Corporation: _____ 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) details and (b) the answers to questions II(F)(4) through (6) with respect to such sublessee.

B. What percentage of the space intended to be leased or subleased is now subject to a binding written lease or sublease? Not applicable

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 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 OR MANAGERIAL	SKILLED	SEMI-SKILLED	UNSKILLED	TOTALS
Present Full Time	3	-	6	-	9
Present Part Time	-	-	-	-	-
Present Seasonal	-	-	-	-	-
First Year Full Time	4	-	8	-	12
First Year Part Time	-	-	-	-	-
First Year Seasonal	-	-	-	-	-
Second Year Full Time	4	-	10	-	14
Second Year Part Time	-	-	-	-	-
Second Year Seasonal	-	-	-	-	-

V. PROJECT COST.

A. **Anticipated Project Costs.** 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, and including any utilities, access roads or appurtenant facilities, using the following categories:

Description of Cost	Amount
Land	\$300,000.00
Buildings	\$4,762,642.50
Machinery and equipment costs	\$
Utilities, roads and appurtenant costs	\$
Architects and engineering fees	\$53,000.00
Costs of financing	\$108,816.68
Construction loan fees and interest	\$180,850.00
Other (specify)	
Indirect Soft Costs	\$
	\$
	\$
TOTAL PROJECT COSTS	\$5,405,309.18

B. Have any of the above expenditures already been made by the applicant? Yes ___; No X. If yes, indicate particulars. _____

VI. FINANCIAL ASSISTANCE EXPECTED FROM THE AGENCY.

A. Tax Benefits.

1. 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 Agency? Yes X; No ____. If yes, is the real property tax exemption being sought consistent with the Agency's Uniform Tax Exemption Policy? Yes X; No ____.

2. Is the applicant expecting that the financing of the Project will be secured by one or More mortgages? Yes X; No ____.

~~If yes, what is the approximate amount of financing to be secured by mortgages?~~

\$5,500,000.00

3. Is the applicant expecting to be appointed agent of the Agency for purposes of Avoiding payment of N.Y.S. Sales Tax or Compensating Use Tax? Yes X; No ____ . If yes, what is the approximate amount of purchases which the applicant expects to be exempt from? **\$2,387,500**

4. Estimated N.Y.S. Sales and Compensating Use Taxes? **\$240,000**

5. 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.

- a. N.Y.S. Sales and Compensating Use Taxes: **\$191,000**
- b. Mortgage Recording Taxes: **\$68,750**
- c. Real Property Tax Exemptions: **\$290,605**
- d. Other (please specify): **N/A**

\$550,355

5. Are any of the tax-exemptions being sought in connection with the Project inconsistent with the Agency's Uniform Tax-exemption Policy? Yes ___; No X. If yes, please explain how the request of the applicant differs from the Agency's Uniform Tax-Exemption Policy:

list and detailed description of the benefits of the Agency undertaking the Project (e.g., number of jobs created, types of jobs created, economic development in the area, etc.). Such information should also consist of a list and detailed description of the costs of the Agency undertaking the Project (e.g., tax revenues lost, buildings abandoned, etc.).

VII. EPRESENTATIONS BY THE APPLICANT . The applicant understands and agrees with the Agency as follows:

A . Job Listings. In accordance with Section 858-b(2) of the New York General Municipal Law, the applicant understands and agrees that, if the Project receives any Financial Assistance from the Agency, except as otherwise provided by collective bargaining agreements, new employment opportunities created as a result of the Project will be listed with the New York State Department of Labor Community Services Division (the "DOL") and with the administrative entity (collectively with the DOL, the "JTPA Entities") of the service delivery area created by the federal job training partnership act (Public Law 97-300) ("JTPA") in which the Project is located.

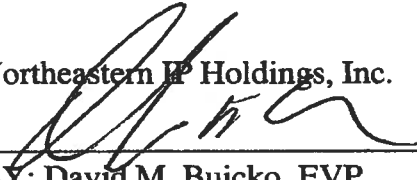
B. First Consideration for Employment: In accordance with Section 858-b(2) of the New York General Municipal Law, the applicant understands and agrees that, if the Project receives any Financial Assistance from the Agency, except as otherwise provided by collective bargaining agreements, where practicable, the applicant will first consider persons eligible to participate in JTPA programs who shall be referred by the JTPA Entities for new employment opportunities created as a result of the Project.

