

**ESSEX COUNTY INDUSTRIAL DEVELOPMENT
AGENCY & ESSEX COUNTY CAPITAL RESOURCE CORPORATION**

Joint Application for Financial Assistance

The County of Essex Industrial Development Agency (the “Agency”) is a body corporate and politic of the State of New York (the “State”), established in 1974 under section 914-a of the State General Municipal Law, and operating pursuant to the provisions of Article 18-A of the State General Municipal Law. The Essex County Capital Resource Corporation (“ECCRC”) is a not for profit corporation, established in 2010 under section 1411 of the State Not-for-Profit Corporation Law. The Agency provides several forms of financial assistance under State law and pursuant to the Agency’s “uniform tax exemption policy”, including tax-exempt revenue bond financing, PILOT agreements, and “straight lease” agreements. ECCRC provides tax-exempt financing for economic development projects which fulfill public purpose and reduce the burden of government.

In order to be considered for the financial assistance the Agency may provide, the applicant should complete the Application in duplicate, sign and date the Application, and return the completed Application to the Agency together with a processing fee of \$1,000, or \$1,500, as appropriate.

Please answer all the questions in Parts A through D either by filling in the blanks, completing the answer in the space provided in the Application, or by attachment. Please refer to section IV of Part D of the Application for a statement of costs and fees applicable to providing financial assistance. All information submitted in the Application will be kept confidential. No Application will be considered until a fully completed and executed Application, in duplicate, is received by the Agency, together with applicable processing fees.

PART A
Applicant and Project Information

Applicant Name	The Peaks Lake Placid, LLC (See Attachment to Formal Application)
Address	1936 Saranac Avenue, Suite 103-303, Lake Placid, New York 12946
Telephone	518-523-1952
Fax	
Email	jbarile@farhorizonlp.com
Contact Name	Joseph J. Barile

<input type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> Corporation
<input type="checkbox"/> Partnership	<input type="checkbox"/> Not-For-Profit Corporation (see Part C)
<input type="checkbox"/> Limited Partnership	<input checked="" type="checkbox"/> Other Limited Liability Company

Federal ID #	86-3417731
If corporation, what is State of incorporation?	New York
Is the corporation authorized to do business in New York state?	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO

If a not-for-profit corporation, is the corporation qualified under IRS code section 501(c) 3? <input type="checkbox"/> YES <input type="checkbox"/> NO

List names and addresses of principal shareholders or board members in case of not-for-profit: Joseph J. Barile, 1936 Saranac Avenue, Suite 103-303, Lake Placid, NY 12946 Barile Family Children's Trust, 1936 Saranac Ave. Suite 103-303, Lake Placid, NY 12946

List at least 3 financial references including address and telephone # and contact:
1. Champlain National Bank, Plattsburgh, New York, Lisa Roberts, (518) 562-1776
2. Teal Becker & Chiramonte, CPA's, P.C. 7 Washington Square, Albany, NY 12205, Mark Vena (518) 456-6683
3. William L. Owens, Former Member of Congress, Stafford Owens et al, One Cumberland Ave., Plattsburgh NY, (518) 561-4400

Attorney Firm	Stafford Owens Piller Murnane Kelleher & Trombley, PLLC
Address	One Cumberland Avenue, Plattsburgh, New York 12901
Telephone	518-561-4400
Fax	518-561-4848
Email	wowens@staffordowens.com
Contact Name	William L. Stafford

Accounting Firm	Teal Becker & Charamonte, CPA's, P.C.
Address	7 Washington Square, Albany, New York
Telephone	(518) 456-6683
Fax	
Email	
Contact Name	Mark Vena, CPA

Type of Assistance Requested:

Tax-Exempt Revenue Bond Financing*	<input type="checkbox"/>
Taxable Bond Financing	<input type="checkbox"/>
Not-For-Profit Financing (see Part C)	<input type="checkbox"/>
Pollution Control Bond Financing	<input type="checkbox"/>
Straight Lease Back Transaction	<input type="checkbox"/> PILOT Agreement <input checked="" type="checkbox"/> Sales Tax Exemption <input checked="" type="checkbox"/> Mortgage Recording Tax Exemption

*Please note that for any proposed project for which tax-exempt financing is requested, the applicant will be required to complete a detailed "tax questionnaire" to determine eligibility under the Internal Revenue Code for tax-exempt financing.

