

TROY INDUSTRIAL DEVELOPMENT AUTHORITY
APPLICATION FOR FINANCIAL ASSISTANCE

IMPORTANT NOTICE: The answers to the questions contained in this application are necessary to determine your firm's eligibility for financing and other assistance from the Troy Industrial Development Authority. These 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 thoroughly familiar with the proposed project should answer all questions accurately and completely. This application is subject to acceptance by the Authority.

TO: TROY INDUSTRIAL DEVELOPMENT AUTHORITY
City Hall
One Monument Square
Troy, New York 12180
Attention: Chairman

This application by applicant respectfully states:

Monument Square I Limited Partnership

APPLICANT: c/o TCB Monument Square Housing Corp

APPLICANT'S STREET ADDRESS: 744 Broadway

CITY: Albany STATE: NY PHONE NO.: 518-432-9817

NAME OF PERSON (S) AUTHORIZED TO SPEAK FOR APPLICANT WITH RESPECT TO THIS APPLICATION: Susan McCann

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

NAME OF FIRM:

Cannon, Heyman, & Weiss, LLP

NAME OF ATTORNEY: Geoff Cannon

ATTORNEY'S STREET ADDRESS: 54 State Street, 5th Floor

CITY: Albany STATE: NY PHONE NO: 518-465-1500

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

INSTRUCTIONS

1. The Authority will not approve any application unless, in the judgment of the Authority, 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 that 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 Authority at the address indicated on the first page of this application.
6. The Authority will not give final approval to this application until the Authority receives a completed environmental assessment form concerning the Project that 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 Authority (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 Authority 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 Authority'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 Authority. The costs incurred by the Authority, including the Authority's general counsel and bond counsel, may be considered as a part of the project and included as a part of the resultant bond issue.
9. The Authority has established an application fee of Five Hundred Dollars (\$500) to cover the anticipated costs of the Authority in processing this application. A check or money order made payable to the Authority must accompany each application. THE AUTHORITY WILL NOT ACCEPT THIS APPLICATION UNLESS ACCOMPANIED BY THE APPLICATION FEE.
10. The Authority has established a project fee for each project in which the Authority participates. UNLESS THE AUTHORITY 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 AUTHORITY.

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

A. Identity of Company:

1. Company Name: Monument Square I Limited Partnership
Present Address: 744 Broadway, Albany, NY
Zip Code: 12207
Employer's ID No: 26-4215611

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

3. Indicate type of business organization of Company:

- ☐ Corporation. If so, incorporated in what country? _____;
What State? _____; Date Incorporated _____;
Type of Corporation? _____; Authorized to do business in New York?
Yes _____ No _____.
- ☒ Partnership. If so, indicate type of partnership Limited; Number of general partners
1; Number of limited partners 1.
- ☐ Limited Liability Company. If so, organized in what State? _____.
Authorized to do business in New York? Yes _____ No _____.
- ☐ 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:

The G.P. of Monument Square I L.P. is TCB Monument Square Housing Corp., a wholly owned subsidiary of The Community Builders, Inc., a 501(c)(3) non-profit corporation.

B. Management of Company:

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

NAME AND HOME ADDRESS	OFFICE HELD	OTHER PRINCIPAL BUSINESS
SEE ATTACHMENT 1		

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 question 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 stock traded:

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

NAME	ADDRESS	PERCENTAGE OF HOLDING
TCB Monument Square Housing Corp.	95 Berkeley St., Boston, MA	.01%
The Community Builders, Inc.*	95 Berkeley St., Boston, MA	99.9%

*Temporary Limited Partner. Investor will be admitted to partnership upon credit award.

- D. Company's principal bank(s) account: _____

NAME OF BANK	ADDRESS
Citizens Bank	870 Westminster St, Providence, RI 02903

II. DATA REGARDING PROPOSED PROJECT

- A. Description of the Project: (Please provide a brief narrative description of the Project.)
SEE ATTACHMENT 2

B. Location of the Project:

2 1st Street
Troy, NY 12180

C. Description of the Project site:

12,000 sq. ft.,

1. Approximate size (in acres of square feet) of Project site: 0.28 acres.

Is a map, survey or sketch of the Project site attached? Yes X No _____.

SEE ATTACHMENT 3

2. Are there existing buildings on the Project site? Yes X No _____.

a) If yes, indicate the number of buildings on the site: 1 Also, please briefly identify each existing building and indicate the approximate size (in square feet) of each such building:

Monument Square consists of a single, seven-story, historic brick masonry building constructed c.1905.

