

CORTLAND COUNTY INDUSTRIAL DEVELOPMENT AGENCY

APPLICATION FOR SALE/LEASEBACK TRANSACTION

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 Cortland County Industrial Development Agency. The answers will also be used in the preparation of papers in this transaction. Accordingly, 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 should answer all questions accurately and completely. This application is subject to acceptance by the Agency.

TO: CORTLAND COUNTY INDUSTRIAL DEVELOPMENT AGENCY
37 CHURCH STREET
CORTLAND, NEW YORK 13045

This application is by applicant respectfully states:

APPLICANT: SKY Hospitality LLC, BHARATI DESAI

APPLICANT'S STREET ADDRESS: 26 W COURT ST

CITY: CORTLAND STATE NY PHONE NO. 607.597.9375

NAME OF PERSON (S) AUTHORIZED TO SPEAK FOR APPLICANT WITH RESPECT TO THIS
APPLICATION: BHARATI DESAI, JOHN CLEARY

IF APPLICANT IS REPRESENTED BY AN ATTORNEY, COMPLETE THE FOLLOWING:

NAME OF FIRM: _____

NAME OF ATTORNEY: RUSSELL RUTTING

ATTORNEY'S STREET ADDRESS: 36 MAIN ST

CITY: CORTLAND STATE NY PHONE NO. 607.753.3551

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

INSTRUCTIONS

1. The Agency will not approve any applications 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 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 (to the extent such expenses are not paid out of the proceeds of the Agency's bonds issued to finance the project). The applicant will also be expected to pay all costs incurred by general counsel and bond counsel to the Agency. The costs incurred by the Agency, including the Agency's general counsel and bond counsel, may be considered as apart of the project and included as a part of the resultant bond issue.
9. The Agency has established an application fee to 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____

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

A. Identity of Company:

1. Company Name: SKY Hospitality LLC
Present Address: 26 W COURT ST GORTLAND
Zip Code: 13045 Employer's ID No.: PENDING

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

3. Indicate type of business organization of Company:

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

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

c. Limited Liability Company. Formed in what country USA;
State: NY; Date of Formation SEPTEMBER 2011;
Authorized to do business in New York State? Yes X No _____.

d. Sole proprietorship. Name of Sole Proprietor: _____.

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:

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 Office
<u>BHARTI DESAI</u>	<u>OWNER</u>	

[Redacted]

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

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

Name	Address	Percentage of Holding
BHARATI DESAI	26 1/2 COURT ST	100%

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

II. DATA REGARDING PROPOSED PROJECT.

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

B. Location of Project:

1. Street Address: Rt. 13, FINGER LAKES EAST BUSINESS PARK

2. City of

3. Town of CORTLANDVILLE
4. Village of _____
5. County of CORTLAND

C. Description of the Project site:

1. Approximate size (in acres or square feet) of the Project site: 5 44
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 each existing building and indicate the approximate size (in square feet) of each building: _____

b. Are the existing buildings in operation? Yes _____; No X. If yes, describe present use of present buildings: _____

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

d. Attach photograph of present buildings.

3. Utilities serving the Project site:

Water-Municipal: Town of Cortlandville

Other (describe) _____

Sewer-Municipal: Town of Cortlandville

Other (describe) _____

Electric-Utility: NAT'L Grid

Other (describe) _____

Heat-Utility: NYSEG

Other (describe) _____

4. Present legal owner of the Project site:

OSBECK REALTY

a. If the Company owns the Project site, indicate date of purchase: _____

Purchase price: \$ 170,000 ^t.

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 _____. If yes, indicate date option signed with the owner: 2007; and the date the option expires: NO EXPIRE.
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 _____. If yes describe: _____

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5. a. Zoning District in which the Project site is located: AGRICULTURE I I
(LIGHT INDUSTRIAL; office; Business PARK District)

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: subject to a conditional

permit and an aquifer protection district special permit.

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: 1 BUILDING, 42,000 ^t S.F.

2. Does part of the Project consist of additions and/or renovations to existing buildings located on the Project site? Yes _____. If yes, indicate the number of 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: HOTEL

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: HOTEL REQUIRED EQUIPMENT.

