LEXINGTON-FAYETTE INDUSTRIAL REVENUE BOND APPLICATION FORM

PROJECT INFORMATION: The information to be considered for preliminary approval or inducement of Industrial Revenue Bonds will include the following factors:

#1 The need for the project within the community should be clearly demonstrated.

#2 The need for tax advantaged bond financing of the project should be clearly demonstrated.

#3 The effect of tax advantaged bond financing of this project on existing businesses within the community should be clearly demonstrated.

#4 The proposed industrial development project should meet all local zoning and building code requirements.

#5 The bonds should be a sound investment. The stronger the evidence that the bond issue is financially sound, the more likely the request will be approved.
LEXINGTON-FAYETTE INDUSTRIAL REVENUE BOND
APPLICATION FORM

APPLICANT/SPONSOR INFORMATION (Proposed owners or user of the project.)

1. Applicant's/Sponsor's Legal Name: _____________________________
   Street: _________________________________________________________
   City/County: ____________________________________________________
   Zip Code: _______________________________________________________
   Telephone Number: _______________________________ __________________
   Contact Person: __________________________________________________
   Brief description of present business: _________________________________
   _________________________________________________________________
   _________________________________________________________________

2. Business Organization:
   Corporation
   Limited Partnership
   Non-Profit*
   Sole Proprietorship
   Other

*If your organization has a non-profit status under IRC §501(c)(3), please complete Attachment A.

   Date and state of incorporation, if appropriate: __________________________

3. Project Representatives: ______________________________________________
   Name, Address and Telephone Number: _________________________________
   Person in charge of project: ____________________________________________
   Applicant's/Sponsor's attorney: _________________________________________
   Applicant's/Sponsor's investment broker: _________________________________
   Applicant's/Sponsor's accountant, CPA/Auditor: ___________________________
   Applicant's/Sponsor's regular bank(s) of business: _________________________
   Lender for the project(s): ______________________________________________
   Mortgage banker: _____________________________________________________
   Project bond counsel: _________________________________________________
   Project underwriter: ___________________________________________________
   Project architect: ____________________________________________________
INFORMATION ON PROJECT MANAGEMENT

4. Is the proposed project owner, and/or applicant, and/or user, a subsidiary or direct or indirect affiliate of any other organization? (If so, indicate name of related organization and relationship.)

___________________________________________________________________________
___________________________________________________________________________

5. Management: List all owners, officers, directors and partners of applicant. Also, list all stockholders having 20% or more interest in applicant (complete all categories for each person). If the applicant is a publicly held corporation, please provide the latest proxy statement indicating stock ownership. (Use separate page if necessary.)

___________________________________________________________________________
___________________________________________________________________________

Name (First Middle & Last): ________________________________
Office Held: ____________________________________________
Partner: ________________________________________________
Home Address (Include zip code): __________________________
Ownership: _____________________________________________

6. If any of the above persons own more than 50% of the applicant, please list all other companies, partnerships, or associations in which such persons have more than 50% interest. (Use separate page if needed.)

7. Have any of the persons listed in Items 4 - 6 ever been charged with, or convicted of, any criminal offenses, other than a minor motor vehicle violation?

Yes ______ No ______ (If yes, furnish details in a separate attachment)

8. Have any of the persons listed in Items 4 - 6 been subject to any disciplinary action, past or pending, by any administrative, governmental, or regulatory body?

Yes ______ No ______ (If yes, furnish details in a separate attachment)

9. Has the applicant or management of applicant been informed of any current or ongoing investigation of the applicant with respect to possible violations of state or federal securities or anti-trust laws?
10. Has the applicant or any person listed in Items 4 - 6 above or any concern in which any person(s) listed in Items 4 - 6 currently or previously have an ownership interest been party to a bankruptcy, been in receivership or adjudicated as bankrupt?

Yes _____ No _____ (If yes, furnish details in a separate attachment)

11. Has the applicant or any person listed in Items 4 - 6 above been denied a business related license or had it suspended or revoked by any administrative, governmental, or regulatory agency?

Yes _____ No _____ (If yes, furnish details in a separate attachment)

12. Is the applicant or any person listed in Items 4 - 6 currently disbarred, suspended, or disqualified from contracting with any federal, state, or municipal agency?

Yes _____ No _____ (If yes, furnish details in a separate attachment)

13. Describe applicant's development experience, years in business, and property manager's experience.

___________________________________________________________________________
___________________________________________________________________________

14. List any similar projects undertaken by the applicant/sponsor in the past five years:

<table>
<thead>
<tr>
<th>Name</th>
<th>Location</th>
<th># Units</th>
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INFORMATION ON PROJECT:

15. Location of proposed project:

Street address: ______________________________________________________________

___________________________________________________________________________

16. Project Site:

(Land)

a. Indicate approximate size, in acres or square feet, of project site:
b. Indicate in detail, the present use of the project site:

__________________________________________________________________________
__________________________________________________________________________
__________________________________________________________________________

(Buildings)

(c) Does the project consist of the construction or acquisition of a building or buildings?