The building footprint is approximately 12,000 sq. ft., with a residential gross square footage of 81,000 sq. ft.

b) Are the existing buildings in operation? Yes X No _____. If yes, describe present use of buildings: Affordable rental housing for seniors

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. SEE ATTACHMENT 4

3. Utilities serving the Project site:

Water:

- ☒ Municipal
- ☐ Other, describe

Sewer

- ☒ Municipal
- ☐ Other, describe

Electricity

- ☒ Utility
- ☐ Other, describe

Heat

- ☒ Utility
- ☐ Other, describe

4. Present legal owner of the Project site:

Monument Square Associates, L.P.

- a) If the Company owns the Project site, indicate date of purchase: N/A purchase price: \$_____.
- b) If Company does not own the Project site, does Company have an option signed with the owner to purchase the Project site? Yes X No____, If yes, indicate date option signed with the owner: and the date the option expires: Purchase and Sale Agreement executed 02/09/2009.
There is no expiration date for this Agreement.
- 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____ No X, If yes, describe;

5. Zoning District in which the Project site is located: B-4

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 ___ No X.
2. Does part of the Project consist of additions and/or renovations to existing buildings located on the Project site? Yes X No ___, 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:

The building will be preserved as an affordable housing resource, but upgraded to meet modern energy efficiency and livability standards.

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 X No ___" If yes, describe the Equipment:
Renovations will include new heating systems, laundry facilities, appliances, and computers.
2. With respect to the Equipment to be acquired, will any of the Equipment be Equipment that 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:

The majority of the new equipment will be used to upgrade existing facilities currently used by the building's residents. Any other equipment involved in this renovation will be used solely to maintain the property and serve the building's residents.

F. Project Use:

1. What are the principal products to be produced at the Project:
N/A
2. What are the principal activities to be conducted at the Project:
Affordable rental housing for seniors
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 not-for-profit corporation operate the Project? Yes___ No___ 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:
 - c. Would the Project occupant, but for the contemplated financial assistance from the Authority, locate the related jobs outside the State of New York? Yes___ No___ If yes, please explain:
 - d. Is the predominant purpose of the Project to make available goods or services that 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:

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

6. If any answers to subdivisions c. through e. of question 5 are yes, will the Project preserve permanent, private sector jobs or increase the overall number of permanent, private sector jobs in the State of New York? Yes___ No_____. If yes, please explain: N/A

7. Will the completion of the Project result in the removal of a plant or facility of the Company or another proposed occupant of the Project (a "Project Occupant") from one area of the State of New York to another area of the State of New York? Yes___ 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 explain:

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

a. Is the Project reasonably necessary to preserve the competitive position of the Company on 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:

We have executed a Purchase and Sale Agreement with the Seller/current owner to acquire the property. The project will be submitted to DHCR for tax credit funding in the 2010 funding round. Acquisition will occur upon announcement of tax credit awards in 2010.

2. If the Project includes the acquisition of any Equipment, have any steps been taken toward acquiring same? Yes X No _____. If yes, please discuss in detail the approximate stage of such acquisition:
The Purchase and Sale Agreement is inclusive of all equipment currently on site. No additional steps are required to secure this equipment.
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.

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:

Monument Square I L.P. has expended \$145,861 to date for all facets of predevelopment work related to this project. SEE ATTACHMENT 5 for an itemized list of predevelopment expenses.

H. Agent Status for sales tax purposes (See question B.3 in Part V1 below):

1. If the Authority approves the Project, there are two methods that may be used to undertake the Project. The applicant can undertake the Project privately and sell the Project to the Authority upon completion. Alternatively, the applicant can request to be appointed as "agent" of the Authority, in which case certain laws applicable to public construction may apply to the Project. Does the applicant wish to be designated as "agent" of the Authority for purposes of undertaking the Project? Yes X No ____.
2. If the answer to question 1 is yes, does the applicant desire such "agent" status prior to the closing date of the financing? Yes ____ No X.

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 X No _____. If yes, please complete the following for each existing or proposed tenant or subtenant:

1. Sublessee Name: SEE ATTACHMENT 6 FOR RENT ROLL INFORMATION
Present Address: 2 1st Street
City: Troy State: NY Zip: 12180
Federal ID No: All Residential Residents

Sublessee is: _____ Corporation _____ Partnership _____ Sole Proprietorship

Relationship to Company:

Percentage of Project to be leased or subleased: The project consists entirely of residential
Use of Project intended by Sublessee: rental units for low-income seniors. All tenants
Date of lease or sublease to Sublessee: will be on 1-year residential leases. The unit
Term of lease or sublease to Sublessee: count will be reduced from 94 to 89.

