



Strategic Financial Solutions Amherst

Section I: Applicant Background Information

Applicant Information - Company Receiving Benefit

| | |
|--|---------------------------------------|
| Project Name | Strategic Financial Solutions Amherst |
| Applicant Name | Strategic Financial Solutions |
| Applicant Address | 711 Third Avenue |
| Applicant Address 2 | 6th Floor |
| Applicant City | New York |
| Applicant State | New York |
| Applicant Zip | 10017 |
| Phone | 2128104537 |
| Fax | 2128104537 |
| E-mail | stirabassi@stratfs.com |
| Website | www.stratfs.com |
| Federal ID# | 82-3952605 |
| NAICS Code | 5614 |
| Will a Real Estate Holding Company be utilized to own the Project property/facility | No |
| What is the name of the Real Estate Holding Company | |
| Federal ID# | |
| State and Year of Incorporation/Organization | |
| List of stockholders, members, or partners of Real Estate Holding Company | |

Individual Completing Application

| | |
|------------------|-------------------|
| Name | Matthew McAleer |
| Title | Senior Accountant |
| Address | 711 Third Avenue |
| Address 2 | 6th Floor |
| City | New York |
| State | New York |
| Zip | 10017 |

Phone

646-849-6343 EXT. 7015

Fax

E-Mail

mmcaleer@stratfs.com

Company Contact (if different from individual completing application)

Name
Title
Address
Address 2
City
State
Zip
Phone
Fax
E-Mail

Company Counsel

| | |
|-------------------------|--------------------|
| Name of Attorney | David Kimelberg |
| Firm Name | Kimelberg LLC |
| Address | 114 S. Cayuga Road |
| Address 2 | |
| City | Williamville |
| State | New York |
| Zip | 14221 |
| Phone | 212-602-1021 |
| Fax | |
| E-Mail | dk@kimelberg.com |

Identify the assistance being requested of the Agency.

| | |
|---|-----|
| Exemption from Sales Tax | Yes |
| Exemption from Mortgage Tax | No |
| Exemption from Real Property Tax | No |
| Tax Exempt Financing* | No |

* (typically for not-for-profits & small qualified manufacturers)

Business Organization

| | |
|------------------------------|----------|
| Type of Business | ESOT |
| Type of Ownership | |
| Year Established | 2017 |
| State of Organization | Delaware |

List all stockholders, members, or partners with % of ownership greater than 20%

Please include name and % of ownership.

Applicant Business Description

Describe in detail company background, products, customers, goods and services. Description is critical in determining eligibility

Founded in 2007, Strategic Financial Solutions ("Strategic" or the "Company") is one of the leading consumer debt resolution businesses in the U.S. and to date has resolved ~525 million of unsecured debt for its clients. Strategic is a rapidly growing, highly profitable business focused on helping consumers resolve unsustainable levels of unsecured debt. The Company currently employs ~800 team members servicing ~45,000 active clients. The Company provides two primary product offerings to support its clients' efforts to reduce their unsecured debt balances. Strategic is led by a highly experienced management team with extensive industry and operational experience and a proven track record of scaling high growth businesses while maintaining an unparalleled focus on profitability and quality control. Strategic maintains a pristine compliance track record and from the top-down employs a client-centric culture with an intense focus on compliance across the organization. The Company has recently launched a lending business that will offer unsecured consumer loans and debt negotiation loans to clients. Strategic's successful growth has been broadly recognized. Rated one of the top 50 growing companies in NYC two years in a row and one of the top 500 fastest growing companies in the U.S. On the Best Places to Work in NYC employees survey, 96% of Strategic employees stated that they were proud to working at Strategic, 92% find management to be approachable and easy to talk with while 97% find Strategic to have a great atmosphere. Strategic and its subsidiaries have worked to maintain the highest possible reputation in the debt relief industry and maintains at least 'A' rating from the Better Business Bureau.

| | |
|---|----|
| Estimated % of sales within Erie County | 1 |
| Estimated % of sales outside Erie County but within New York State | 5 |
| Estimated % of sales outside New York State but within the U.S. | 94 |
| Estimated % of sales outside the U.S. | 0 |

(*Percentage to equal 100%)

What percentage of your total annual supplies, raw materials and vendor services are purchased from firms in Erie County? Include list of vendors, raw material suppliers and percentages for each. Provide supporting documentation of the estimated percentage of local purchases

10% today. Upon opening our facilities in Erie County, we will eventually have 50%+ of our workforce there. It's reasonable that 100% of our local purchasing needs for the EC facility will be done locally.

Section II: Eligibility Questionnaire - Project Description & Details

Project Location

Municipality or Municipalities of current operations

New York City

Will the Proposed Project be located within a Municipality identified above?