If applicant is seeking PILOT Agreement, please indicate PILOT schedule:

<input type="checkbox"/> Schedule A Year 1 = 100% exemption Year 2 = 100% exemption Year 3 = 50% exemption Year 4 = 45% exemption Year 5 = 40% exemption Year 6 = 35% exemption Year 7 = 30% exemption Year 8 = 20% exemption Year 9 = 10% exemption Year 10 = 5% exemption	<input type="checkbox"/> Schedule B Year 1 = 50% exemption Year 2 = 45% exemption Year 3 = 40% exemption Year 4 = 35% exemption Year 5 = 30% exemption Year 6 = 25% exemption Year 7 = 20% exemption Year 8 = 15% exemption Year 9 = 10% exemption Year 10 = 5% exemption
---	---

Please note:

1. Projects with a lesser economic impact based on an economic assessment will be eligible for Schedule B, (i.e. If project does not include a high level of commitment for: permanent payroll level in terms of number of jobs created, and/or number of potential spin off jobs, and/or high investment in total project, or a local business impact, and/or community investment).
2. Agency staff will calculate the amount of savings from the proposed PILOT Agreement based on the anticipated tax rates and assessed value of property at time of application and based on proposed expansion (if applicable) for each year of PILOT and for the term of the PILOT. Copy will be attached.

Identify and describe any other real property tax exemption other than that requested from the Agency the project will utilize:

None at Present.

Agency staff will calculate the amount of savings from the proposed PILOT Agreement based on the anticipated tax rates and assessed value of property at time of application and based on proposed expansion (if applicable) for each year of PILOT and for the term of the PILOT.

Tax Map #: Section 42-10, Block 1, Parcels 1.100 and 1.200

Assessment of property (now): \$3,250,000

Assessment of property (at completion): approximately \$120,000,000

<p>If applicant is seeking usage of the Essex County IDA sales tax exemption as part of the assistance for this project, please provide an estimate of the total sales tax to be saved (i.e. equipment purchase, construction, etc.)</p>	<p>\$2,779,265 See Attachment \$ to Formal Application.</p>
--	--

Items to be purchased using IDA sales tax exemption:

Construction materials and equipment rentals typical of residential construction projects.

<p>If applicant is seeking usage of the Essex County IDA mortgage recording tax exemption as part of the assistance for this project, please provide an estimate of the total to be saved</p>	<p>\$1,775,038 \$ See Attachment to Formal Application</p>
---	--

<p>Amount of mortgage to be filed at Essex County Clerk's Office</p>	<p>\$ \$142,003,000</p>
--	--

Provide a general description of the proposed project, indicating (1) location, (2) dimensions of the building or facility, (3) type of construction of the building or facility, (4) intended use of the building or facility and (5) describe any and all tenants and any/all end users:

See Attachment to Formal Application (Project Description).

Attach photograph of site or existing facility

Attach copy of preliminary plans for proposed project

If the proposed project is a manufacturing facility, briefly describe the proposed manufacturing process:

Not Applicable.

Will the completion of the project result in the removal of an industrial or manufacturing plant of the project occupant from one area of the state to another area of the state OR in the abandonment of one or more plants or facilities of the project applicant located within the state? YES NO

If the proposed project is a commercial facility, briefly describe the proposed retail sales operation contemplated:

Not Applicable.

If proposed project has economic activities that would be deemed retail, please indicate if customers personally visit the project site for either of the following:

Retail Sale YES NO

Services YES NO

If the proposed project is a dormitory, healthcare, senior housing or education which a non-for-profit corporation must engage in, briefly describe the proposed project:

Not Applicable.

If the proposed project is a pollution control facility, briefly describe the type of pollution to be abated, and existing orders of environmental agencies to abate pollution:

Not Applicable.

On-Site Utilities:

Water	Municipal: <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	Municipal: <input type="checkbox"/> YES <input type="checkbox"/> NO
Sewer	Other: Lake Placid Water & Sewer	Other: Lake Placid Water & Sewer
Electric	Supplier: Village of Lake Placid Municipal Electric, Inc. Lake Placid	
Natural Gas	Supplier: N/A	

Indicate the current legal owner of the building or site or the proposed project:

The Peaks at Lake Placid, LLC (See Attachment to Formal Application)

Indicate any existing or proposed leases for the proposed project and provide a copy of such lease:

265 apartment residences will be subject to annual and semi-annual leases. The proposed lease is in draft form and will be provided at a later date.

