



Town of Amherst
Industrial Development Agency

Mortgage/Bond Financing Application

Project Title: Refinancing of Outstanding Town of Amherst Development Corporation Tax-Exempt Student Housing Facility Revenue Bonds (2010 Hadley Village and Greiner Hall Projects)

Project Applicant: UBF Faculty-Student Housing Corp.

Project Beneficiary: University at Buffalo Foundation, Inc.

Amount of Original Issue: \$82,865,000

Outstanding Principal Balance: \$74,010,000

Select Bond Tax Status: Taxable or Tax-Exempt

Mortgage/Bond Purchaser: Public sale underwritten by George K Baum & Company

Date Mortgage/Bond Closed: May 24, 2010

Amount of New Issue: Not to exceed \$80,000,000

Select Bond Tax Status: Taxable or Tax-Exempt

Prospective Mortgage/Bond Purchaser: To be publicly sold by Janney Montgomery Scott LLC via underwritten sale

Estimated Closing Date: December, 2016

Select Project Type:

- | | |
|---|---|
| <input type="checkbox"/> Industrial | <input type="checkbox"/> Producer Service |
| <input type="checkbox"/> Multi-Tenant | <input type="checkbox"/> General Office |
| <input type="checkbox"/> Commercial (Office) | <input type="checkbox"/> Commercial (Non-Office) |
| <input type="checkbox"/> Acquisition of Existing Facility | <input checked="" type="checkbox"/> Civic Facility (Not-for-Profit) |

Facility for the Aging

Equipment Purchase

Rev. 5/13

The information listed on this form is necessary to determine the eligibility of the project. Please fill in all blanks, using "NONE" or "NOT APPLICABLE" where necessary. If an estimate is given, place the notation "EST" after the figure. Attach additional sheets if necessary. To the extent permitted by law, and if requested by you, all proprietary information provided and identified as such will be treated confidentially. However, please note that certain information may be subject to disclosure under the Freedom of Information Law (New York State Public Officers Law Article 6). This application is ONLY for the purpose of determining whether the applicant is eligible for assistance from the Agency. "Beneficiary" means ultimate project occupant where known, otherwise the developer. In certain instances, additional information may be required. Return two (2) signed, typewritten copies of this application to the Agency.

PART I – MORTGAGE/BOND FINANCING APPLICANT

A. DATA ON MORTGAGE/BOND FINANCING APPLICANT

1. Project Applicant: UBF Faculty-Student Housing Corp.

a. Individual completing this application:

Name: Edward P. Schneider

Title: Executive Director

Address: PO Box 900
Buffalo, NY 14226-0900

Telephone: (716) 645 – 3013

Email: schneide@buffalo.edu

b. Tax Identification Number: 16-1372560

2. a. Business Organization (check appropriate category):

Corporation Partnership Limited Liability Company
Sole Proprietorship Joint Venture

Other (Please Specify): _____

b. State of establishment (if applicable): New York

c. Business Description: Not-For-Profit

3. Information on Existing Mortgage/Bondholder:

Name of Mortgage/Bondholder: Manufacturers and Traders Trust Company, as Trustee

Name of Officer: Russell T. Whitley

Title: Assistant Vice President

Address: One M&T Plaza, 7th Floor, Corp. Trust Dept, Buffalo, NY 14203

Telephone # (716) 842-5602 Fax # () _____

Email: rwhitley@mtb.com

4. Information on Proposed Mortgage/Bondholder:

Name of Mortgage/Bondholder: Janney Montgomery Scott, LLC

Name of Officer: Joseph C. Bosch/Daniel S. Froehlich

Title: Managing Director/Director

Address: 575 Lexington Ave., 20th floor, New York, NY 10022

Telephone # (212) 888-2528 Fax # () _____

Email: jbosch@janney.com/dfroehlich@janney.com

5. Counsel to Mortgage/Bond Finance Applicant (if same as previous transaction, please so indicate):

Name of Attorney: Terrence M. Gilbride

Name of Firm: Hodgson Russ LLP

Address: 140 Pearl St., Suite 100 Buffalo, NY 14202

Telephone # (716) 848-1236 Fax # (716) 819-4625

Email: TGilbrid@hodgsonruss.com

PART II – PURPOSE OF MORTGAGE/BOND FINANCING TRANSACTION

- 1. State principal amount of original issue: \$82,865,000
- 2. State principal amount of new issue: Not to exceed \$80,000,000
- 3. Briefly summarize any changes in terms or conditions in the proposed financing package from your previous transaction (Please attach a copy of fully executed bank commitment):

Not applicable

- 4. State purpose why this financing is being requested, including a summary of the application of proceeds:

Based on current interest conditions, we are projecting approximately \$3,500,000 in net present value savings debt service by virtue of the refinancing (approximately \$300,000 per year).

