



Application for Tax-Exempt Financing
(for Manufacturers)

Please fill in all necessary information in the spaces provided. If additional space is required to answer any question, please use the 'Supplemental Information' section or attach separate pages. A \$750 nonrefundable application fee is due upon application submission. Issuance fees on the amount financed are due at closing and are as follows: 1% on the 1st \$5 million and 1.25% on the 2nd \$5 million. Up to 2% of the total bond proceeds may be used to pay issuance costs.

BORROWER

Borrower's Name

Contact Person Title
Street Address City State Zip Code

Mailing Address (If different from Street Address)

Telephone Fax Email

Website Address

Company Name/Project Title

President/Executive Director

Type of Business SIC Code Tax ID Number

Business Organization: Corporation Partnership Sole Proprietorship LLC LLP Trust Other

Year business was established or incorporated State of incorporation

Name of entity taking title to the property (If different from above)

Is proposed project applicant/owner a subsidiary of, or affiliated with, any other organization? If yes, describe.

Is the proposed occupant(s) different from the applicant/proposed owner of the project? If yes, indicate relationship.

How did you hear about MassDevelopment?

Borrower's Legal Counsel:

Firm Name Contact Name
Address Telephone

Borrower's Accountant:

Firm Name Contact Name
Address Telephone

Borrower's Principal Bank:

Name of Bank Contact Name
Address Telephone

PROJECT DETAILS FOR REAL ESTATE PROJECTS (Attach additional pages if necessary)

Brief description of the proposed project – include information on past, present, and future uses of the site and any existing buildings and describe any planned construction

Location, address w/zip code, and size (in acres) of project site(s)

Indicate present legal owner of the project site; if presently owned by the applicant, indicate date of purchase, seller, and current use of the site. If the project site is not presently owned by the applicant, is the applicant current leasing the site? Or planning to lease? If yes in either case, indicate the terms of the lease or proposed lease (an applicant having a long-term leasehold interest in the project site may be considered an owner).

Is the seller (or anyone associated with the seller) related to the borrower or any user of the project (or anyone associated with the borrower or users)? If yes, describe relationship.

Has the applicant presented the proposed project to any officials of the host municipality? If yes, provide a detailed description of the presentation along with names of local officials attending.

What is the expected project acquisition date and/or construction starting date (e.g., "Land acquisition: May 1, 2006; construction start: May 15, 2006; acquisition of equipment: September 1, 2006")? What is the expected completion date for construction?

Will the project contain office space? If yes, provide a description of specific uses and relative square feet within total office space and amount of bond proceeds allocated total office space. Bond proceeds may be applied only to an on premise office directly related to the day-to-day operations of the facility.

Will the project include a warehouse, distribution space, or other areas not devoted to manufacturing (e.g., employee lunchrooms, locker-rooms, parking lots, etc.)? If yes, provide a detailed description, including cost, square footage, and how it integrates with the manufacturing operations.

Is the proposed project site or building within the boundaries of or adjacent to an historic district listed in the State Registry of Historic Places? If your project is subject to the provisions of the statute (M.G.L., c.9, s.26-27C), agency bonds cannot be issued until you have complied with the statute and the regulations under the statute.

Are there any other facilities that are “contiguous” to or “integrated” with the project or any “principal users” of the facility?
(A “contiguous” facility generally means a facility located within ½ mile of the project but in a different city or town. An “integrated” facility generally involves a facility economically or otherwise connected with the project or its output, but located in an adjacent city or town.)
If yes, provide address(es), cit(ies), distance from project, and descriptions.

Describe in detail the type of manufacturing or production procedures to be performed at the project site by the applicant and all principal users (companies occupying 10% or more of the project site).

PROJECT DETAILS FOR EQUIPMENT ACQUISITION PROJECTS (Attach additional pages if necessary)

Description of the equipment being acquired (Include manufacturer, model #, and attach brochures if available). Also indicate the estimated useful life for each piece of equipment and cite the sources for the estimates.