Cortland County Industrial Development Agency

Sky Hospitality LLC application continued;

Page 6, E. Description of the Equipment

1.

- Commercial grade laundry equipment
- Packaged Thermal Air Conditioning units (PTAC)
- Maids carts, cleaning equipment, vacuums
- Exercise equipment
- Pool heater, chlorinator, and dehumidification system
- Pool equipment to include chairs, ADA lift, and safety related needs
- Air rotation system
- Common area heating / AC units
- Pantry / Kitchen equipment to service a buffet breakfast

3.

The equipment will be used to:

- Perform laundry tasks to run a 4 room hotel
- Room and common area cleaning services
- Indoor pool operations
- Exercise room services
- Overall air quality and comfort for hotel guests and employees
- Limited food and beverage services- buffet breakfast

Page 7, F Project Use

2.

- This project will be for a limited service Best Western Plus Hotel. Buffet breakfast, Indoor pool, fitness room, meeting room, guest laundry services, free internet are just some of the planned amenities.

- BEST WESTERN hotels are midscale properties that offer guests great value without the cookie-cutter experience. They are rated two- or three-diamond from AAA/CAA, and offer free high-speed Internet, free breakfast and parking, free local calls less than 30 minutes, and a free-of-charge publicly-accessible computer with Internet access. This project will be a BEST WESTERN PLUS hotel, with approximately 800 expected in North America are upper midscale hotels that offer a more premium experience, featuring contemporary furnishings in comfortable and spacious rooms and common areas. They offer all of the amenities of BEST WESTERN hotels, along with updated furnishings, high-quality bedding, upgraded bath amenities and select sundry items. BEST WESTERN PLUS hotels are AAA/CAA three-diamond rated.

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 provide detail: _____

3. Describe the principal uses to be made by the Company of the Equipment to be acquired or installed: HOTEL OPERATIONS

F. PROJECT USE:

1. What are the principal products to be produced at the Project site? n/a

2. What are the principal activities to be conducted at the Project? _____

HOTEL SERVICES

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 X; No . 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? 100 %

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 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 ; No _____. If yes, please explain: BUSINESS AND LEISURE TRAVELERS FOR LODGING PURPOSES

c. Would the Project occupant, but for the contemplated financial assistance from the Agency, locate the related jobs outside of New York State? Yes ; No . If yes, please explain: HOWEVER, THE FINANCIAL ASSISTANCE MAKES THIS PROJECT FEASIBLE.

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 _____. If yes, please provide detail: A FEASIBILITY STUDY WAS CONDUCTED AND ITS FINDINGS STATE THAT THE LOCAL MARKET IS UNDESERVED FOR HOTEL ROOMS.

e. Will the Project be located in one of the following: (i) in 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 number 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: _____

6. If the answers to any of subdivisions c. through e. of questions 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: THE PROJECT WILL ADD NEW PERMANENT FULL TIME AND PART TIME PRIVATE SECTOR JOBS AS OUTLINED IN SECTION IV EMPLOYMENT IMPACT PAGE 11/12.

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 York? Yes ; No X. If yes, 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 necessary to preserve the competitive position of the Company or such Project Occupant in its industry? Yes ; 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 . If yes, please provide detail:

G. **PROJECT STATUS:**

1. If the Project includes the acquisition of any land or buildings, have any steps been taken toward acquiring same? Yes X No . If yes, please discuss in detail the approximate stage of such acquisition: An option to purchase the land by Bhavesh Desai from Osbeck Realty has been secured
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: 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 ; No . 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.:

An ARCHITECT HAS BEEN HIRED, REMAINDER HAS BEEN PAID. BUILDING ELEVATIONS, FOUNDATIONS, SITE LAYOUT, BOUNDARIES HAVE BEEN DRAWN (Principle to 1). CONSTRUCTION MANAGER HAS BEEN HIRED. CIVIL ENGINEER HAS BEEN HIRED. TOPOGRAPHICAL SURVEY HAS BEEN ORDERED.

4. Please indicate amount of funds expended on the Project by the Company in the past three (3) years and the purpose of such expenditures:

APPROXIMATELY #50,000 FOR PROFESSIONAL SERVICES AND DEPOSITS.