Yes

In which Municipality will the proposed project be located

Amherst, NY

Address

115 Lawrence Bell Drive, Amherst, NY

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 occupant located within the state?

No

If the Proposed Project is located in a different Municipality than that Municipality in which current operations are being undertaken, is it expected that any of the facilities in any other Municipality will be closed or be subject to reduced activity?

No

(If yes, you will need to complete the Retail Section of this application)

SBL Number for Property upon which proposed Project will be located

What are the current real estate taxes on the proposed Project Site

Assessed value of land

Assessed value of building(s)

Are Real Property Taxes current?

Yes

If no please explain

Town/City/Village of Project Site

School District of Project Site

Does the Applicant or any related entity currently hold fee title to the Project site?

No

If No, indicate name of present owner of the Project Site

Does Applicant or related entity have an option/contract to purchase the Project site?

No

Describe the present use of the Proposed Project site

Please provide narrative of the proposed project and the purpose of the proposed project (new build, renovations, and/or equipment purchases). Identify specific uses occurring within the project. Describe any and all tenants and any/all end users: (This information is critical in determining project eligibility)

Strategic is a growing enterprise located in New York City and in 2018 expanded its operation to the Buffalo area. Strategic is undergoing an expansion at its current location, 115 Lawrence Bell Drive. This expansion will include approximately 16,000 sq. ft. of additional leased space. We will be utilizing AIDA sales tax benefit to outfit the space as well as for the purchase of machinery

and equipment. This project represents the completion of our start-up investment of what we hope to be a multi-phase investment for our ever-growing debt consolidation business.

If the Project could be undertaken without Financial Assistance provided by the Agency, then provide a statement in the space provided below indicating why the Project should be undertaken by the Agency:

Describe the reasons why the Agency's Financial Assistance is necessary and how the Financial Assistance enables the company to undertake the Project to facilitate investment, job creation and/or job retention. Focus on competitiveness issues, project shortfalls, etc... Your eligibility determination will be based in part on your answer (attach additional pages if necessary)

The above mentioned benefits offered through AIDA's sales tax exemption will continue to allow the company to establish an operation in Amherst and with it be in a position to offer good paying jobs to over 300 residents of the region. These benefits are vital in helping to offset the costs of establishing a local presence for our expanding operations.

Please confirm by checking the box, below, if there is likelihood that the Project would not be undertaken but for the Financial Assistance provided by the Agency

Yes

If the Applicant is unable to obtain Financial Assistance for the Project, what will be the impact on the Applicant and Erie County?

We are one of the fastest growing companies in New York City. We have been solicited for expansion in Georgia, Florida, and New Jersey.

Will project include leasing any equipment?

No

If yes, please describe equipment and lease terms.

Site Characteristics

Will the Project meet zoning/land use requirements at the proposed location?

Yes

Describe the present zoning/land use

Class A office space to be retrofitted in an existing building.

Describe required zoning/land use, if different

If a change in zoning/land use is required, please provide details/status of any request for change of zoning/land use requirements

No

Is the proposed Project located on a site where the known or potential presence of contaminants is complicating the development/use of the property?

No

If yes, please explain

Has a Phase I Environmental Assessment been prepared, or will one be prepared with respect to the proposed Project Site?

No

If yes, please provide a copy.

Have any other studies, or assessments been undertaken with respect to the proposed Project Site that indicate the known or suspected presence of contamination that would complicate the site's development?

No

If yes, please provide copies of the study.

If you are purchasing new machinery and equipment, does it provide demonstrable energy efficiency benefits?

You may also attach additional information about the machinery and equipment at the end of the application.

Does or will the company or project occupant perform research and development activities on new products/services at the project location?

No

Project Information

Estimated costs in connection with project

Land and/or Building Acquisition

\$ 0 square feet acres

New Building Construction

\$ 0 square feet

New Building addition(s)

\$ 0 square feet

Infrastructure Work

\$ 0

Renovation

\$ 0 16,000 sq. ft. square feet

Manufacturing Equipment

\$ 0

Non-Manufacturing Equipment: (furniture, fixtures, etc.)

\$ 350,000

Soft Costs: (professional services, etc.)

\$ 0

Other Cost

\$ 0

Explain Other Costs

Total Cost

\$ 350,000

Project Refinancing; estimated amount (for refinancing of existing debt only)

\$ 0

Have any of the above costs been paid or incurred as of the date of this Application?

Yes

If Yes, describe particulars:

Demolition, carpentry, flooring, plumbing, and electrical costs have been incurred since August.

Sources of Funds for Project Costs:

Equity (excluding equity that is attributed to grants/tax credits):

\$ 350,000

Bank Financing:

\$ 0

Tax Exempt Bond Issuance (if applicable):

\$ 0

Taxable Bond Issuance (if applicable):

\$ 0

Public Sources (Include sum total of all state and federal grants and tax credits):

\$ 0

Identify each state and federal grant/credit:

This is our shareholders capital. No outside resources are being used.