Will the user of the equipment be different from the applicant at any time during the term of the requested financing?
If yes, please explain.

Will the equipment be located at a different site(s) from the applicant’s mailing address? If so, please list address(es).

Please provide a statement addressing “need” and “use” issues: the expected use for the equipment, whether it replaces old equipment and the age of the equipment being replaced, and whether the applicant expects to enter into any arrangements with respect to the use or maintenance of the equipment other than the agency sublease (such as a sub-sublease with another entity, and assignment of the applicant’s rights in the sublease or a service contract). Please include in the “needs” and “use” statement all expected uses of the equipment and expected arrangements with respect to the use or maintenance of the equipment which may reasonably occur during the expected term of the requested financing.

TOTAL PROJECT COSTS

Indicate below the estimated project costs. Do not include working capital needs, which are not eligible for tax-exempt industrial bond financing. Please be sure to indicate all items directly attributable to the cost of the project (construction interest, utilities, HVAC, site improvements, architectural and engineering fees, etc.) and attach a breakdown itemizing these costs where noted.

Land Acquisition	Size in Acres	Cost \$	Amount Funded from Bonds \$
Existing Building Acquisition	Square Feet	Cost \$	Amount Funded from Bonds \$
Site Prep		Cost \$	Amount Funded from Bonds \$
Construction of New Building:			
Industrial Space	Square Feet	Cost \$	Amount Funded from Bonds \$
Office Space	Square Feet	Cost \$	Amount Funded from Bonds \$
Other Costs (explain)	Square Feet	Cost \$	Amount Funded from Bonds \$
Rehabilitation of an Existing Building:			
Industrial Space	Square Feet	Cost \$	Amount Funded from Bonds \$
Office Space	Square Feet	Cost \$	Amount Funded from Bonds \$
Other Costs (explain)	Square Feet	Cost \$	Amount Funded from Bonds \$
Construction of an Addition:			
Industrial Space	Square Feet	Cost \$	Amount Funded from Bonds \$
Office Space	Square Feet	Cost \$	Amount Funded from Bonds \$
Other Costs (explain)	Square Feet	Cost \$	Amount Funded from Bonds \$
Equipment Acquisition:			
Production/Manufacturing		Cost \$	Amount Funded from Bonds \$
Office-related		Cost \$	Amount Funded from Bonds \$
Pollution Control (process related)		Cost \$	Amount Funded from Bonds \$
Installation		Cost \$	Amount Funded from Bonds \$
Other (explain)		Cost \$	Amount Funded from Bonds \$
Fees Related to the Project (architectural and engineering, development costs)		Cost \$	Amount Funded from Bonds \$
Cost of Issuances (MassDevelopment, attorneys)		Cost \$	Amount Funded from Bonds \$
Refunding amount (existing tax-exempt debt)		Cost \$	Amount Funded from Bonds \$
Total Project Costs			\$

PROJECT FUNDING SOURCES (Describe and attach specifics)

Tax-Exempt Industrial Development Bond	Amount \$	
Taxable Industrial Development Bond	Amount \$	
Other Public Support (e.g., CDBG funds, etc.) Attach specifics	Amount \$	
Conventional Debt (private financial institution)	Amount \$	
Equity	Amount \$	
Total Project Financing		\$

CAPITAL EXPENDITURES (Complete the following)

The Internal Revenue Code limits total capital expenditures for Tax-Exempt IDB and Tax-Exempt Lease borrowers, principal users, and related companies (located in the same municipality) within 3 years before and 3 years after the date of issue.

Capital expenditures incurred within 3 years prior to the anticipated issuance of the bonds

Include balance outstanding of any existing IDB: Amount \$

Total Project Costs (from above) Amount \$

Capital expenditures estimated to be incurred during the 3 years following the issuance of the bonds: Amount \$

Total Estimated Capital Expenditures \$

If requested, will you provide a letter from your accountant confirming the nature and extent of all capital expenditures? Yes No

Are you willing to require all present and future occupants of the project/facility to report their future capital expenditures, and if necessary, limit them or agree to bear any resulting expense? Such users may have to restrict the future acquisition of or by, or merger with, any entity having capital expenditures in the same city or town as the project. Yes No

EMPLOYMENT (REQUIRED, Enter "0", if None or Not Applicable.)