**III. INFORMATION CONCERNING LEASES OR SUBLICENSES OF THE PROJECT.
(PLEASE COMPLETE THE FOLLOWING SECTION IF THE COMPANY INTENDS TO LEASE OR SUBLICENSE 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 . If yes, please complete the following for each existing or proposed tenant or subtenant:

1. Sub lessee name: _____

Present Address: _____

City: _____ State: _____ Zip: _____

Employer's ID No.: _____

Sub lessee is: _____ Corporation: _____ Partnership: _____ Sole Proprietorship

Relationship to Company: _____

Percentage of Project to be leased or subleased: _____

Use of Project intended by Sub lessee: _____

Date of lease or sublease to Sub lessee: _____

Term of lease or sublease to Sub lessee: _____

Will any portion of the space leased by this sub lessee 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 sub lessee.

2. Sub lessee name: _____

Present Address: _____

City: _____ State: _____ Zip: _____
Employer's ID No.:

Sub lessee is: _____ Corporation: _____ Partnership: _____ Sole Proprietorship
Relationship to Company: _____
Percentage of Project to be leased or subleased: _____
Use of Project intended by Sub lessee:

Date of lease or sublease to Sub lessee: _____
Term of lease or sublease to Sub lessee: _____
Will any portion of the space leased by this sub lessee 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 sub lessee.

3. Sub lessee name: _____
Present Address: _____
City: _____ State: _____ Zip: _____
Employer's ID No.:

Sub lessee is: _____ Corporation: _____ Partnership: _____ Sole Proprietorship
Relationship to Company: _____
Percentage of Project to be leased or subleased: _____
Use of Project intended by Sub lessee:

Date of lease or sublease to Sub lessee: _____
Term of lease or sublease to Sub lessee: _____
Will any portion of the space leased by this sub lessee 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 sub lessee.

B. What percentage of the space intended to be leased or subleased is now subject
to a binding written lease or sublease? _____

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 or unskilled	Semi-Skilled	Totals
Present Full Time				
Present Part Time				
Present Seasonal				
First Year Full Time	2	2		4
First Year Part Time	2	8		10 = FTE 4
First Year Seasonal				
Second Year Full Time	2	2		4
Second Year Part Time	2	10		12 = FTE 5
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:

<u>Description of Cost</u>	<u>Amount</u>
Land	\$ 170,000
Buildings	\$ 3,600,000
Machinery and equipment costs	\$ 500,000
Utilities, roads and appurtenant costs	\$
Architects and engineering fees	\$ 100,000
Costs of Bond issue (legal, financial and printing	\$ 120,000
Construction loan fees and interest (if applicable)	\$ 130,000
Other (specify)	\$ 200,000
<u>CONTINUATION</u>	\$
	\$
	\$

TOTAL PROJECT COSTS \$ 4,810,000

B. Have any of the above expenditures already been made by the applicant?

Yes X; No _____. If yes, indicate particulars. DEPOSITS AND RETAINERS
\$50,000

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 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 secure by one or more mortgages? Yes X; No _____. If yes, what is the approximate amount of financing to be secured by mortgages? \$ 3,800,000.

B. Financing

1. Is the applicant requesting that the Agency issue bonds to assist in financing the Project? Yes ____; No X. If yes, indicate:
 - a. amount of loan requested: _____ dollars; and
 - b. maturity requested: _____ years.
2. 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 the N.Y.S. Sales and Compensating Use Taxes? \$ 1,400,000.
3. 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.

		EST VALUE
a. N.Y.S. Sales and Compensating Use Taxes:	\$ <u>1,400,000</u>	= <u>112,000</u>
b. Mortgage Recording Taxes:	\$ <u>3,800,000</u>	= <u>38,000</u>
c. Real Property Tax Exemptions:	\$ <u>2,420,000</u>	= <u>534,807</u>
d. Other (please specify):	\$ _____	_____
	\$ _____	_____
	\$ _____	_____

4. 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: _____

VII. **REPRESENTATIONS 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 DOI, 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 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:

Bhalodi Desai
(Applicant)

BY: Owner

**NOTE: APPLICANT MUST COMPLETE THE APPROPRIATE VERIFICATION AND
APPEARING ON PAGES 15, 16, AND 17 HEREOF BEFORE A NOTARY PUBLIC AND MUST
SIGN AND ACKNOWLEDGE THE HOLD HARMLESS AGREEMENT APPEARING ON PAGE
18.**

VERIFICATION

(If Applicant is a Corporation)

STATE OF New York)
COUNTY OF Broome) SS.:
)

Bharati Desai
(Name of officer of applicant)
Owner
(Title)

deposes and says that he/she is the

and says that he/she is the
of Sky Hospitality LLC
mpany 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.