New construction               
Acquisition                     

Indicate the number and size of buildings in number of stories and square feet per story.
__________________________________________________________________________
__________________________________________________________________________

(d) Does the project consist of additions and/or renovations to existing buildings?

Yes      No      (If yes, indicate nature of expansion and/or renovation.)
__________________________________________________________________________
__________________________________________________________________________

17. Site Control

(a) If applicant now owns project site, indicate:

1) Date of purchase: ______________________________________________________

2) Purchase price: ______________________________________________________

3) Balance of existing mortgage: _________________________________________

4) Holder of mortgage: __________________________________________________

(b) If the applicant is not now the owner of the project site, does applicant have an option/contract to purchase the site and any buildings on the site?

Yes      No      

If not presently owned by the applicant, identify the owner and:
1) Date option/contract agreement signed with owner: __________________

2) Purchase price under option/contract: _______________________________

3) Expiration date of option/contract: _________________________________

4) Earnest money deposit on option/contract: __________________________

5) Other: __________________________________________________________________________

c. If the applicant is not the owner of the project site, does the applicant now lease the site or any buildings on the site? Yes _____ No _____ (If yes, provide copy of lease.)

d. Is there a relationship legally or by virtue of common control between the applicant or proposed user of the project and the seller of the project?

   Yes _____ No _____ (If yes, describe this relationship using an attachment if necessary.)

18. Zoning and Infrastructure

   a. Do proposed uses of project comply with all governmental zoning and subdivision regulations? Yes _____ No _____ (If no, explain action to be taken to comply.)

   b. Is adequate capacity and/or accessibility for utilities, sewerage, and drainage available to site?

      Yes _____ No _____ Describe any special needs.

19. Has construction work on this project begun?

   Yes _____ No _____ (If yes, complete the following):

   a. Site clearance       Yes _____ No _____ % complete ______
   b. Foundations         Yes _____ No _____ % complete ______
   c. Footings            Yes _____ No _____ % complete ______
   d. Steel               Yes _____ No _____ % complete ______
   e. Masonry work        Yes _____ No _____ % complete ______
   f. Other (describe below) Yes _____ No _____ % complete ______
Status of building permit: __________________________________________________

Status of other permits: ____________________________________________________

20. Project completion date: ________________________________________________

21. Project occupancy date: 20% _________ 50% _________ 80% _________

INFORMATION ON PROJECT COSTS

22. State the costs reasonably necessary for the completion of the proposed project including any utilities, access roads, or appurtenant facilities, using the following categories:

a. Description of Cost                  Total Project Amount
   Land (Purchase) or  
   Land & Buildings (Purchase)  
   Buildings (Construction)  
   Buildings (Renovations)  
   Equipment, machinery  
   Utilities, roads, and appurtenant facilities  
   Engineering and/or architectural fees  
   Legal fees  
   Financial Advisors Fees  
   Financing charges  
   Other (Specify)  
   Fees to issuing political subdivision or agency  
   Total Project Cost  $________________

b. Appraised value  $________________

c. Equity contribution, if any  $________________

d. Incentive funding, if any (state or federal)  $________________

e. Bond financing requested:
   Construction financing  $________________
   Permanent financing  $________________ Maturity ________ Years

23. Credit Enhancement: _____________________________________________________
24. Have any of the above expenditures already been made by the applicant? (Provide detail)
   Yes ______  No ______

25. Describe why tax exempt financing is essential for this project.

26. Have any of the above expenditures been incurred but not paid by the applicant?
   Yes ______  No ______  (If yes, indicate particulars on an attached sheet)

27. Refinancing: Will any of the funds to be borrowed from the Lexington-Fayette Urban County Government be used to repay or refinance an existing mortgage or outstanding loan?
   Yes ______  No ______  (If yes, provide details on an attached sheet)

LOCAL IMPACT

28. Has the Lexington-Fayette Urban County Government issued bonds on behalf of your company? Yes ______  No ______

29. Does your company have existing operations and employees in Lexington-Fayette County?
   Yes ______  No ______

30. Will the project include closing any of the applicant's current operations in Lexington-Fayette County?
   Yes ______  No ______

31. Will the project include reducing the applicant's current employment?
   Yes ______  No ______

32. Describe the impact of the project on the provision of public utilities and services to the project site, including the current availability of services and the need for additional services.