Indicate any purchase option agreement relating to the proposed project and provide a copy of the purchase option agreement:

Not Applicable.

Indicate any litigation or controversy regarding (1) title to the site or building to be acquired, constructed or improved, (2) conditions on or under the site including environmental or hazardous waste conditions, (3) the financial condition of the Applicant or any entity controlling the Applicant or any entity which the Applicant control, and (4) the general operations of the Applicant.

None are known.

If the applicant is or is controlled by a corporation or by a person or entity which is a majority shareholder in a corporation listed on a national stock exchange, please provide a copy of the annual report (including certified financial statements) of such corporation for its two (2) most recent fiscal years.

Annual Report (including financials) attached

Employment:

CURRENT	YEAR 1	YEAR 2
full-time employees: 0	projected FT additional: 9	projected FT additional: 6
part-time employees: 0	projected PT additional: 2	projected PT additional: -1
seasonal employees: 0	projected S additional: 0	projected S additional: 0
TOTAL: 0	TOTAL: 10	TOTAL: 15.5

Current Annual Payroll	\$ See Attachment to Formal Application
Estimated Payroll for Year 1	\$ 250,000
Estimated Payroll for Year 2	\$ 495,000

Of New Jobs Per Month:

MONTH	YEAR 1	YEAR 2
January	0	2.0
February	0	0
March	2.5	(0.5)
April	0	0
May	0	0
June	0	2.0
July	1.5	0
August	1.0	0
September	0	0
October	2.0	2.0
November	2.0	0
December	1.0	0

CATEGORY OF JOBS TO BE RETAINED	AVERAGE SALARY	AVERAGE FRINGE BENEFITS
Management	\$ 0	\$ 0
Professional	\$ 0	\$ 0
Administrative	\$ 0	\$ 0
Production	\$ 0	\$ 0
Independent Contractor	\$ 0	\$ 0
Other:	\$ 0	\$ 0
CATEGORY OF JOBS TO BE CREATED	AVERAGE SALARY	AVERAGE FRINGE BENEFITS
Management	\$ 60,000	\$ 3,600
Professional	\$ 25,000 (excludes commissions)	\$ 3,600
Administrative	\$ 40,000	\$ 3,600
Production	\$ 33,000	\$ 3,600
Independent Contractor	\$	\$
Other:	\$ See Attachment to Formal Application	\$

Indicate labor market area in which the project is located and where employees may reside and commute to work (county or town):

Essex County, New York

Will any construction jobs to created or retained as a result of this project? If so, how many?	40-70
---	-------

Project Costs:

Land	\$ 12,450,000
Improvements to Land (other than site work)	\$ 0
Site Work:	
Materials	\$ 1,600,427
Labor	\$ 1,956,077
Building Construction:	
Materials	\$ 33,209,390
Labor	\$ 40,834,878
Machinery & Building Fixtures	\$ included above
Equipment	\$ included above
Legal Fees (excluding financing costs)	\$ 45,000
Architect & Engineering Fees	\$ 1,084,635
Financing Costs (including transaction legal counsel)	\$ 4,147,805
Working Capital	\$
Other:	\$ 3,750,354
TOTAL	\$ 99,072,567

Project Financing:

Total Amount to be Financed	\$ 142,003,000
Term of Financing	See Attachment to Formal Application
Indicate the name, address, telephone, fax, email and contact person of the financial institution where the applicant is seeking financing:	
See Attachment to Formal Application.	
Has the applicant received a written commitment from the financial institution to finance the proposed project? <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	
<input checked="" type="checkbox"/> Commitment Letter attached	
Would the applicant like the Agency's assistance in obtaining a financial institution to assist in the financing of the proposed project? <input type="checkbox"/> YES* <input checked="" type="checkbox"/> NO	
*If so, an additional \$500 processing fee is payable to the Agency	

Source of Funds:

Bank Financing	\$ 73,003,000 (Construction Loans)
Equity	\$ 26,941,000
Tax Exempt Bond Issuance	\$ 0
Taxable Bond Issuance	\$ 0
State or Federal Grants	\$ 0
Tax Credits	\$ 0
Other:	\$ 0
TOTAL	\$ 99,944,000

Indicate source of owner equity in project:

Land contribution of \$12,425,000
 Cash contributions from equity partners \$14,516,000

Indicate any contribution of funds from an equity offering or venture capital funding for the proposed project:

Not Applicable.