- 5. Will any proceeds of this new issue be used for any location other than the existing project location stated in this application? Yes [] No [X]
If Yes, state location and explain:

CERTIFICATION

STATE OF NEW YORK)
SS:
COUNTY OF ERIE)

Edward P. Schneider

(Name of Owner, Chief Executive Officer, or General Partner of the Company Submitting Application)

being duly-sworn deposes and says that he/she is the Executive Director of UBF Faculty-Student Housing Corp.

(Title)

(Company Name)

named in the attached application; that he/she has read the foregoing application and attachments and knows the contents thereof; that all statements contained therein are true to his/her knowledge and contain no information or data that is false or incorrect, and are truly descriptive of the project which is intended as the security for the requested financing.

(Complete the following paragraph for corporation only)

Deponent further says that the reason this verification is made by the deponent and not by

UBF Faculty-Student Housing Corp.

(Company Name)

is because the said company is corporation.

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

Deponent acknowledges and agrees that applicant shall be and is responsible for all expenses incurred by the Town of Amherst Industrial Development Agency (hereinafter the "Agency") in connection with this application whether or not resulting in the issuance of a bond(s), lease transaction, or installment sale. If for any reason whatsoever the applicant shall fail to conclude or consummate necessary negotiations or fails to act within a reasonable or specified period of time to take reasonable, proper, or requested action or withdraws, abandons, cancels or neglects the application, or if the Agency or applicant are unable to find buyers willing to purchase the total bond/mortgage required, then upon presentation of invoice, applicant shall pay to the Agency, its agents, or assigns all actual expenses involved in this application, up to that date and time, including fees of bond counsel for the Agency and fees of general counsel for the Agency. The costs incurred by the Agency and paid by the applicant, including bond counsel and the Agency's general counsel's fees and the administrative fee (as hereinafter set forth), may be considered as a cost of the project and included as part of the resultant bond issue or lease agreement.

Deponent further acknowledges that he/she understands the Payment-in-Lieu of Tax (PILOT) policy of the Amherst IDA (as stated in this application) and accepts the terms of the agreement as it applies to the classification of this project.

Should this project be subsequently found to be in violation of Article 18A of The New York State General Municipal Law, applicant acknowledges its absolute responsibility to repay all economic benefits received to date (with interest), as agent for the Town of Amherst Industrial Development Agency.

**TOWN OF AMHERST INDUSTRIAL DEVELOPMENT AGENCY
FEE SCHEDULE**

Application Fee: At the time of application for approval by the Agency of any transaction there shall be a non-refundable application fee of Five Hundred Dollars (\$500.00).

For an extension of an inducement, each extension of six months shall require payment of one quarter of the Agency Administrative Fee.

Agency Administrative Fees:

1. **New Projects**

The Agency Administrative Fee for For-Profit Projects shall be the greater of: (a) one percent (1%) of the bond amount, if bonds are to be issued, (b) one percent (1%) of the mortgage amount, if a mortgage with note is utilized or (c) one percent (1%) of the project value. One quarter of the Agency Administrative Fee or .25% must be received by the Agency prior to the issuance of a Sales Tax Letter by the Agency except for installment sale transactions when the entire Agency Administrative Fee of 1% is due at time of the issuance of the Sale Tax Letter. The balance of the Agency Administrative Fee or .75% shall be due on the closing of the transaction.

2. **Refinancings**

The Agency Administrative Fee for For-Profit Re-financings shall be \$1,000 plus one percent (1%) of any new money being financed.

By way of illustration, if the Agency authorized a Project with a Project Cost of \$1,200,000, the initial Agency Administrative Fee payable would have been a total of \$12,000 with .25% or \$3,000 due at the time of the sales tax letter and \$9,000 payable at the closing. For purpose of illustration, we will assume that the Project was financed through bonds or a note and mortgage in the principal amount of \$1,000,000. At the end of five years, the Lessee comes to the Agency for assistance in refinancing the Project with a new borrowing of \$1,300,000. The Lessee will have to advise the Agency of the outstanding principal balance remaining on the bond or note. For purpose of illustration, we will assume that the principal balance has been reduced by \$100,000 leaving a remaining principal balance of \$900,000. The Lessee would have to pay an Agency Administrative Fee of 1% on the amount over the original \$1,200,000 authorized and for which the Agency Administrative Fee was paid or 1% of \$100,000 (\$1,000) plus an administrative fee of 1% on the difference between the \$1,000,000 originally borrowed and the remaining principal balance or 1% of \$100,000 (\$1,000) because that amount would also constitute new money. This would be in addition to the \$1000 refinancing fee for a total Agency Administrative Fee of \$3,000.