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 X. 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? 100%

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	UNSKILLED OR SKILLED	TOTALS
Present Full Time	1	1	
Present Part Time	1	1	
Present Seasonal			
First Year Full Time	2	1	
First Year Part Time		1	
First Year Seasonal			
Second Year Full Time	2	1	
Second Year Part Time		1	
Second Year Seasonal			

V. PROJECT COST.

A. Anticipated Project Costs. State the costs reasonably necessary for the acquisition for 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	\$320,000
Buildings	\$2,980,000
Machinery and equipment costs	\$50,000
Utilities, roads and appurtenant costs	
Architects and engineering fees	\$618,000
Troy Industrial Development Authority	

Costs of Bond issue (legal, financial and printing)

Construction loan fees and interest (if applicable)

\$374,000

Other (specify) Soft costs, financing fees, construction costs

\$12,588,328

TOTAL PROJECT COSTS

\$16,930,328

\$9.6 m
±17.2 m
272,000
Admin fee

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

SEE ATTACHMENT 5

VI. FINANCIAL ASSISTANCE EXPECTED FROM THE AUTHORITY.

A. Financing

1. Is the applicant requesting that the Authority issue bonds to assist in financing the Project?

 Yes X No. If yes, indicate:

- a. Amount of loan requested: \$; and
b. Maturity requested: years.

2. If the answer to question 1 is yes, is the interest on such bonds intended to be exempt from federal income taxation? Yes No

3. If the answer to question 2 is yes, will any portion of the Project be used for any of the following purposes?

Purpose	Yes	No
Retail food and beverage services.		
Automobile sales or service.		
Recreation or entertainment		
Golf course		
Country club		
Massage parlor		
Tennis club		
Skating facility (including roller skating, skateboard and ice skating):		
Racquet sports facility (including handball and racquetball court)		
Hot tub facility		
Suntan facility		
Racetrack		

4. If the answer to any of the above questions contained in question 3 is yes, please furnish details on a separate attachment.

B. 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 Authority? Yes X No _____. If yes, is the real property tax exemption being sought consistent with the Authority'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? \$ _____
\$3,553,901
3. Is the applicant expecting to be appointed agent of the Authority 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 that the applicant expects to be exempt from the N. Y.S. Sales and Compensating Use Taxes? \$. Est. \$3,437,500
4. 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.
- | ALL VALUES BELOW ARE ESTIMATES | |
|--|---|
| a) N. Y.S. Sales and Compensating Use Taxes: | \$ 275,000 |
| b) Mortgage Recording Taxes | \$ 119,940 |
| c) Real Property Tax Exemptions: | \$ 10,000/year at 581 value OR 30,000/year at |
| d) Other (please specify): | \$ unrestricted market value |
5. Are any of the tax-exemptions being sought in connection with the Project inconsistent with the Authority's Uniform Tax exemption Policy? Yes _____ No X_. If no, please explain how the request of the applicant differs from the Authority's Uniform Tax-Exemption Policy:

VII. REPRESENTATIONS BY THE APPLICANT

The applicant understands and agrees with the Authority as follows:

A. Job Listings. In accordance with Section 1967-a(2) of the New York Public Authorities Law, the applicant understands and agrees that, if the Project receives any Financial Assistance from the Authority, except as otherwise provided by collective bargaining agreement, 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) ("JTP A") in which the Project is located.

B. First Consideration for Employment: In accordance with Section 1967-a(2) of the New York Public Authorities Law, the applicant understand and agrees that, if the Project receives any Financial Assistance from the Authority, except as otherwise provided by collective bargaining agreements, where practicable, the applicant will first consider persons eligible to participate in JTP A programs who shall be referred by the JTP A Entities for new employment opportunities created as a result of the Project.

C. Annual Sales Tax Filings: In accordance with Section 1964-a(9) of the New York Public Authorities Law, the applicant understands and agrees that, if the Project receives any sales tax exemptions as part of the Financial Assistance from the Authority, in accordance with Section 1964-a(9) of the Public Authorities 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 received any Financial Assistant from the Authority, the applicant agrees to file, or cause to be filed, with the Authority, 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 Authority a list of the members, officers and employees of the Authority. No member, officer or employee of the Authority has an interest, whether direct or indirect, in any transaction contemplated by this Applicant, except as hereinafter described:

Monument Square I Limited Partnership
(Applicant)



By: Susan McCann

Authorized Agent

NOTE: APPLICANT MUST COMPLETE THE APPROPRIATE VERIFICATION HEREOF BEFORE A NOTARY PUBLIC AND MUST SIGN AND ACKNOWLEDGE THE HOLD HARMLESS AGREEMENT.