For a manufacturing facility only, please indicate the dollar value of “capital expenditures” (as determined in accordance with the provisions of the Internal Revenue Code) that the applicant or entity related to or controlled by the applicant, has expended within the County of Essex during the past three (3) calendar years?

Not Applicable.

Indicate the proposed date for commencement of construction or acquisition of the proposed project, assuming financing of the proposed project is available to meet the

Currently under construction.
 See Attachment to Formal Application

applicant's schedule	Final Completion June 2024
Indicate a schedule for the application of proceeds of financing and other moneys to acquire, construct, and equip the proposed project to completion	
Indicate the date on which the completed project is expected to be first placed in service	Ph 1 Apartment. - Nov. 2022

Indicate whether or not the Project would be likely to occur without the assistance of the Agency, and, if it could, please provide a statement indicating why the Project should be undertaken by the Agency.

Financing a project of this magnitude, in this geographic area, has been very challenging. Every incremental cost saving is beneficial to the Project's financial feasibility. Without the assistance of the Agency's IDA benefits, the project becomes less economically viable.

Environmental Compliance Review

Has the applicant retained an environmental engineer to assist with the environmental review compliance procedures relating to the proposed project?

YES NO

If so, please provide the name, address, telephone, fax, email and contact person of the firm:

Project's lender will select. Report should be available within 30-45 days.

If not, would the applicant like the Agency's assistance in obtaining the services of an environmental engineer? YES* NO

*If so, an additional \$500 processing fee is payable to the Agency

If an environmental assessment form or a draft environmental impact statement has been prepared by the applicant, please attach a copy of the completed form to the Application.

Attached

To the knowledge of the applicant, has there ever been any toxic or hazardous waste materials located or stored on the site of the proposed project site, or has any activity ever been conducted on the site of the proposed project which could be expected to generate toxic or hazardous waste material? YES NO

For a proposed project located in the Adirondack Park, has the applicant received the permission of the Adirondack Park Agency to acquire and construct the proposed project? YES NO

If not, when does the applicant expect to receive such permission?

Attach copy of APA permit if applicable

PART C

Is the company a not-for-profit corporation qualified under Section, 501(c) 3 of the Internal Revenue Code? YES NO

If yes, attach copy of IRS designation letter

Does the project fulfill a public purpose for Essex County or a municipality within Essex County?

See Attachment to Formal Application (Economic Impact).

What are the economic development aspects of the project?

See Attachment to Formal Application (Economic Impact).

Are there serious policy or potential issues which may preclude the project being financed by a municipality or Essex county?

Not Applicable.

- As recommended by the Office of the State Comptroller, the Agency will require the inclusion of recapture provisions in project agreements to allow the Agency to recoup, in coordination with the NYS Department of Finance and Taxation and pursuant to Agency policies, some or all of previously granted benefits if job creation/retention goals or other terms of the agreements are not met. By signing this application, the applicant acknowledges that:
- the submission of any knowingly false or misleading information may lead to immediate termination or recapture of tax benefits;
- the applicant is in compliance with the anti-pirating provisions of Section 862 (1) of the General Municipal Law.
- the owner, occupant or operator to receive financial assistance is in substantial compliance with state, local and federal tax, worker protection and environmental laws.
- the Agency will conduct a cost/benefit analysis to determine whether the project will (i) create or retain employment, (ii) stimulate private sector investment, (iii) be completed in a timely fashion, and (iv) provide additional revenues for municipalities and school districts.
- upon completion, the Agency a least annually will assess the progress of the project in achieving job retention and/or expansion and investment in Essex County.

PART D
Certification

Joseph J. Barile (name of chief executive officer of company) ,
deposes and says that he/she is the Manager (title) of
The Peaks at Lake Placid, LLC (name of Applicant); that he/she has read the
foregoing Application and knows the contents thereof, that the same is true to
his/her knowledge.

The grounds for deponent's belief relative to all matters in the Application which are not stated upon his/her own personal knowledge, are investigations which deponent has caused to be made concerning to subject matter of the Application, as well as information acquired by deponent in the course of his/her duties as an officer of and from the books and papers of said corporation or other entity.

As an officer of the applicant deponent acknowledges and agrees that the applicant shall be and is responsible for all costs incurred by the County of Essex Industrial Development Agency (the "Agency") and legal counsel for the Agency, whether or not the application, the proposed project it describes, the attendant negotiations, or the issue of bonds or other transaction or agreement are ultimately ever carried to successful conclusion.