3. **Second Mortgage**

The Agency fee for a second mortgage is one half of one percent (.5%) for all projects requiring a second mortgage. If the project involves additional PILOT or sales tax benefits, then the fee is one percent (1%) and calculated as explained previously under "**New Projects**"

4. **Sublease Approvals**

The Agency fee for approval of a new sublease for the entire Project shall be \$500.

5. **Approval of Lease Assignment and Assumptions**

The Agency Administrative Fee for approval of Lease Assignments and Assumptions shall one percent (1%) of the Project Cost except as otherwise agreed to by the Agency

6. **Tax-Exempt Financing**

The Agency Administratively Fee for approval of all Tax-Exempt projects shall be one half of one percent (.5%) based on the issuance amount of the bond as agreed to by the agency. This is the fee regardless of whether it is a refinancing of a previous AIDA or ADC bond or a new issuance for a new project. For those bond issuances where a PILOT is necessary, the project fee is one percent (1%) and calculated as previously detailed under "New Projects". The fee is due in full at closing.

Bond Council fees will be charged separately, based upon time expended with respect to such project.

7. Additional Fees

Additional costs associated with meeting the Agency's current environmental policy are the responsibility of the Applicant.

If the Project Application is withdrawn or does not close, the Applicant is responsible for any costs, including Agency Counsel Fees, incurred by the Agency on behalf of the Project.

Agency Counsel Fees

<u>Bond/Mortgage/Lease Project Cost</u>	<u>Legal Fee</u>
to \$750,000	\$5,000*
\$750,001 to \$1,500,000	\$7,500
\$1,500,001 to \$3,000,000	\$10,000
\$3,000,001 to \$5,000,000	\$12,500
\$5,000,001 to \$10,000,000	\$15,000
above \$10,000,000	\$20,000 minimum with additional legal fees payable based upon the circumstances and work involved

* With respect to legal fees for Projects up to \$750,000, this Legal Fee would include only two drafts of documents. In addition, if due to delays caused by the Lessee or the Lender, the closing is delayed beyond a sixty day period from the date of the first draft, additional time may also be billed by Agency Counsel in his or her discretion. If further drafts are required or the closing is unreasonably delayed, additional time shall be billed at the hourly rate then in effect of Agency Counsel for the additional time only.

Legal Fees for refinancings shall be based upon the dollar amount refinanced in accordance with the above schedule. In the case of minor amendments of the prior loan documents, Agency Counsel Fees shall be charged on a time basis at the hourly rate then in effect for Agency Counsel. Agency Counsel shall determine whether the amendment to the prior loan documents is a minor amendment in his or her sole reasonable discretion.

<u>Normal Installment Sale Transactions</u>	<u>Legal Fee</u>
to \$750,000	\$3,000*

\$750,001 to \$1,500,000	\$5,000
\$1,500,001 to \$3,000,000	\$7,500
over \$3,000,000	\$10,000 minimum with additional legal fees payable based upon the circumstances and work involved

* With respect to legal fees for Projects up to \$750,000, this Legal Fee would include only two drafts of documents. In addition, if due to delays caused by the Lessee or the Lender, the closing is delayed beyond a sixty day period from the date of the first draft, additional time may also be billed by Agency Counsel in his or her discretion. If further drafts are required or the closing is unreasonably delayed, additional time shall be billed at the hourly rate then in effect of Agency Counsel for the additional time only.

Legal Fees for Assignment and Assumptions shall be on a time basis.

In addition to counsel fees, disbursement of up to \$1,000 will be added to each closing. If additional transcripts above the normal amount are required (5 for lease only and 7 for bond or mortgage transactions), they will be billed to reflect the additional copy cost and the additional binding costs and may exceed the \$1,000 total.

8. Enhancement/Neighborhood Redevelopment Projects

Projects in a designated Enhancement/Neighborhood Redevelopment Area that are only requesting a sales tax benefit are charged fees based on the schedule below. Projects exceeding \$300,000 are charged under the normal schedule above.