C. Annual Sales Tax Filings: In accordance with Section 874(8) of the New York General Municipal Law, the applicant understands and agrees that, if the Project receives any sales tax exemptions as part of the Financial Assistance from the Agency, in accordance with Section 874(8) of the General Municipal Law, the applicant agrees to file, or cause to be filed, with the New York State Tax Department of Taxation and Finance, the annual form prescribed by the Department of Taxation and Finance, describing the value of all sales tax exemptions claimed by the applicant and all consultants or subcontractors retained by the applicant.

D. Annual Employment Reports: The applicant understands and agrees that, if the Project receives any Financial Assistance from the Agency, the applicant agrees to file, or cause to be filed, with the Agency, on an annual basis, reports regarding the number of people employed at the project site.

E. Absence of Conflicts of Interest: The applicant has received from the Agency a list of the members, officers and employees of the Agency. No member, officer or employee of the Agency has an interest, whether direct or indirect, in any transaction contemplated by this Application, except as hereinafter described:

Northeastern IP Holdings, Inc.



BY: David M. Buicko, EVP

NOTE: APPLICANT MUST COMPLETE THE APPROPRIATE VERIFICATION APPEARING ON PAGES 18 THROUGH 21 HEREOF BEFORE A NOTARY PUBLIC AND MUST SIGN AND ACKNOWLEDGE THE HOLD HARMLESS AGREEMENT APPEARING ON PAGE 22.

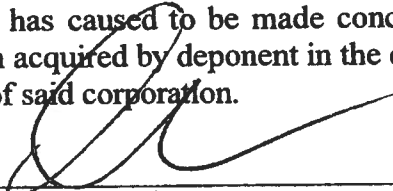
VERIFICATION

(If Applicant is a Corporation)

STATE OF NEW YORK)
) SS.:
COUNTY OF SCHENECTADY)

David M. Buicko deposes and says that he is the
(Name of officer of applicant)
Executive Vice President of Northeastern IP Holdings, Inc.,
(Title) (Company Name)

the corporation named in the attached application; that he 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 knowledge. Deponent further says that the reason this verification is made by the deponent and not by said Company is because the said Company is a corporation. The grounds of deponent's belief relative to all matters in the said application which are not stated upon his own personal knowledge are investigations 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 corporation.



David M. Buicko
Executive Vice President

Sworn to before me this 25
day of July, 2013.

Sandra D. Andi
Notary Public

SANDRA D. ANDI
Notary Public, State of New York
No. 4737914
Qualified in Albany County
Commission Expires November 30, 2013

HOLD HARMLESS AGREEMENT

Applicant hereby releases Town of Guilderland Industrial Development Agency and the members, officers, servants, agents and employees thereof (hereinafter collectively referred to as the "Agency") from, agrees that the Agency shall not be liable for and agrees to indemnify, defend and hold the Agency

liable harmless from and against any and all liability arising from or expense incurred by (A) the Agency's examination and processing of, and action pursuant to or upon, the attached

Application, regardless of whether or not the application or the Project described therein or the tax exemptions and other assistance requested therein are favorably acted upon by the Agency, (B) the Agency's acquisition, construction and/or installation of the Project described therein and (C) any further action taken by the Agency with respect to the Project; including without limiting the generality of the foregoing, all causes of action and attorneys' 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 Agency or the Applicant are unable to reach final agreement with respect to the Project, then, and in that event, upon presentation of an invoice itemizing the same, the Applicant shall pay to the Agency, its agents or assigns, all actual costs incurred by the Agency in the processing of the Application, including attorneys' fees, if any.


Northeastern IP Holdings, Inc.

(Applicant)

BY:


David M. Buicko
Executive Vice President

Sworn to before me this 25
day of July, 2013.