By executing and submitting this application, the applicant covenants and agrees to pay the following fees to the Agency, the same to be paid at the times indicated:

- (a) The sum of \$1,000 as a non-refundable processing fee, plus the sum of \$500 if Agency assistance in retaining professionals if requested, to be paid upon submission of the Application;
- (b) The sum of:
 - 0.75% on the first \$10 million of project financing
 - 0.50% on the next \$11 million to \$20 million
 - 0.25% on the next \$21 million to \$30 million
 - 0.125% on the next \$31 millionfor which the Essex County IDA provides financial assistance, to be paid at transaction closing;
- (c) An amount equal to \$2,500 payable to the Agency's bond/transaction counsel for the preparation and review of the inducement resolution, the environmental compliance resolution, TEFRA hearing proceedings and the "tax questionnaire" assuming no further activity occurs after completion of inducement proceedings, to be paid within ten (10) business days of the receipt of bond/transaction counsel's invoice;
- (d) All fees, costs and expenses incurred by the Agency for (1) legal services, including but not limited to those provided by the Agency's general counsel (Briggs Norfolk) and bond/transaction counsel (Squires Sanders), and (2) other consultants retained by the Agency in connection with the proposed project; with all such charges to be paid by the applicant at the closing or, if the closing does not occur, within ten (10) business days of receipt of the Agency's invoices therefore (Please note that the applicant is entitled to

- receive a written estimate of fees and costs of the Agency's general counsel and bond/transaction counsel prior to inducement);
- (e) The cost incurred by the Agency and paid by the applicant, including bond/transaction counsel and the Agency's general counsel's fees and the processing fees, may be considered as a costs of the project and included in the financing of costs of the proposed project.

The applicant further covenants and agrees that the applicant is liable for payment to the Agency of all charges referred to in section above, as well as all other actual costs and expenses incurred by the Agency in handling the application and pursuing the proposed project notwithstanding the occurrence of any of the following:

- (a) The applicant's withdrawal, abandonment, cancellation or failure to pursue the Application;
- (b) The inability of the Agency or the applicant to procure the services of one or more financial institutions to provide financing for the proposed project;
- (c) The applicant's failure, for whatever reason, to undertake and/or successfully complete the proposed project; or
- (d) The Agency's failure, for whatever reason, to issue tax-exempt revenue bonds in lieu of conventional financing.

The Peaks Lake Placid, LLC

(name of corporation or entity)

Joseph J. Barile

(name of officer)

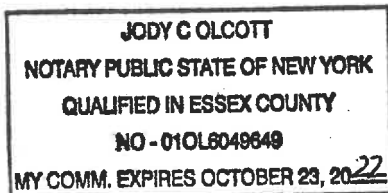
Manager / President

(title)

NOTARY

Sworn to before me this 13 day of December, 20 21

Jody C. OLCOTT
(Signature)



PART E

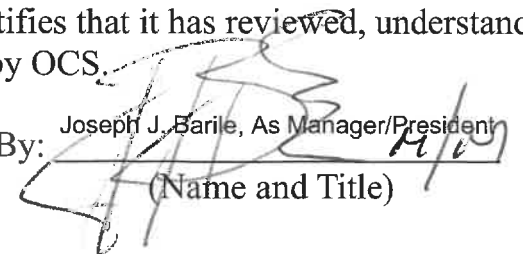
As a condition to issuing financial assistance for the proposed project, the County of Essex Industrial Development Agency (the "Agency") is required by the Office of the New York State Comptroller ("OSC") to obtain the following supplementary information on an annual basis from the applicant during the term of project:

1. Outstanding balance at beginning and end of the year and principal payments made during the year for tax-exempt and taxable bond financing (if applicable)
2. Current interest rate (for adjustable rate bonds, the interest rate at year end)
3. PILOT payments including real estate tax exemptions for county, local (city, town, village, fire district) and school district taxes.
4. Annual Sales Tax Filings: In accordance with Section 874(8) of the NY General Municipal Law, the applicant understands and agrees, that if project receives any sales tax exemptions as part of the financial assistance from the Agency, in accordance the applicant agrees to file with the NYS Department of Taxation and Finance, the annual form (ST-340) describing the value of all sales tax exemptions claimed by the applicant and all consultants or subcontractors retained by the applicant. Copy of the report will be sent to the Agency.
5. Employment Reporting: The applicant understands and agrees that if the project receives any financial assistance from the Agency, at least annually or otherwise requested by the Agency, reports regarding the number of people employed at the project site, salary, fringe benefits, etc. will be sent to the Agency within 30 days of request. Report will include copies of latest NYS-45 report.