To measure our impact, MassDevelopment contacts borrowers three (3) years after the closing date of its financing to certify the number of jobs that have been created, Therefore, please consider this in giving us your most realistic expectation.

Current number of FTE (full time and full time equivalent) employees: At this site: In the state:

Number of new (full time and full time equivalent) employees to be hired in Massachusetts over the next three years:

Number of current employees to be transferred to the new site:

Discuss any factors that might impact the number of employees hired or the timing of hires (i.e., construction, business outlook, etc.)

With respect to the new employment attributable to the project, please provide the following: (Job Title, Description, Annual Salary)

Please note that M.G.L., c.79A, the state's relocation law, applies to borrowers using agency financing. The applicant's attorney should be consulted on this issue to determine applicability of state law to the proposed project. After consultation with your attorney, does it appear that your project will involve relocation? Yes No

If any Massachusetts facility will be closed or existing employees transferred as a result of the proposed project, please explain.

Has the project, so far as feasible, been located in a low-income area of a municipality so that employment opportunities will become available to residents of such area? Yes No Explain.

SPECIAL FACTORS

Indicate any special factors the Agency should consider (other significant economic benefits to the state, renewable energy component, etc.).

SUPPLEMENTAL INFORMATION

Please use the box below if additional space is required to answer any question on this form. Specify which question the answer is in reference to.

**CORPORATE
DEBT SERVICE COVERAGE ANALYSIS**

	<u>FYE</u>	<u>FYE</u>	<u>FYE</u>	<u>FYE*</u>	<u>FYE*</u>	<u>FYE*</u>
Total Revenues:	\$	\$	\$	\$	\$	\$
Total Expenses:	\$	\$	\$	\$	\$	\$
Net Income:	\$	\$	\$	\$	\$	\$
Depreciation & Amortization:	\$	\$	\$	\$	\$	\$
Interest:	\$	\$	\$	\$	\$	\$
Total Cash Available for Debt Service:	\$	\$	\$	\$	\$	\$
Debt Service:	\$	\$	\$	\$	\$	\$
Debt Service Coverage Ratio:						

* Projected

CERTIFICATION (REQUIRED – By signing this application, the borrower agrees to the following.)

- a) Survival of Representations: The representations included in this application shall survive the closing of the agency financing applied for.
- b) This application constitutes an agreement pursuant to the provisions of M.G.L. Chapter 149, Section 182, whereby any facility financed in whole or part by MassDevelopment is subject to certain voluntary standards of corporate behavior in the event of a plant closing or partial closing as defined in M.G.L. Chapter 151A, Section 71A.
- c) Northern Ireland: The borrower certifies that if it conducts business in Northern Ireland, it does or will do so in accordance with the McBride Principles.
- d) People's Republic of China: Prior to closing, the borrower will be required to make certain certifications and agree to comply with a code of corporate standards relative to any business interest or involvement with or in the People's Republic of China.
- e) The borrower agrees to provide information as to the number of employees in its hire when so requested by MassDevelopment.
- f) The borrower agrees that if it accepts financial assistance from MassDevelopment, it shall include MassDevelopment in any public relations events or materials related to the project, and cooperate with and permit MassDevelopment to publicize its assistance, for marketing and public relations purposes, including but not limited to, signage, press releases, public events, and promotional materials.

(Answer "Yes" or "No" to the following.)