<u>Enhancement Area Installment Sale Only Transactions</u>	<u>Agency Fee</u>
For Sales Tax Only Projects with costs under \$100,000	\$500
For Sales Tax Only Projects with costs of \$100,000-\$200,000	\$1,000
For Sales Tax Only Projects with costs of \$200,000-\$300,000	\$1,500

	<u>Agency Legal Fees</u>
For Sales Tax Only Projects with costs under \$100,000	\$450*
For Sales Tax Only Projects with costs of \$100,000-\$200,000	\$750*
For Sales Tax Only Projects with costs of \$200,000-\$300,000	\$1500*

*This is contingent on not more than two drafts (preliminary and final) and closing within 60 days sending of preliminary draft. If additional drafts are required or if closing period is extended for more than 60 days from the date of the preliminary draft, Agency Counsel reserves the right to charge for additional time.

The above Fees and Expenses Policies have been reviewed and accepted by the applicant.



Initial Here

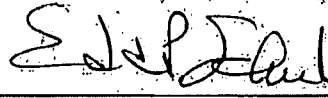
**TOWN OF AMHERST INDUSTRIAL DEVELOPMENT AGENCY
INDUCEMENT RESOLUTION POLICY**

It shall be the policy of the Town of Amherst Industrial Development Agency that any inducement resolution adopted by the Board of Directors shall remain in full force and effect for a period of one (1) year from the date of its adoption. Thereafter, the Board of Directors may, in its discretion and upon good cause shown, adopt a further resolution extending the period of inducement for one (1) additional year from the date of the expiration of the original inducement. An Agency Extension Fee in the amount of \$500.00 shall be charged to the applicant for each such extension granted. Such Extension Fee shall be in addition to any other Administrative Fee or other fees incurred with respect to the project. Any request for an extension of the period of inducement beyond the one (1) additional year extension contemplated herein shall be addressed by the Board of Directors on a case-by-case basis.

UBF Faculty-Student Housing Corp.

(Company Name)

By:

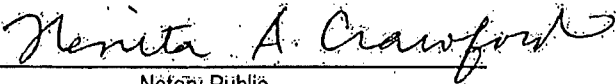


Edward P. Schneider, Executive Director

NOTARY

Sworn to before me this

day of October, 2016



Notary Public

003599:00000:Business 1543985291

NENITA A. CRAWFORD
NOTARY PUBLIC, STATE OF NEW YORK
QUALIFIED IN ERIE COUNTY
REG. NO. 01CR5027907
MY COMMISSION EXPIRES MAY 23, 2018

UBF Faculty-Student Housing Corp.

October 10, 2016

David S. Mingoia
Interim Executive Director
Amherst Industrial Development Agency
4287 Main Street
Amherst, New York 14226

Dear David:

Re: Refinancing of tax-exempt bond indebtedness
for University at Buffalo's Hadley Village and Greiner Hall

As you are aware, in 2010, the Town of Amherst Development Corporation ("ADC") issued approximately \$82,865,000 of tax exempt student housing facility revenue bonds on behalf of UBF Faculty-Student Housing Corp. ("UBF FSHC"). Presently, approximately \$74,010,000 of those bonds remain outstanding. Current market conditions have made it advantageous for UBF FSHC to refinance this indebtedness. Toward this end, on September 29, 2016, the Board of Directors of UBF FSHC authorized staff and legal counsel to proceed with refinancing of the outstanding Hadley/Greiner Bonds through an advance refunding transaction. Given anticipated market conditions, we would like to be in a position to price and close this transaction as soon as possible, and in any case before year-end.

We would like the ADC to once again serve as bond issuer for this transaction. In the past, a letter like this has sufficed in lieu of a formal application in order to get things started on the ADC's end. If, however, you would like us to prepare a full application, please let me know.

As you are aware, our legal counsel, Hodgson Russ LLP, is also the ADC's tax-exempt bond counsel. We would request that Hodgson Russ LLP serve as both company counsel and bond counsel for this transaction, with, of course, appropriate conflict waivers. As you know, this joint representation has worked well for all of the other UBF FSHC tax-exempt bond closings, including the 2010 initial financing for Hadley Village and Greiner Hall. Given Hodgson's familiarity with the underlying 2010 financing and UBF FSHC's financings generally, we believe that utilizing Hodgson in this dual capacity will also help facilitate closing on the very aggressive timetable that has been established for this transaction. As with previous UBF FSHC's financings, it is our expectation that ADC would be represented by its counsel, which I understand has now transitioned from Nathan Neill to Hurwitz & Fine, P.C.

I look forward to working with you and the rest of the ADC team on this transaction.

Regards,



Edward P. Schneider
Executive Director