The information requested above is required by February 15th of each succeeding year and should be submitted in writing to the Agency at its office at PO Box 217, 7566 Court Street, Elizabethtown, New York 12932. Failure to provide requested reports shall be an event of default of the terms and conditions of the agreement.

The applicant, through its signing officer, certifies that it has reviewed, understands and will comply with the above, as required by OCS.

The Peaks Lake Placid, LLC
(Company)

By: 
(Name and Title)

Date: DEC. 13. 2021

The Peaks at Lake Placid, LLC
Combined Residential Housing
Attachments to Formal Application
Updated as of March 7, 2022

Part A - Applicant and Project Information

Applicant:

- A. The Applicant intends to develop a community of rental and for-sale condominium residences that will help alleviate Essex County's new housing shortage, particularly in area of low income housing. Of the Project's 355 total housing units, there will be 40 residences leased to prospects who are at or below 120% of area medium income; and 225 residences leased to prospects who are at or below 150% of area medium income.
- B. The Applicant may elect to admit an equity partner prior to closing its construction loans for phase one.
- C. The Applicant may also elect to form two single member LLC's to develop the Project - one entity would develop the rental apartment property (Phases 1, 2 and 3 which include 101, 82 and 82 units, respectively); and another entity would develop the for-sale condominium property (Phases 1 & 2 which include 74 and 14 units, respectively).
- D. The Applicant intends to assign some or all of its authorized IDA benefits to the entities described in C, above.

Project Description

The Project is located in the Town of Elba, Essex County, New York. It includes 90 condominium units (approx. 171,063 SqFt) and 265 rental apartment residences (approx. 288,450 SqFt) located on 34.5 acres. Site Work includes off-site improvements, excavation, underground utilities, roadways, parking and landscape & amenities.

Off-site improvements will include over \$250,000 in road and utility line improvements and the landscape beautification of approximately 700 feet of frontage along the east side of Barn Road.

Condominium and apartment residences will be constructed in concrete, steel, wood framing, and equipment & finishes typically found in multi-story for-sale and rental properties. Both condominium and rental apartment buildings will include under-building, heated parking.

The 90 condominium residences will be sold to the public as primary and/or seasonal residences. They are projected to sell out at approximately \$67 Million over three years ending in 2025. It is estimated that about \$40 Million in mortgages will be written for the buyers during that period.

Construction and other development costs are projected at approximately \$33 Million (excluding land), much of which will be spent on materials, equipment, labor, professional services, and banking with local and regional businesses over the next three years (completion in 2024). The parcel where the condominiums are to be constructed is a former commercial facility that has been abandoned for over 15 years. Currently, it has little property tax value and no employment or economic activity that benefits Essex County and local businesses.

The 265 apartment residences will be leased under annual and semi-annual leases. They will be occupied by residents who qualify under the following income guidelines: 40 residences leased to prospects who are at or below 120% of area medium income; and, 225 residences leased to prospects who are at or below 150% of area median income.

Construction and other development costs are projected at approximately \$53 Million (excluding land), much of which will be spent on materials, equipment, labor, professional services, and banking with local and regional businesses over the next three years (completion in late 2024). The parcel where the apartments are to be constructed is a currently vacant undeveloped land. Currently, it has little property tax value or economic activity that benefits Essex County and local businesses.

The Peaks at Lake Placid, LLC
Combined Residential Housing
Attachments to Formal Application
Updated as of March 7, 2022

Part B - Environmental Compliance Review

Environmental Engineering:

The Applicant has an environmental assessment report on the site's 34.5 acres which is outdated. As part of the Evans Bank underwriting, an environmental engineer recommended by the bank will be engaged. When the report is completed, a copy will be provided to the Agency.

Part C - Public Purpose and Economic Impact

Economic Impact

The Project will provide short and long term economic benefits to Essex County and the Cities, Towns and Villages in the region. In the short run, the Project will provide over \$80 Million in construction activity to the area which will benefit local contractors, material suppliers, and a large labor force of 40-70 workers. In the long run, it will provide 16 permanent jobs within the developer's continuing operation at the apartments and condominium's association. Operating costs & expenses for the two residential communities will approximate \$1.4 Million annually which will largely be spent in the local and regional area. There is also be the impact of indirect and induced job creation and trade throughout the region.