VERIFICATION
(If Applicant is a Corporation)

STATE OF _____)
) ss.:
COUNTY OF _____)

_____deposes and says that they are the
(Name of officer of applicant)

_____ of _____
(Title) (Company Name)

the corporation named in the attached application; that they have read the foregoing application and knows the contents thereof; and that the same is true and complete and accurate to the best of their knowledge. Deponents further says that the reason this verification is made by the deponents 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 their own personal knowledge are investigations which deponents has caused to be made concerning the subject matter of this application as well as information acquired by deponents in the course of their 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)

STATE OF New York
COUNTY OF Saratoga) ss.:

Susan McCann deposes and says that they are the
(Name of individual)

members of the firm of Monument Square I Limited Partnership, the partnership named in the
(Partnership Name)

attached application; that they have read the foregoing application and knows the contents thereof; and that the same is true and complete and accurate to the best of their knowledge. The grounds of deponents I s belief relative to all matters in the said application which are not stated upon their own personal knowledge are investigations which deponents has caused to be made concerning the subject matter of this application as well as information acquired by deponents in the course of their duties as an officer of and from the books and papers of said partnership.

[Signature]
(applicant)

Sworn to before me this
9th day of October, 2009

Linda Q. Lambert
Notary Public

Notary Public, State of New York
Qualified in Saratoga County
No. 4615763
Commission Expires March 31, 2010

VERIFICATION
(If Applicant is a Limited Liability Company)

STATE OF _____)
) ss.:
COUNTY OF _____)

_____deposes and says that they are one of the
(Name of individual)

members of the firm of _____, the limited liability company

named in the attached application; that they have read the foregoing application and knows the contents thereof; and that the same is true and complete and accurate to the best of their knowledge. The grounds of deponent's belief relative to all matters in the said application which are not stated upon their own personal knowledge are investigations which deponents has caused to be made concerning the subject matter of this application as well as information acquired by deponents in the course of their duties as an officer of and from the books and papers of said limited liability company.

Sworn to before me this

_____day of _____, 20____

Notary Public

State of _____)
County of _____) ss:
_____)

application and knows the contents thereof; and that the same is true and complete and accurate to the best of their knowledge. The grounds of deponent's belief relative to all matters in the said application, which are not stated upon their own personal knowledge, are investigations which deponents has caused to be made concerning the subject matter of this application.

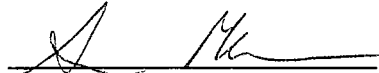
____ day of _____, 20____.

NOTE: THE AUTHORITY WILL NOT ACCEPT THIS APPLICATION UNLESS THE APPLICANT SIGNS THE HOLD HARMLESS AGREEMENT.

HOLD HARMLESS AGREEMENT

Applicant hereby releases Troy Industrial Development Authority and the members, officers, servants, agents and employees thereof (hereinafter collectively referred to as the "Authority") from, agrees that the Authority shall not be liable for and agrees to indemnify, defend and hold the Authority harmless from and against any and all liability arising from or expense incurred by (A) the Authority's examination and processing of, and action pursuant to or upon, the attached Applicant, regardless of whether or not the application or the Project described therein or the issue of bonds requested therein are favorably acted upon by the Authority, (B) the Authority's financing of the Project described therein and (C) any further action taken by the Authority with respect to the Project; including without limiting the generality of the foregoing, all causes of action and 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 Authority or the Applicant are unable to find buyers willing to purchase the total bond issue requested, then, and in the event, upon presentation of an invoice itemizing the same, the Applicant shall pay to the Authority, its agents or assigns, all actual costs incurred by the Authority in the processing of the Application, including attorneys' fees, if any.

Monument Square I Limited Partnership
(Applicant)



By: Susan McCann

Authorized Agent

Sworn to before me this
9th day of October, 2009



Notary Public
Commission Expires March 30, 2010

MONUMENT SQUARE – PROPOSAL SUMMARY

Monument Square is an elderly and disabled residence located at 2 1st Street, in Troy, Rensselaer County, 12180. The purpose of this project is to:

- Preserve 89 units of affordable housing for the elderly and physically disabled in downtown Troy over a long-term period;
- Increase both the overall handicap-accessibility of the building and the number of handicap-accessible units in the building per current regulations;
- Upgrade existing conditions on site to increase energy efficiency;
- Modernize site facilities and units to meet modern expectations of livability, especially in kitchens and bathrooms; and
- Add amenities to increase the overall standard of living at the project, such as air conditioning and computer access.

