

IDA APPLICATION APPENDIX

Type of Bond Financing

<u>Issuer:</u>	<u>Bond Type:</u>	<u>Tax-Exempt Category:</u>
_____ PEDFA	_____ Tax-Exempt	_____ Manufacturing
_____ IDA	_____ Taxable	_____ Exempt Facility
		_____ Non-Profit
		_____ Housing
		_____ Refunding
		_____ Other

SIC Codes

Company/Developer SIC Code _____ Beneficiary SIC Code _____

Site Description

If the project involves more than one site, or more than one facility on the site, please provide the following details for each site and for each facility.

If the project involves a new site:

If the project involves an existing site:

Land (acquisition)	acres _____	Land (existing)	acres _____
Facility (acquisition)	sq. ft. _____	Facility (existing)	sq. ft. _____
Facility (expansion)	sq. ft. _____	Facility (expansion)	sq. ft. _____
Facility (renovation)	sq. ft. _____	Facility (renovation)	sq. ft. _____
Facility (construction)	sq. ft. _____	Facility (construction)	sq. ft. _____

Relocation

Is the Company or Beneficiary moving from another site? Yes _____ No _____
 If yes, please complete the following. (Refer to program guidelines.)

Former site _____

 Reason for move _____

 Miles from project site (if move is within PA) _____

Other Tenants

Please complete the following summary for each tenant (other than the Beneficiary) located on the project premises. If there are no other tenants, please indicate this below.

<u>Tenant Name</u>	<u>Business Activity</u>	<u>SIC Code</u>	<u>Sq. Ft. Leased</u>
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Company/Developer and Beneficiary Organization Description

Ownership Structure

List the type of organization (sole proprietorship, corporation, general or limited partnership, non-profit) for both the Company/Developer and the Beneficiary, as well as the year that each was formed. If applicable, list the Corporation Tax Box Number and the Sales & Use Tax License Number for each organization.

Co/Developer: Type of Organization Year Formed Corporation Tax Box # Sales/Use Tax License #

Beneficiary:

Ownership

List all principal owners, controlling stockholder or partners of both the Company/Developer and the Beneficiary. Include the percentage of ownership of each, as well as their Social Security Number (if individual) or FEIN (if company). If the Company/Developer and/or Beneficiary is owned by one or more companies, list the owners of each company and their percentage of ownership. If the Company/Developer and/or Beneficiary is publicly held with no controlling stockholders, please indicate this below.

<u>Company Name</u>	<u>Principal Owners</u>	<u>FEIN or Social Security #</u>	<u>Percentage of Ownership</u>
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Affiliated Organizations

List all companies with which the Company/Developer and/or the Beneficiary are affiliated. For each affiliate, list the nature of the affiliation and the affiliate's location.

<u>Company Name</u>	<u>Affiliation</u>	<u>Location</u>
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TAX-EXEMPT ELIGIBILITY
(For Tax-Exempt Projects Only)

Please complete this section if you wish to be considered for tax-exempt financing.

1. Restricted uses of Tax-Exempt Loan

1) No portion of the loan may be used to finance the following:

- Airplane
- Beer or liquor store
- Country club
- Gambling facility
- Golf course
- Health club facility
- Hot tub facility
- Massage parlor
- Racetrack
- Racquet sports facility
- Skating facility
- Skybox or other private luxury box
- Suntan facility
- Tennis club

2) For manufacturing projects, no more than 25% of the loan can be used to construct or acquire facilities whose primary purpose is:

- Retail service of food and beverage
- Automobile sales or service
- Recreation or entertainment

3) For manufacturing projects, use of the loan for the following facilities is partially restricted:

- Residential facilities
- Farm land, buildings, or equipment
- Condominium facilities such as a single building, enclosed shopping mall, strip offices, stores or warehouses using substantial common facilities.

Is the loan intended to be applied to any of the above uses? _____

If yes, please explain on a separate attachment.

2. Refunding

Is this financing a refunding of outstanding tax-exempt debt? _____

If yes, please attach a copy of IRS form 8038 filed in respect of debt to be refunded.

TAX-EXEMPT ELIGIBILITY
(For Tax-Exempt Projects Only)

3. Capital expenditure restrictions (Applicable to manufacturing projects only)

If an individual, corporation, or partnership (or any related entity) receives over \$1,000,000 in tax-exempt financing (including the current financing and any outstanding tax-exempt financing for a facility within the same jurisdiction as the proposed financing), federal tax law places the following restrictions on the Company/Developer and Beneficiary:

The total of the following with respect to the Company/Developer and Beneficiary (and any related entity) cannot exceed \$10,000,000:

- a) Tax-exempt financing for projects (including this project) or other facilities located in the same city, township, or incorporated municipality; and
- b) Capital expenditures on projects (including this project) or other facilities located in the same city, township, or incorporated municipality, during the six-year period beginning three years prior to funding of this project.

Capital expenditures or bond financing of related persons count toward the \$10,000,000 limit. "Related persons" include any entity related by more than 50% overlapping ownership, including ownership through family relatives.

Please list below all capital expenditures paid, incurred, or expected to be paid by the Company/Developer and Beneficiary, in the six-year period beginning three years before the anticipated commencement of this project, for projects or facilities located in the same city, township, or incorporated municipality.