According to the "Lake Placid Market-rate Rental Housing and Condominium Feasibility Study" prepared by Camion 310 Associates for the Regional Office of Sustainable Tourism, there is a significant need for rental housing and condominiums in the Project's surrounding area that will support the growth in annual and seasonal employment. The Project's 265 apartment residences will address the area's need for low-income housing in that it must qualify residents under the following income guidelines: 40 residences leased to prospects who are at or below 120% of area medium income; and, 225 residences leased to prospects who are at or below 150% of area median income. The condominium residences will attract permanent and seasonal residents.

Essex County will benefit from a significant increase in the property tax base as a result of the Project. It's projected market value at completion and sellout approximates \$120 Million.

Essex County will benefit from the developer's construction of off-site improvements including over \$250,000 in road and utility line improvements and the landscape beautification of approximately 700 feet of frontage along the east side of Barn Road.

The Peaks at Lake Placid, LLC
Combined Residential Housing
Attachments to Formal Application
Updated as of March 7, 2022

Sales Tax Exemption

	2022	2023	2024
The Peaks Apartments:			
Phase 1 (Start 2021, Complete 2023)	\$ 550,378	\$ 150,000	\$ -
Phase 2 (Start 2023, Complete 2024)		510,300	0
Phase 3 (Start 2023, Complete 2024)			510,300
	550,378	660,300	510,300
The Peaks Condominiums:			
Phase 1 (Start 2022, Complete 2023)	443,665	450,000	
Phase 2 (Start 2023, Complete 2024)		24,622	140,000
	443,665	474,622	140,000
Combined Properties Tax Exemption	\$ 994,043	\$ 1,134,922	\$ 650,300

Employment - Permanent

	Phase 1	Phase 2 & 3	Thereafter
The Peaks Apartments:			
Property Manager	1	1	1
Assistant Manager / Accountant	0.5	1	1
Licensed Leasing Agents	1	2	2
Grounds & Building Maintenance	2	3	4
Total Property Management Staff	4.5	7.0	8.0
Annual Payroll	\$ 180,000	\$ 300,000	\$ 300,000
The Peaks Condominiums:			
Property Manager	1	1	1
Part Time Accountant	0.5	0.5	0.5
Licensed Sales / Resale Agents	2	2	2
Grounds & Building Maintenance	2	3	4
Total Property Management Staff	5.5	6.5	7.5
Annual Payroll	\$ 170,000	\$ 240,000	\$ 240,000

Employment - Construction (Temporary)

It is estimated that there will be 20-35 construction workers at each site (40-70 overall site). This will vary with the stage of construction and the season of the year. Construction will occur from August 2021 through November 2024.

**The Peaks at Lake Placid, LLC
 Combined Residential Housing
 Attachments to Formal Application
 Updated as of March 7, 2022**

Project Costs:

<p>Land is included at the appraised value as of May 1, 2021 as the agreed upon business structure with partners.</p>	<p>Land Purchase Price \$ 5,375,000 Land Transaction Costs 25,000 Appraisal Increase 7,050,000 Land Cost Budget 12,450,000</p>
<p>Site Work and Building Construction costs estimate the amount of taxable (Sales Tax Items) materials and leased equipment at 45% of total construction costs.</p>	<p>Site Work 3,809,461 Building Construction 73,785,311 77,594,772</p>
<p>Machinery & Building Fixtures are included above.</p>	
<p>Legal Fees for development issues.</p>	<p>45,000</p>
<p>Architect & Engineering Fees includes market feasibility & project programming, geotechnical & environmental studies, surveying, civil engineering, architectural design and other design consulting.</p>	<p>1,084,635</p>
<p>Financing Costs include construction lender & 3rd party costs for \$73 million in construction loans in place during the three year, phased construction period.</p>	<p>Application and Commitment Fee 408,785 Title Insurance, Mortgage Recording Tax and Closing Expenses 392,188 Borrower & Lender Legal 170,000 Financial Advisor Fee 523,796 Construction Period Interest 2,362,309 Transaction Costs proposed by the Essex County IDA 290,728 4,147,806</p>
<p>Other Costs: Indirect Costs include soft costs not included in other project cost categories above and other allowances.</p>	<p>Accounting and budgeting 30,000 Development Period Taxes 100,000 Development Period Insurance 154,758 Marketing & Start up Costs 93,000 Developer/Administrative Fee 1,686,298 Project Cost Contingency 1,686,298 3,750,354</p>
<p>Projected Total Costs</p>	<p>\$ 99,072,567</p>