Located in the heart of downtown Troy, Monument Square is adjacent to several businesses, restaurants, social service providers, hospitals, Monument Square Park and the Hudson River. The site is across the street from Troy City Hall and a block away from the Troy Antiques District in the Central Troy Historic District, a diverse neighborhood of architecturally significant structures.

Monument Square consists of one, single, seven-story masonry building approximately a half an acre in size. There are currently 18 studio efficiency units and 75 one-bedroom units, as well as a single one-bedroom unit for the maintenance person for a total of 94 units at the site with a net rentable square footage of 44,598. Of these total units, 10 are handicap-accessible. The site area includes a small park adjacent to the northern side of the building. The site also has 10 parking spaces, two of which are reserved for handicap-accessibility.

There are two hydraulic elevators, one of which leads to the basement and roof access with the use of a key. The project includes full coin-operated laundry facilities, a community room, a library facility and a communal kitchen on the first floor. The basement contains tenant storage facilities. Currently the entire building is heated by inefficient electric baseboard heating systems. There is a small gas service for hot water.

DEVELOPMENT TEAM/OWNERSHIP INFORMATION:

TCB is a 501(c)(3) nonprofit housing organization with 45 years of experience in developing and managing affordable housing. TCB has developed over 15,000 units of housing and currently manages more than 7,000 apartments. The owner of the project is Monument Square I Limited Partnership. The general partner is TCB Monument Square Housing Corp., a wholly-owned subsidiary of TCB. The limited partnership owner entity and the general partner have been created. All key tasks for Monument Square will be performed by or supervised by members of TCB staff in Albany. This includes remaining wrap-up on acquisition work, closings for loans and other financing, production and pricing of construction documents, construction supervision, marketing and rent-up, and property management.

The architectural firm, Dave Sadowsky Architect, P.C. will be the project architect, with Dave Sadowsky assigned to this project. In addition to design and supervision responsibilities, the architect has and will work to help establish project costs, utility costs, historic tax credit requirements, bid documents and contractor selection, construction monitoring, and punch list issues.

Legal work will be performed by three entities. First, TCB has in-house counsel and expertise on legal issues, including complex tax credit and financing experience, spearheaded by TCB Northeast Counsel Johanna Smith. Second, TCB is utilizing local firm Cannon, Heyman, and Weiss, LLP to provide the necessary local legal services. Geoffrey Cannon, principal of the firm, has extensive experience in tax credit financed projects. Third, TCB's equity partner, will be using their preferred counsel for legal work related to the providing the low income housing and historic tax credits.

Sano-Rubin Construction Company has been selected to perform construction services related to this project. Their experience with large projects and knowledge of advanced HVAC technology, such as geothermal heating, makes them a logical partner for a renovation of this scale.

Epsilon Associates will be the historic consultant on this project, working with the Owner and Architect on SHPO filings. Robert Grindrod of Conservation Services Group is a Building Performance Institute Certified Multifamily Building Analyst Professional. Bob is our NYSERDA Energy Partner for this project, constructing energy models and interacting with NYSERDA.

PROJECT DESIGN AND USE INFORMATION:

Monument Square consists of a single, angled-faced brick masonry building constructed between 1905 and 1906, the seven-story building features classically inspired architectural detail, typical of early-twentieth century commercial architecture.

The baseboard electric heating system will be supplanted by a state-of-the-art geothermal heating and cooling system. This system drills below the bedrock near the site and harnesses the earth's natural heating and cooling features to regulate the building's temperature. Each individual unit will have its own individual thermostat and heat pump to tap into the communal wells. This will not only be far more energy efficient but will add air conditioning to the building, an amenity not currently afforded to the residents. The geothermal wells will be drilled under the park area on the north side of the building and beneath the adjoined existing parking area, at which point they will be resurfaced and beautified for use by the tenants. Robert Grindrod of Conservation Services Group, TCB's NYSERDA energy partner, will track and model the utility usage at the building.

The smallest efficiency units in the building will be combined to create larger, handicap-accessible one-bedroom units; the number of handicap-accessible units will increase to 23 after renovation. Bathroom renovations for the handicap-accessible units will include roll-in showers. Additional renovations will be done on the elevators to ensure they meet ADA compliance. The goal of these upgrades is meet and exceed current codes.