Total Sources of Funds for Project Costs:

\$350,000

Has a financing preapproval letter or loan commitment letter been obtained?

No

Mortgage Recording Tax Exemption Benefit:

Estimated Mortgage Amount (Sum total of all financing – construction and bridge).

***Amount of mortgage, if any, that would be subject to mortgage recording tax.**

\$

Lender Name, if Known

Estimated Mortgage Recording Tax Exemption Benefit (% of estimated mortgage amount stated above):

\$0

Construction Cost Breakdown:

Total Cost of Construction

\$ 350,000 (sum of 2,3,4,5, and/or 7 in Question K, above)

Cost for materials

\$ 315,000

% sourced in Erie County

90%

% sourced in State

90% (including Erie County)

Gross amount of costs for goods and services that are subject to State and local sales and use tax- said amount to benefit from the Agency's sales and use tax exemption benefit

\$ 350,000

Estimated State and local Sales and Use Tax Benefit (product of 8.75% multiplied by the figure, above):

\$ 30,625

Real Property Tax Benefit:

Identify and describe if the Project will utilize a real property tax exemption benefit OTHER THAN the Agency's PILOT benefit:

For proposed facility please include # of sq ft for each of the uses outlined below

| | | Cost | % of Total Cost |
|-----------------------------------|--------------------|-------------|------------------------|
| Manufacturing/Processing | square feet | \$ 0 | 0 |
| Warehouse | square feet | \$ 0 | 0 |
| Research & Development | square feet | \$ 0 | 0 |
| Commercial | square feet | \$ 0 | 0 |
| Retail | square feet | \$ 0 | 0 |
| Office | 16,000 square feet | \$ 350,000 | 100 |
| | | \$ 0 | 0 |

Specify Other

square feet

If you are undertaking new construction or renovations, are you seeking LEED certification from the US Green Building Council?

No

If you answered yes to question above, what level of LEED certification do you anticipate receiving? (Check applicable box)

<BLANK>

Provide estimate of additional construction cost as a result of LEED certification you are seeking

Will project result in significant utility infrastructure cost or uses

Yes

What is your project timetable (Provide dates)

Start date : acquisition of equipment or construction of facilities

8/1/2018

End date : Estimated completion date of project

12/31/2019

Project occupancy : estimated starting date of operations

8/1/2018

Have construction contracts been signed?

No

Have site plans been submitted to the appropriate planning department for approval?

No

Has the Project received site plan approval from the appropriate planning department?

No

Is project necessary to expand project employment?

Yes

Is project necessary to retain existing employment?

No

Employment Plan (Specific to the proposed project location):

| | Current # of jobs at proposed project location or to be relocated at project location | IF FINANCIAL ASSISTANCE IS GRANTED – project the number of FTE and PT jobs to be RETAINED | IF FINANCIAL ASSISTANCE IS GRANTED – project the number of FTE and PT jobs to be CREATED upon TWO years after Project completion | Estimate number of residents of the Labor Market Area in which the Project is located that will fill the FTE and PT jobs to be created upon TWO Years after Project Completion ** |
|-----------|---|---|--|---|
| Full time | 0 | 0 | 300 | 0 |
| Part time | 0 | 0 | 0 | 0 |
| Total | 0 | 0 | 300 | |

** The Labor Market Area includes the Counties of Erie, Niagara, Genesee, Cattaraugus, Wyoming and Chautauqua. For the purposes of this question, please estimate the number of FTE and PT jobs that will be filled, as indicated in the third column, by residents of the Labor Market Area, in the fourth column.

***By statute, Agency staff must project the number of FTE jobs that would be retained and created if the request for Financial Assistance is granted. Agency staff will project such jobs over the TWO Year time period following Project completion. Agency staff converts PT jobs into FTE jobs by dividing the number of PT jobs by two (2).

If you estimated new job growth over the next 2 years, please provide a short description of how those estimates were calculated (i.e. jobs per square foot, new contracts/increased revenues, etc.)

Salary and Fringe Benefits for Jobs to be Retained and Created:

| Category of Jobs to be Retained and Created | # of Employees Retained and Created | Average Salary for Full Time | Average Fringe Benefits for Full Time | Average Salary for Part Time (if applicable) | Average Fringe Benefits for Part Time (if applicable) |
|--|--|-------------------------------------|--|---|--|
| Management | 0 | \$ 130,400 | \$ 10,000 | \$ 0 | \$ 0 |
| Professional | 0 | \$ 84,174 | \$ 10,000 | \$ 0 | \$ 0 |
| Administrative | 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Production | 0 | \$ 45,834 | \$ 5,000 | \$ 0 | \$ 0 |
| Independent Contractor | 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Other | 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |

Employment at other locations in Erie County: (provide address and number of employees at each location):

| Address | | | |
|------------------|---|---|---|
| Full time | 0 | 0 | 0 |
| Part time | 0 | 0 | 0 |
| Total | 0 | 0 | 0 |

Will any of the facilities described above be closed or subject to reduced activity?