The Peaks at Lake Placid, LLC
Combined Residential Housing
 Pre-Application Estimates for Essex County IDA
 Updated as of March 7, 2022

Sales & Use Tax Exemption & Mortgage Recording Tax Abatement

	Total - Combined Segments			90 Condominiums			265 Apartments		
	Phase 1	Phases 2 & 3	Total	Phase 1	Phase 2	Total	Phase 1	Phases 2 & 3	Total
Construction Budget and Materials									
Offsite Improvements	250,000	0	250,000	0	0	250,000	250,000	0	250,000
Contractor - Excavation & Stormwater	783,878	265,735	1,049,613	221,585	40,818	262,403	787,210	562,293	1,349,503
Contractor - Sitemwork Construction	1,307,233	443,154	1,750,387	369,526	68,071	437,597	1,312,790	937,707	2,250,497
Contractor - Booster Station	366,504	0	366,504	0	0	366,504	366,504	366,504	733,008
Contractor - Foundation/Parking Structure	3,152,222	2,927,778	6,079,999	1,562,222	287,778	1,850,000	4,230,000	1,590,000	5,820,000
Contractor - Residential Building Construction	35,335,942	26,869,627	62,205,569	19,934,542	3,672,152	23,606,694	38,597,875	15,401,400	54,000,000
Credit for Upgraded Energy & Environmental Programs	(498,591)	(501,409)	(999,999)	(214,084)	(39,437)	(253,521)	(746,479)	(284,507)	(1,031,000)
Contractor - Common Area Landscaping	179,727	170,273	350,000	84,444	15,556	100,000	250,000	95,283	345,283
Contractor - Common Area / Elevators	1,380,713	1,026,329	2,407,042	844,444	155,556	1,000,000	1,407,042	536,269	1,943,311
Contractor - Common Area Upper Levels Comp/Finishes	1,641,347	302,353	1,943,700	1,641,347	302,353	1,943,700	0	0	1,943,700
Contractor - Pool & Fitness Center	168,889	281,111	450,000	168,889	31,111	200,000	250,000	0	250,000
Clubhouse, Furniture & Equipment	211,111	1,138,889	1,350,000	211,111	38,889	250,000	1,100,000	0	1,100,000
Total Hard Costs of Construction	44,278,975	32,922,840	77,201,815	29,396,873	4,572,847	33,969,720	47,804,942	19,454,949	67,259,891
Estimate of Sales & Use Taxes									
Percent of Taxable Materials in Construction Bud									45.00%
Materials & Equipment Rental in Budget	19,925,539	14,815,278	34,740,817	11,170,812	2,057,781	13,228,593	21,512,224	8,754,727	30,266,951
Sales Tax Rate - Essex County, New York									8.00%
Estimated Sales Tax on Construction	\$ 1,594,043	\$ 1,185,222	\$ 2,779,265	\$ 893,665	\$ 164,622	\$ 1,058,287	\$ 1,720,978	\$ 700,378	\$ 1,020,600

The Peaks at Lake Placid, LLC
Combined Residential Housing
Pre-Application Estimates for Essex County IDA
Updated as of March 7, 2022

[Project Summary](#)

Approximate Timeline	Phasing Description	Number of Units			Construction Budget	Taxable Materials & Equipment	Projected Sales Tax Incentive	Employment Assumptions	Annual Payroll
		Total	AMI 120%	AMI 150%					
August 1, 2021	Phase 1 apartments	101	15	86	\$ 19,454,949	\$ 8,754,727	\$ 700,378	4 full-time	\$ 180,000
October 1, 2022	Phase 1 condos	76	N/A	N/A	24,824,026	11,170,812	893,665	5 full-time, 1 part-time	170,000
Sept. 1, 2023	Phase 2 & 3 apartments	164	13 & 12	139	28,349,993	12,757,497	1,020,600	+3 full-time	300,000
Sept. 1, 2023	Phase 2 condos	14	N/A	N/A	4,572,847	2,057,781	164,622	+2 full-time	240,000
			40	225	\$ 77,201,815	\$ 34,740,817	\$ 2,779,265	14 full-time	\$ 1,430,000

*** Represents total annualized payrolls for 2022 through 2024 (construction completion). Thereafter, annual payroll amounts to \$495,000 annually (in constant 2022 dollars).