The kitchens and bathrooms will be renovated in order to meet modern expectations of utility and style. These renovations will include new Energy Star appliances in all units, including full-size, 30 inch stoves, rather than the 20 inch versions currently in place. The bathrooms will include more energy efficient power-flush toilets to save water and decrease maintenance costs.

The laundry room currently on the first floor will be enlarged and moved to the second floor to make way for a computer lab for the residents on the first floor. In addition, we will upgrade the library, common kitchen, and common room on the first floor. Wireless internet will be available, free of charge, throughout the building for all tenants.

The scope of work includes addressing structural and environmental concerns, including deterioration in the basement ceiling and remediation of lead and radon. As is common with buildings this age, some lead paint still exists, and while not required under HUD guidelines for elderly buildings, TCB will remediate these potential hazards. The previous owners performed a substantial amount of asbestos remediation less than ten years ago but there is a bit more remediation and removal work to be done.

Upon completion of rehab, Monument Square will contain 15 studio and 74 one-bedroom units. Of these, six of the studio units and 17 of the one-bedroom units will be handicap-accessible, for a net gain of 13 new handicap-accessible units. In an effort to increase energy efficiency, all units will feature new, energy efficient fiberglass windows. The common spaces and hallways will be metered separately and will also benefit from the significant decreases in heating costs with the change to geothermal heating and cooling and window replacement. Storage facilities in the basement, which are significantly outmoded, will be upgraded.

LAND INFORMATION:

The land comprising Monument Square consists only of the building itself, the small adjoining park and the adjacent ten-space parking lot. The existing building envelope would not be altered during rehab. The park and parking area will be renovated following drilling for the geothermal wells.

The site is currently owned by United Group of Companies. TCB has an executed Purchase and Sale Agreement to acquire this property upon the project being awarded funding from DHCR. The site currently holds three mortgages. The first is an FHA mortgage in the amount of \$893,700. The second, a FHA/HUD surplus-cash mortgage, is in the amount of \$825,430. The third, another FHA/HUD surplus-cash mortgage, is in the amount of \$481,029. Monument Square LP would assume this debt as a portion of the acquisition price. The balance would be derived from funding from the New York State Housing Trust Fund.

Monument Square underwent a renovation less than ten years ago to remediate existing asbestos on the firewall between the first floor and basement ceiling. Additional work was done to encapsulate plaster columns in the basement which contained significant amounts of asbestos. A Phase I environmental study was performed by William Miller at Continental Placer Inc., which found an underground storage tank for the emergency generator at the rear of the building. A Phase II report, also performed by Mr. Miller at CPI, showed no leakage or contamination in the ground from this tank.

Further environmental testing for radon, lead, asbestos, and mold was performed by Bill Miller at Spectrum Environmental Associates, Inc. There was found to be lead present in the building, and the scope of work has incorporated remediating these hazards by both HUD and OSHA guidelines.

PROJECT LOCATION AND MARKET INFORMATION:

The location of this site is perfectly suited for a project of this scale. Monument Square is in the heart of Troy's downtown. The neighborhood is an architecturally-significant, mixed commercial/residential community within walking distance to shops, schools, museums, the Hudson River, and parks. The site is directly adjacent to several bus lines which connect it to the other areas within Troy and the larger Capital District. The project will benefit from proximity to experienced, quality social service providers. There is a large municipal parking lot behind the building and a parking garage across the street for permitted parking.

While Troy has a significant amount of affordable and public housing, much of it has been outmoded for years. The current administration has advocated eliminating such outmoded sites, making this preservation project all the more important. By upgrading the existing facilities with state-of-the-art technology and augmenting its handicap-accessibility, this project will ensure that the revitalization of Troy's downtown will benefit the entire community for the long-term.

PROJECT FINANCING INFORMATION:

Project financing is heavily reliant on the sale of low income and historic tax credits. We have projected the sale of these credits at conservative pay-in rates backed up by letters of intent from KeyBank. TCB is confident it can close the transaction on this basis; as the largest non-profit affordable housing developer in the country, we have continued to secure tax credit commitments and close deals even during the market volatility of the past nine months; we have NOT had to return credits to allocating agencies.

The other key part of the financing structure is the assumption of the FHA and HUD loans and the preservation of the long-term project-based Section 8 contract. Again, having pioneered several innovative preservation models working closely with HUD's OAHF, we are confident we can get the approvals we need to restructure and recapitalize this transaction to sustain this development over the long-term.