33. Local Benefit: Describe the project's impact on existing license fees, occupational license fees and property tax revenues and other tax revenues to the Urban County Government and other tax revenues.
34. Does this bond issue anticipate the use of the eminent domain power by the Urban County Government? Yes ______  No ______
   If yes, please explain:
   __________________________________________________________
   __________________________________________________________

EMPLOYMENT IMPACT

35. Current number of employees working for applicant ______________________________

36. Current number of employees working for applicant that are Women ______________________________

37. Current number of employees working for applicant that are minorities ______________________________

38. Nature and number of jobs to be created by this loan:
   Skilled ______  Semi Skilled ______  Unskilled ______  Total ______

39. Number of new jobs available to women ______________________________

40. Number of new jobs available to minorities ______________________________

41. The Central Kentucky Jobs Center offers training programs, referral services, and technical assistance in the development of training programs. Are you willing to use these services and/or technical assistance?
   Yes ______  No ______
   If no, please explain:
   __________________________________________________________
   __________________________________________________________
   __________________________________________________________

42. Are there any equal employment opportunity charges pending against your company?
   Yes ______  No ______
   If yes, please explain:
   __________________________________________________________
   __________________________________________________________
   __________________________________________________________

43. Describe in specific, verifiable terms the Applicant's plan to address affirmative action, the hiring of local (Fayette County) labor, and the hiring of the unemployed in both construction and permanent jobs for the project:
ECONOMIC IMPACT

44. List all businesses in the Lexington-Fayette County area that provide the same services or products as the proposed project:

_________________________________________________________________________

_________________________________________________________________________

45. Provide evidence that there is a sufficient market to support the project without negatively impacting existing businesses:

_________________________________________________________________________

_________________________________________________________________________

CONVENTIONAL FINANCING

46. Is non-tax free conventional financing available?  Yes ______  No ______

47. If yes, specify: Interest Rate: ______  Years: ______

Reasons for not using conventional financing:
_________________________________________________________________________
_________________________________________________________________________
_________________________________________________________________________

ENVIRONMENTAL IMPACT

48. Describe the environmental impact of the construction and operation of the proposed project:
_________________________________________________________________________
_________________________________________________________________________
_________________________________________________________________________

49. Are there any environmental regulations charges pending against your company?  Yes ______  No ______

If yes, please explain:
IN WITNESS WHEREOF, the undersigned being duly authorized so to do, have signed this application.

(Corporation)

______________________________
Corporate Name

Attest:
By: ___________________________
Secretary

By: ___________________________
President

(Partnership)

Witness: _______________________
Name

By: ___________________________
General Partner

(Individual)

Witness: _______________________
Business Name

By: ___________________________

In addition to the Industrial Revenue Bond Application Form, the following ADDITIONAL INFORMATION must be submitted:

- The letter of inducement, addressed to the Mayor, describing the project, estimating the benefits to the community, and describing the impact of the project on public services.

- Site plan including existing land use information (zoning, net and gross acreage, etc.).

- Management plan.

- Marketing plan.

- A letter from an underwriter, bond purchaser or a credit enhancer is needed which indicates that the bond is satisfactory subject to further review.

- Underwriter's or private purchaser' letter of intent to buy bonds.

- Evidence of any guarantee provided to bond purchasers.

- Project description and Time Schedule.

- Sources and uses of fund.

- Ten-Year Pro Forma.

- Organization documents.

- Appraisal of the project(s).

An independent audit and certified financial statement or reviewed financial statement of the applicant(s) for the most current complete year, prepared and certified by an independent certified public accounting firm; audited statements prepared by an independent certified public accounting firm for the last three complete years are preferred, and may be requested by the Review Committee or the Urban County Council.

A letter from the proposed purchaser of the bonds, confirming its intent to purchase the issue and giving evidence of the purchaser's financial ability to purchase the bonds; the financial statements of the purchaser(s) for the last three complete years, either audited or prepared by an independent certified public accountant, may be requested by the Review Committee or the Urban County Council.

Letters from at least two (2) institutional lenders stating whether or not conventional financing is available, and if available, upon what terms, including interest rates and other relevant data. The letters should also state the terms and conditions under which the lender evaluated the proposed project.
ATTACHMENT A

TO BE COMPLETED BY 501(c)(3) NON-PROFIT ORGANIZATIONS

1. Describe the activities in IRC §501 (c) (3) for under which your organization qualifies for tax exemption:

2. Will the bond proceeds be used for the charitable activities for which your organization's §501(c)(3) status was granted? Explain.

3. Does the organization currently have other projects financed by §501(c)(3) bonds?
   
   _____ Yes   _____ No

4. Will the organization own 100% of the property(ies) to be financed by bond proceeds?
   
   _____ Yes   _____ No