- g) Taxes and Accounting: Has the applicant filed or caused to be filed all required federal, state, and local tax returns, and has it paid or caused to be paid all taxes due and payable? Yes No
- h) Employment Laws: Has the applicant ever been subject to a labor-related enforcement action, violation, or fine from the state or federal government, including citations for any violations of OSHA or of the Americans with Disabilities Act? Yes No
- i) Bankruptcy: Has the applicant ever filed for or been the subject of a petition for bankruptcy or protection against creditors? Yes No
- j) Criminal Convictions: Has the applicant been convicted of a felony under federal or any state law? Yes No
- k) Does the borrower have any contingent liabilities as a result of suits or enforcement actions, etc. currently outstanding or unresolved? Yes No

If the answer to item **(g) is No**, or the answer to any of items **(h), (i), (j), or (k) is Yes**, please explain.

IMPORTANT NOTICE

MassDevelopment shall be represented by an attorney of its choice in the review of the terms of the transaction documents and in any related legal matters arising prior to the issuance of the credit facility. All incurred legal fees for said representation shall be the responsibility of the undersigned even if the financing shall fail to close. Should MassDevelopment, with the consent of or upon direction of applicant, retain counsel in connection with the application, the applicant shall be liable for such costs.

The undersigned hereby represents and certifies to the best of his/her knowledge and belief that the information contained in the foregoing Statement and exhibits or attachments hereto is true and complete and accurately describes the proposed project, and agrees to promptly inform MassDevelopment of any changes in the proposed project which may occur.

Borrower

Title

Signature

Date

ATTACHMENTS TO INCLUDE WITH APPLICATION

Brief company history and description of the applicant/owner (for the applicant and each principal user)

List of the applicant and each principal user, indicating Company Name, % of Square Footage Occupied, Business, and Principal Product

Corporate brochure (if available)

Management officers' resumes and/or bios, including name, address, tenure with the company, and other business affiliations

List of equity owners of 10% or more. If publicly held, indicate stock exchange on which shares are traded. If trust, list beneficiaries and % of equity

Brief description of the proposed project

(Indicate past uses and size of site and any existing buildings, and describe any new construction)

Artist's or architect's rendering of the proposed project (if available)

Breakdown of construction/renovation costs (if applicable)

Description/list of equipment to be purchased and a breakdown of costs (if applicable)

Specifics of other sources of project financing other than owner's equity

Copies of CPA prepared Financial Statements, Interim Financials, or Annual Reports for the applicant and each principal user (Include Income Statements, Balance Sheets, Sources & Uses, and Notes for the past three fiscal years)

Copy of a signed Personal Net Worth Statement (for S corporations, realty trusts, partnerships, and individual applicants)

Completed copy of the included Debt Service Coverage Analysis for the applicant and each principal user

(Provide 3 years historical DSC and 3 years projected, taking into consideration new debt resulting from the proposed bond issue)

Include a check for \$750.00 (nonrefundable application fee) made payable to MassDevelopment

HOW TO SUBMIT THE APPLICATION

PRINT OUT A COPY OF THIS APPLICATION FORM FOR YOUR RECORDS.

Submit the completed and signed application, along with attachments and payment, by one of the following ways: **In Person:** To your MassDevelopment Representative; **By Mail:** Attn: Investment Banking Department, MassDevelopment, 160 Federal Street, Boston, MA 02110; or, **By Fax:** 617-330-2001.

A summary of the application along with a resolution prepared by bond counsel to determine eligibility will be presented to MassDevelopment's Board of Directors for initial approval or "Official Action". MassDevelopment will consider the project with regards to public benefit and job creation. The board meets on a regular monthly schedule. After Official Action, MassDevelopment will send notification letters to municipal planning authorities regarding the proposed project. Once the terms of financing are finalized, the project will be presented to the Board for final approval or "Final Action". The closing may then take place at a time determined by the borrower.

You are encouraged to have your project and financing needs reviewed by a MassDevelopment representative prior to completing this application. Your representative is also available to assist with the application. The success of your application will depend on the project's eligibility for tax-exempt financing, its creditworthiness, and the availability of "volume cap".

If you have questions, please call 800-445-8030.