Notary Public

SANDRA D. ANDI
Notary Public, State of New York
No. 4737914
Qualified in Albany County
Commission Expires November 30, 2013

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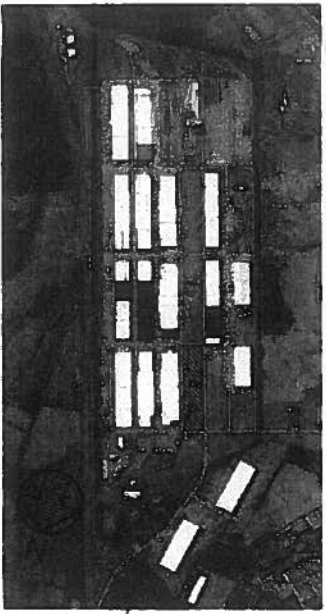
GALESI GROUP
 ENGINEERING DEPARTMENT
 Building 603 Richardson Industrial Park
 Glen Rock, NY 10928
 Phone: 914 356 8150 Fax: 914 356 3500



REVISIONS

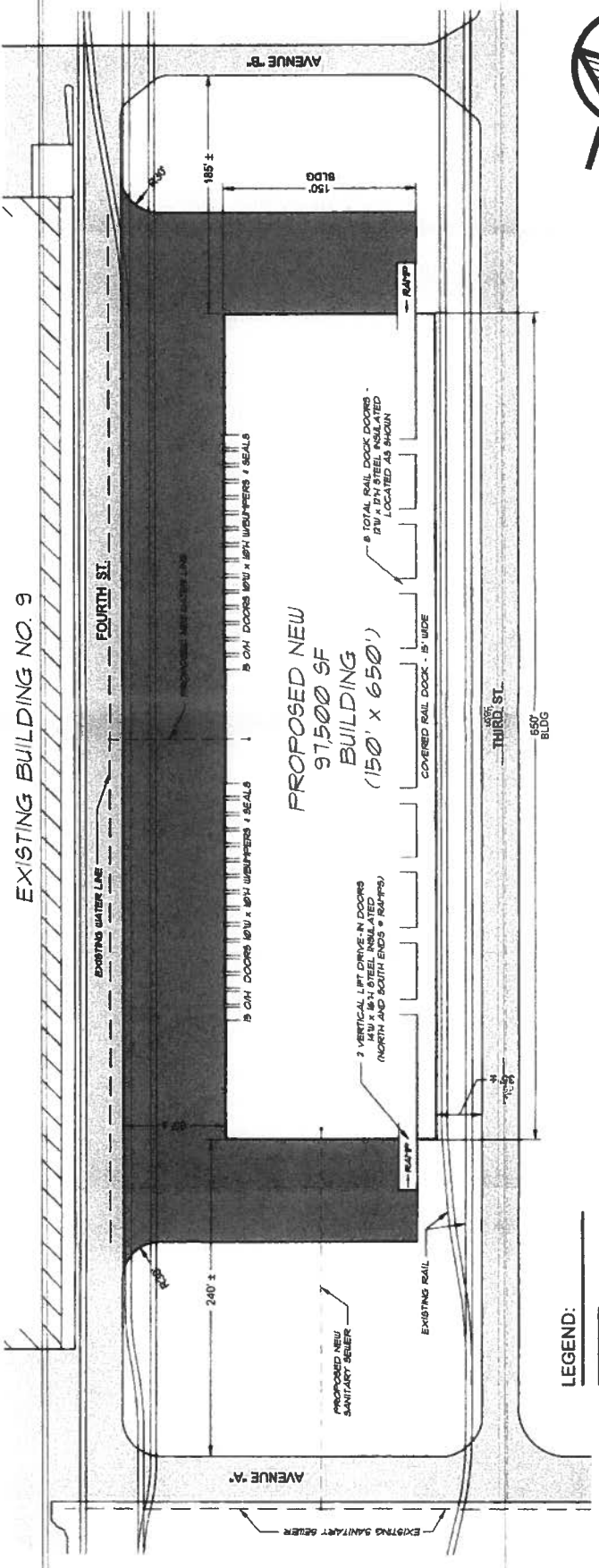
PRELIMINARY SITE PLAN
 WAREHOUSE - BUILDING NO. 13
 NORTHEASTERN INDUSTRIAL PARK
 GUILDFORD CENTER, NEW YORK 12085

SHEET NO. C-1



6.94 ACRE PARCEL

1 NORTHEASTERN INDUSTRIAL PARK PLAN
 SCALE: N.T.S.



LEGEND:
 EXISTING ASPHALT
 NEW ASPHALT (APPROX. 90,000 SF - ACTUAL FINAL T.B.D.)