(Officer of applicant)

Sworn to before me this _____
Day of _____, 20____.

Notary Public

VERIFICATION

(If applicant is a partnership)

attached application; 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 knowledge. The grounds of the 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/her duties as a member of and from the books and papers of said partnership.

Bhalati Desh

Sworn to before me this 03 day
Of October, 2011.

of October, 2011.

Kellyann O'Mara
Notary Public

KELLYANN O'MARA
No. 4960087
Notary Public, State of New York
Qualified in Cortland County
My Commission Expires Jan. 2, 2014

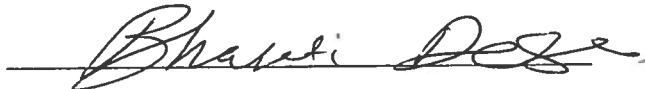
VERIFICATION

(If applicant is sole proprietor)

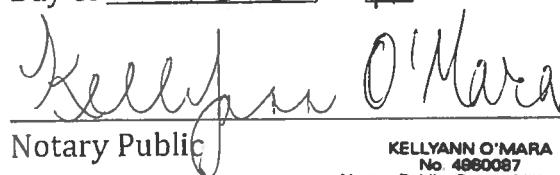
STATE OF _____)
) SS.:
COUNTY OF _____)

_____, deposes and says that he has read the foregoing
(Name of Individual)

application and knows the contents thereof; and that the same is true and complete and accurate to the best of his knowledge. 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.



Sworn to before me this 03
Day of October, 2011.



Notary Public

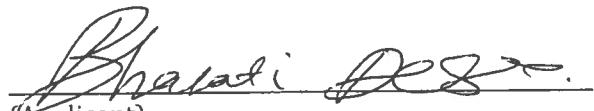
KELLYANN O'MARA
No. 4880087
Notary Public, State of New York
Qualified in Cortland County
My Commission Expires Jan. 2, 2014

**NOTE: THIS APPLICATION WILL NOT BE ACCEPTED BY THE AGENCY
UNLESS THE HOLD HARMLESS AGREEMENT APPEARING ON PAGE 18 IS
SIGNED BY THE APPLICANT.**

HOLD HARMLESS AGREEMENT

Applicant hereby releases Cortland County 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 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 Applications, regardless of whether or not the application or the Project described therein or the tax exemptions and other assistance requested therein are favorable acted upon 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

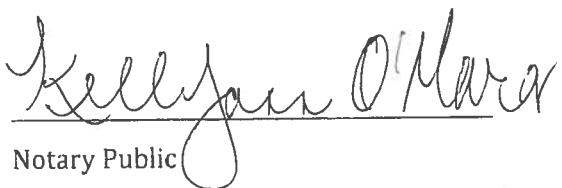
result of any of the foregoing. If, for any reason, the Applicant fails to conclude or consummate necessary negotiations, or fails, within a reasonable or specified period of time, to take reasonable, proper or requested action, or withdraws, abandons, cancels or neglects the Application, or if the Agency or the Applicant are unable to reach final agreement with respect to the Project, then, and in the event, upon representation 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.



(Applicant)

BY: Owner

Sworn to before me this 3rd
Day of October, 2011.



Notary Public

KELLYANN O'MARA
No. 4960087
Notary Public, State of New York
Qualified in Cortland County
My Commission Expires Jan. 2, 2014

eha
eastern hospitality advisors
With David Hulse

BEST
WESTERN

CORTLAND, NY

152

SECOND FLOOR
PLAN

10

SILVESTR
ARCHITECTS, PC

474557 IN 15221 FAL 715214773
474557 IN 15221 FAL 715214773

DRAWING, II

SECOND FLOOR PLAN

2000

FIGURE F
The layout of the property is a typical hotel and
motel. The property is located on a corner lot and
consists of a main building and a separate guest
house. The main building contains 10 guest rooms
and a large common area. The guest house contains
4 guest rooms and a common area. The property
is located in a rural area and is surrounded by
trees and fields. The property is well-maintained
and has a clean and modern appearance.