No

Payroll Information

Annual Payroll at Proposed Project Site

\$ 13,500,000

Estimated average annual salary of jobs to be retained (Full Time)

\$ 0

Estimated average annual salary of jobs to be retained (Part Time)

\$ 0

Estimated average annual salary of jobs to be created (Full Time)

\$ 45,000

Estimated average annual salary of jobs to be created (Part Time)

\$ 0

Estimated salary range of jobs to be created

From (Full Time)

\$ 45,000

To (Full Time) \$ 130,000

From (Part Time)

\$ 0

To (Part Time) \$ 0

Is the project reasonably necessary to prevent the project occupant from moving out of New York State?

Yes

If yes, please explain and identify out-of-state locations investigated

We are being recruited by locations in New Jersey, Florida and Georgia. As stated previously, we are one of the 50 fastest growing companies in New York City. The out of state assistance is coming in the form of tax incentives, hiring incentives and training incentives. These are confidential discussions and are not divulging any information on our other negotiations.

What competitive factors led you to inquire about sites outside of New York State?

Workforce Quality, proximity to airport, wages

Have you contacted or been contacted by other Local, State and/or Federal Economic Development Agencies?

Yes

If yes, please indicate the Agency and nature of inquiry below

Empire State Development has worked with us to provide incentives as well

Do you anticipate applying for any other assistance for this project?

No

If yes, what type of assistance (Historic Tax Credits, 485(a), Grants, Utility Loans, Energy Assistance, Workforce Training)

Section III: Facility Type - Single or Multi Tenant

Is this a Single Use Facility or a Multi-Tenant Facility?

Single Use Facility

For Single Use Facility.

Occupant Name

Address

Contact Person

Phone

Fax

E-Mail

Federal ID #

SIC/NAICS Code

Multi-Tenant Facility.

Please explain what market conditions support the construction of this multi-tenant facility

Have any tenant leases been entered into for this project?

<BLANK>

If yes, please fill out a tenant form in section VII, for each tenant.

| Tenant Name | Current Address (city, state, zip) | # of sq ft and % of total to be occupied at new projet site | SIC or NAICS-also briefly describe type of business, products services, % of sales in Erie Co. |
|-------------|------------------------------------|---|--|
|-------------|------------------------------------|---|--|

Section IV: Tenant Information

Section V: Environmental Questionnaire

General Background Information

Address of Premises

Name and Address of Owner of Premises

Describe the general features of the Premises (include terrain, location of wetlands, coastlines, rivers, streams, lakes, etc.)

Describe the Premises (including the age and date of construction of any improvements) and each of the operations or processes carried out on or intended to be carried on at the Premises

Describe all known former uses of the Premises

Does any person, firm or corporation other than the owner occupy the Premises or any part of it?

<BLANK>

If yes, please identify them and describe their use of the property

Have there been any spills, releases or unpermitted discharges of petroleum, hazardous substances, chemicals or hazardous wastes at or near the Premises?

<BLANK>

If yes, describe and attach any incident reports and the results of any investigations

Has the Premises or any part of it ever been the subject of any enforcement action by any federal, state or local government entity, or does the preparer of this questionnaire have knowledge of: a) any current federal, state or local enforcement actions; b) any areas of non-compliance with any federal, state or local laws, ordinances, rules or regulations associated with operations over the past 12 months?

<BLANK>

If yes, please state the results of the enforcement action (consent order, penalties, no action, etc.) and describe the circumstances

Has there been any filing of a notice of citizen suit, or a civil complaint or other administrative or criminal procedure involving the Premises?

<BLANK>

If yes, describe in full detail

Solid And Hazardous Wastes And Hazardous Substances

Does any activity conducted or contemplated to be conducted at the premises generate, treat or dispose of any petroleum, petroleum-related products, solid and hazardous wastes or hazardous substances?

<BLANK>

If yes, provide the Premises' applicable EPA (or State) identification number

Have any federal, state or local permits been issued to the Premises for the use, generation and/or storage of solid and hazardous wastes?

<BLANK>

If yes, please provide copies of the permits.

Identify the transporter of any hazardous and/or solid wastes to or from the Premises

Identify the solid and hazardous waste disposal or treatment facilities which have received wastes from the Premises for the past two (2) years

Does or is it contemplated that there will occur at the Premises any accumulation or storage of any hazardous wastes on-site for disposal for longer than 90 days?

<BLANK>

If yes, please identify the substance, the quantity and describe how it is stored