1 SITE PLAN
 SCALE: 1"=40'

TO: Project Applicants
 FROM: Town of Guilderland Industrial Development Agency
 RE: Cost/Benefit Analysis

In order for the Town of Guilderland Industrial Development Agency (the "Agency") to conduct a Cost/Benefit Analysis for a proposed project (the "Project"), the Applicant must answer the questions contained in this Project Questionnaire (the "Questionnaire") and complete the attached Schedules. This Questionnaire and the attached Schedule will provide information regarding various aspects of the Project, and the costs and benefits associated therewith.

Since we need this Questionnaire to be completed before we can finalize the Cost/Benefit Analysis, please complete this Questionnaire and forward it to us at your earliest convenience.

PROJECT QUESTIONNAIRE

1. Name of Project Beneficiary ("Company"):	Northeastern IP Holdings, Inc.
2. Brief Identification of the Project:	Construction of 97,500 square foot warehouse to be used as third party logistics service
3. Estimated Amount of Project Benefits Sought:	
A. Amount of Bonds Sought:	\$ N/A
B. Value of Sales Tax Exemption Sought	\$ 191,000
C. Value of Real Property Tax Exemption Sought	\$ 290,605
D. Value of Mortgage Recording Tax Exemption Sought	\$ 68,750

PROJECTED PROJECT INVESTMENT

A. Land-Related Costs	
1. Land acquisition	\$ 300,000
2. Site preparation	\$ 800,850
3. Landscaping	N/A
4. Utilities and infrastructure development	
5. Access roads and parking development	\$ 192,150
6. Other land-related costs (describe)	N/A
B. Building-Related Costs	
1. Acquisition of existing structures	N/A
2. Renovation of existing structures	N/A
3. New construction costs	\$ 3,087,930
4. Electrical systems	\$ 262,500
5. Heating, ventilation and air conditioning	\$ 60,900
6. Plumbing	\$ 358,312.50
7. Other building-related costs (describe)	N/A

Machinery and Equipment Costs		
1.	Production and process equipment	N/A
2.	Packaging equipment	N/A
3.	Warehousing equipment	N/A
4.	Installation costs for various equipment	N/A
5.	Other equipment-related costs (describe)	
D. Furniture and Fixture Costs		
1.	Office furniture	N/A
2.	Office equipment	N/A
3.	Computers	N/A
4.	Other furniture-related costs (describe)	N/A
E. Working Capital Costs		
1.	Operation costs	N/A
2.	Production costs	N/A
3.	Raw materials	N/A
4.	Debt service	\$ 289,666.68
5.	Relocation costs	N/A
6.	Skills training	N/A
7.	Other working capital-related costs (describe)	N/A
F. Professional Service Costs		
1.	Architecture and engineering	\$ 53,000
2.	Accounting/legal	N/A
3.	Other service-related costs (describe)	N/A
G. Other Costs		
1.	_____	N/A
2.	_____	
H. Summary of Expenditures		
1.	Total Land-Related Costs	\$ 1,293,000
2.	Total Building-Related Costs	\$ 3,769,642.50
3.	Total Machinery and Equipment Costs	N/A
4.	Total Furniture and Fixture Costs	N/A
5.	Total Working Capital Costs	\$ 289,666.68
6.	Total Professional Service Costs	\$ 53,000
7.	Total Other Costs	N/A

PROJECTED CONSTRUCTION EMPLOYMENT IMPACT

I. Please provide estimates of total construction jobs and the total annual wages and benefits of construction jobs at the Project:

Year	Number of Construction Jobs	Total Annual Wages and Benefits	Estimated Additional NYS Income Tax
Current Year	25	\$ 1,153,000	\$ 288,250
Year 1	15	\$ 765,000	\$ 181,250
Year 2		N/A	N/A
Year 3		N/A	N/A
Year 4		N/A	N/A
Year 5		N/A	N/A

PROJECTED PERMANENT EMPLOYMENT IMPACT

I. Please provide estimates of total number of existing permanent jobs to be preserved or retained as a result of the Project:

Year	Professional	Skilled	Semi-Skilled	Unskilled
Current Year	3	-	6	-
Year 1	4	-	8	-
Year 2	4	-	10	-
Year 3	4	-	10	-
Year 4	4	-	10	-
Year 5	4	-	10	-

II. Please provide estimates of total new permanent jobs to be created at the Project:

Year	Professional	Skilled	Semi-Skilled	Unskilled
Current Year	-	-	-	-
Year 1	1	-	2	-
Year 2	-	-	2	-
Year 3	-	-	-	-
Year 4	-	-	-	-
Year 5	-	-	-	-

III. Please provide estimates for the following:

A. Creation of New Job Skills relating to permanent jobs. Please complete Schedule A.
See attached schedule

IV. Provide the projected percentage of employment that would be filled by Town of Guilderland residents: 100%

A. Provide a brief description of how the project expects to meet this percentage:
 New Facility will allow for growth of existing business and attraction of new customers resulting in the need of additional workers. Nature of new positions tends to attract applicants within close proximity to project location.

PROJECTED OPERATING IMPACT

I. Please provide estimates for the impact of Project operating purchases and sales:

Additional Purchases (1 st year following project completion)	\$ <u>80,000</u>
Additional Sales Tax Paid on Additional Purchases	\$ <u>6,400</u>
Estimated Additional Sales (1 st full year following project completion)	\$ <u>N/A</u>
Estimated Additional Sales Tax to be collected on additional sales (1 st full year following project completion)	\$ <u>N/A</u>

II. Please provide estimates for the impact of Project on existing real property taxes and new payments in lieu of taxes (“Pilot Payments”):

Year	Existing Real Property Taxes (Without IDA involvement)	New Pilot Payments (With IDA)	Total (Difference)
Current Year	N/A	N/A	N/A
Year 1	\$83,029.66	\$41,514.83	\$41,514.83
Year 2	\$83,029.66	\$41,514.83	\$41,514.83
Year 3	\$83,029.66	\$41,514.83	\$41,514.83
Year 4	\$83,029.66	\$41,514.83	\$41,514.83
Year 5	\$83,029.66	\$41,514.83	\$41,514.83
Year 6	\$83,029.66	\$49,817.79	\$33,211.87
Year 7	\$83,029.66	\$58,120.76	\$24,908.90
Year 8	\$83,029.66	\$66,423.72	\$16,605.94
Year 9	\$83,029.66	\$74,726.69	\$8,302.97
Year 10	\$83,029.66	\$83,029.66	0

III. Please provide a brief description for the impact of other economic benefits expected to be produced as a result of the Project:

This project will have a positive residual economic impact for the short line railroad within the park as a result of the increased economic activity. Furthermore the new building will serve as a showcase to attract other third-party tenants to the Industrial Park thus spurring additional private sector job growth and economic investment.

CERTIFICATION

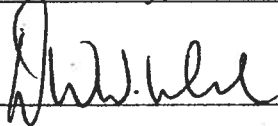
I certify that I have prepared the responses provided in this Questionnaire and that, to the best of my knowledge, such responses are true, correct and complete.

I understand that the foregoing information and attached documentation will be relied upon, and constitute inducement for, the Agency in providing financial assistance to the Project. I certify that I am familiar with the Project and am authorized by the Company to provide the foregoing information, and such information is true and complete to the best of my knowledge. I further agree that I will advise the Agency of any changes in such information, and will answer any further questions regarding the Project prior to the closing.

Date Signed: 7/31/, 2013

Name of Person Completing Project Questionnaire on behalf of the Company.

Name: David W. Ahl
Title: Vice President of Industrial Parks
Phone Number: 518-356-4445
Address: 695 Rotterdam Industrial Park
Schenectady, NY 12306

Signature: 

SCHEDULE A

CREATION OF NEW JOB SKILLS

Please list the projected new job skills for the new permanent jobs to be created at the Project as a result of the undertaking of the Project by the Company.

New Job Skills	Number of Positions Created	Wage Rate
Customer Service Rep	1	\$16.00/hour
Warehouseman	4	\$12.50/hour

Should you need additional space, please attach a separate sheet.