Capital expenditures may include:

- | | | |
|----------------------|--------------------------|-----------------------------------|
| Land/Building | Architects, Engineers | Purchase of corporate stock |
| Construction | Intangibles | Capitalized credit support costs |
| Equipment | Tenant improvements | Capitalized property taxes |
| Capitalized interest | Covenants not to compete | Research and development |
| Legal fees | Capitalized overhead | Equipment to be moved to facility |

<u>Calendar Year</u>	<u>Expenditures incurred or to be incurred for this project facility</u>	<u>Expenditures to be incurred at other facilities in the same jurisdiction</u>
-3	_____	_____
-2	_____	_____
-1	_____	_____
Current Project	_____	_____
+1	_____	_____
+2	_____	_____
+3	_____	_____
Totals:	_____	_____

TAX-EXEMPT ELIGIBILITY
(For Tax-Exempt Projects Only)

4. Outstanding tax-exempt financing

Manufacturing: The Company/Developer and Beneficiary (and any entity related to the either) cannot have outstanding tax-exempt financing anywhere in the United States or its territories or possessions in excess of \$40 million, including the current financing.

Non-Profit: The non-profit entity and all related persons cannot have outstanding non-hospital tax-exempt financing in excess of \$150 million, including the current financing.

Does the Company/Developer and Beneficiary have any outstanding tax-exempt financed facilities in the United States which fall into the following categories:

(Circle Answer)

Current project. YES NO

Other facilities owned by the Company/ Developer and Beneficiary which were financed with tax-exempt bonds. YES NO

Facilities owned by an entity in which the Company/Developer, Beneficiary, or a related entity of either owns more than 50% of the entity. YES NO

Facilities leased or occupied by the Company/ Developer or Beneficiary which were financed with tax-exempt bonds. YES NO

If you answered yes to any of the above questions please list below the outstanding amount of tax-exempt debt and the location of the facility.

<u>Outstanding amount of tax-exempt financing</u>	<u>Munic., county and state where financed facility is located</u>	<u>Percent of facility owned/occupied</u>
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TAX-EXEMPT ELIGIBILITY
(For Tax-Exempt Projects Only)

5. Facility Use Breakdown (Applicable to manufacturing projects only)

For manufacturing projects, up to, but no more than 25% of the tax-exempt proceeds may be used to finance space or equipment for office, research and development, and warehousing, provided they are directly related to the manufacturing facility and are located on the same premises. Please complete the following table which breaks down the usage of the facility to be financed.

<u>Activity</u>	<u>Floor space to be financed by bonds</u>	<u>Percentage</u>
Office space	_____	_____
Research & Development	_____	_____
Storage of raw materials	_____	_____
Storage of finished products	_____	_____
Manufacturing	_____	_____
Retail	_____	_____
Other industrial	_____	_____
Other commercial	_____	_____
Vacant	_____	_____
TOTAL	_____	_____

6. Acquisition of existing facility (For manufacturing and exempt facility projects)

Will any part of the proposed loan be used to acquire an existing building? _____

If yes, the Company/Developer or Beneficiary must make qualifying rehabilitation expenditures (on the building and any existing equipment contained within it) at least equal to 15% of the amount of the loan spent on the acquisition. Enlargements to the building do not count toward this 15% of rehabilitation expenditures. The 15% of rehabilitation expenditures can be financed through the loan or through other sources, but must be made within two years of the date of the acquisition or the date of issuance of the tax-exempt bonds, whichever is later.

Describe the proposed rehabilitation expenditures.

<u>Expenditure source</u>	<u>Amount</u>	<u>Financing</u>
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IDA EXHIBITS

1. **Applicant Resolution**

All applications must include a resolution duly adopted by the Applicant’s (IDA’s) governing board. This resolution should identify the Company/Developer (borrower) and the loan amount, and briefly describe the project scope.

2. **Financial Letter of Intent**

All applications must include a “Letter of Intent” from a financial institution. This letter may be provided by: the letter of credit bank; the underwriter; the bond purchaser; or other guarantor.

3. **Contact List**

Please attach a list with the mailing address, contact name, and contact telephone number for each of the following entities, where applicable: Company’s counsel; letter of credit bank; underwriter; and bond counsel.

4. **Preliminary Bond Counsel Opinion**

Tax-exempt applications, for amounts of \$400,000 or greater, must include a preliminary opinion from a qualified bond counsel that the project appears to qualify for tax-exempt financing under federal law. The opinion should specify the federal tax-exempt category for which the project qualifies. The bond counsel firm which provides this letter should be listed in The Bond Buyer’s Municipal Marketplace (known also as the “Red Book”).

5. **TEFRA Information**

Tax-exempt applications must include a proof of publication of the TEFRA public hearing notice and the necessary elected official approval for each project site. The minutes from the TEFRA hearing must be attached in any of the following circumstances: 1) if the TEFRA hearing was attended by any members of the general public, other than persons representing the Company/Developer, Beneficiary, or IDA; 2) if the project is located primarily outside of the IDA’s county; 3) if the project falls under the exempt facility category; or 4) if the project involves a multi-family housing facility.

6. **Applicant Fees**

To be completed by the IDA: please list all Applicant (IDA) fees to be charged to the Company/Developer for the IDA project:

	<u>Amount</u>	<u>Formula (if applicable)</u>
One-Time Fee	_____	_____
Annual Fee	_____	_____