BEST WESTERN

CORTLAND, NY

ISSUE

SA PROJECT TEAM: BEN WALTER
 TONY ALEXIS
 JEFFREY KURT
 ESTELLA MCGOWAN
 SPAL

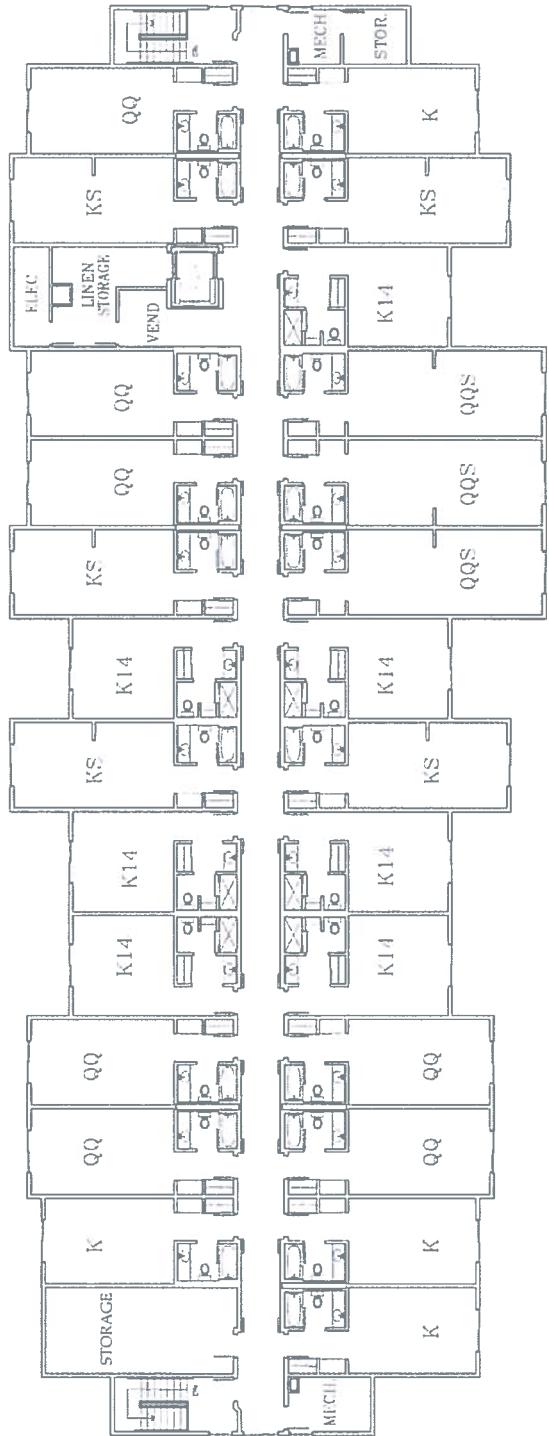
THIRD FLOOR
PLAN



SILVESTR
ARCHITECTS • PC

151 Main Street • Cortland, NY 13040-0000
Fax: 601-753-1773
SA FOR # DATE
11056 08-30-11
DRAWER #

THIRD FLOOR PLAN



1/8 = 1'-0"

VERIFICATION

(If applicant is a partnership)

STATE OF _____)
) SS.
COUNTY OF _____)

Sworn to before me this ____ day
Of _____ 20 ____.

Notary Public

VERIFICATION

(If applicant is sole proprietor)

STATE OF _____)
) SS.:
COUNTY OF _____)

, deposes and says that he has read the foregoing
(Name of Individual)
application and knows the contents thereof; and that the same is true and
complete and accurate to the best of his knowledge. 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.

Sworn to before me this _____
Day of _____, 20____.

Notary Public

**NOTE: THIS APPLICATION WILL NOT BE ACCEPTED BY THE AGENCY
UNLESS THE HOLD HARMLESS AGREEMENT APPEARING ON PAGE 18 IS
SIGNED BY THE APPLICANT.**