

**City of Utica
Industrial Development Agency
Application**

The information required by this form is necessary to determine the eligibility of your project for IDA benefits. Please answer all questions; insert "NONE", or "NOT APPLICABLE", where necessary. If an estimate is given, put "EST." after the figure. Attach additional sheets if more space is needed for a response than is provided. Return three copies of this application to the City of Utica Industrial Development Agency.

All information contained in this form will be treated confidentially, to the extent permitted by law.

A project financed through this Agency involves the preparation and execution of significant legal documents. Please consult with an attorney before signing any documents in connection with the proposed project.

PART I

Applicant

Applicant's legal Name: Vecino Group New York, LLC

Principal Address: 305 W Commercial

Springfield, MO 65803

Telephone Number: (417)720-1577

Federal Identification Number: ██████████

Company IRS Filing Office Location: Kansas City, MO

Company Officer completing this application:

Name: Rick Manzardo

Title: Member

1. A. **Is the applicant a:**

() Corporation: If YES, Public () Private ()
If a PUBLIC Corporation, on which exchange is it listed?

- () Sole Proprietorship
- () Partnership
- (X) Subchapter S
- () DISC
- () Other (specify) _____

B. State of incorporation, if applicable: Missouri

2. **Stockholders, Directors, Officers, Partners or Members**

A. Provide the following information in regard to principal stockholders or parties:

<u>Name</u>	<u>Home Address</u>	<u>Social Security No.</u>	<u>Percentage of Ownership</u>
Richard Manzardo	[REDACTED]	[REDACTED]	40%
Matthew Miller	[REDACTED]	[REDACTED]	45%
Kim Buche	[REDACTED]	[REDACTED]	15%

B. Provide the following information in regard to officers and directors:

<u>Company Officer</u>	<u>Name and Home Address</u>	<u>Social Security Number</u>	<u>Other Principal Business Affiliation</u>
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Same as 2A above

C. Is the applicant or any of the people listed in 2(A) above related, directly or indirectly, to any other entity by more than 50% common ownership? If also, indicate name of such entity and the relationship.

No

D. Is the applicant affiliated with any other entity, directly or indirectly, other than as indicated in response to paragraph C above? If YES, please indicate name and relationship of such other entity and the address thereof:

Yes, Applicant is also Developer and has Ownership interest in development

3. **Applicant's accountant**

Name and Title: Mike Kressig, Partner

Name of Firm: Novogradac & Company LLP

Address: 505 N. 7th Street, Suite 1960

St. Louis, MO 63101

Telephone Number: (314)621-3471

4. **Applicant's attorney**

Name and Title: Shawn Whitney, Partner

Name of Firm: Spencer Fane

Address: 2144 E. Republic Road, Suite B300

Springfield, MO 65804

Telephone: (417)888-1000

5. **References** (Individuals and institutions in this section may be contacted)

A. Banking/Financial Institution:

<u>Name of Institution</u>	<u>Address and Phone Number</u>	<u>Account Officer/ Contact Person</u>
Great Southern Bank	430 South Ave Springfield, MO 65803 (417)895-4567	Adam O'Sullivan
Metropolitan National Bank	600 S. Glenstone Springfield, MO 65802 (417)862-2022	Mike McGoldrick
J.P. Morgan Chase	New York (212)270-2934	Sharmi Sobhan

B. Business suppliers (list three largest accounts)

<u>Name of Supplier</u>	<u>Address and Phone Number</u>	<u>Account Officer/ Contact Person</u>	<u>Terms of Sale</u>	<u>Annual Dollar % Volume</u>
N/A				

C. Major customers (list three largest and show percentage of gross business obtained from each):

<u>Name of Customer</u>	<u>Address and Phone Number</u>	<u>Account Officer/ Contact Person</u>	<u>Terms of Sale</u>	<u>Annual Dollar % Volume</u>
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N/A

6. **Business Description**

A. Describe nature of business and principal products and/or services:

Vecino Group New York, LLC is a private, for-profit company devoted to Housing for the Greater Good. The principals of Vecino Group New York, LLC have successfully completed over 1,500,000 square feet of development. We have a proven track record of completing difficult projects on schedule and on budget under exacting compliance driven conditions. From conception to closing, idea to occupancy, development is what we do.

Every Vecino Group project must pass the company gut check. That means every development we touch has to address a broader issue, impact an entire community, set an example, give back, and, inspire everyone working on the development with a sense of higher purpose. That's housing for the greater good. That's the Vecino Group difference.

Based in Springfield, MO but rooted in a desire to change the world, the Vecino Group is spreading our particular brand of development throughout the United States.

- Vecino Group has been awarded both 9% and 4% tax credit allocations.
- Vecino Group has never defaulted on a LIHTC project or failed to close any deal—affordable or market rate
- Vecino Group specializes in forming relationships with non-profits, municipalities, and special interest groups, asking questions, listening to expert opinions, and creating developments with a shared vision
- Vecino Group has a track record of leveraging various forms of funding (LIHTC , Historic Tax Credits, CDBG, HOME, Shelter Plus Care, and Project Based Vouchers) to make even the most difficult of projects financially strong
- In-house capabilities include development and finance management, construction management, asset management, and marketing

B. Describe the geographical market(s) served:

Vecino Group companies have expanded out of its home base of Southwest Missouri to projects in St. Louis, MO and Troy, NY.

7. **Present location(s)**

A. List present location(s):

1. Springfield, MO
2. St. Louis, MO
3. Troy, NY

B. For what purpose is each of these used :

1. Affordable and market rate housing
2. Affordable housing
3. Affordable housing

C. For each of your present locations which are RENTED, provide the following information:

<u>Name of Landlord</u>	<u>Landlord's Address</u>	<u>Landlord's Telephone Number</u>
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1. N/A
- 2.
- 3.

<u>Amount of Space</u>	<u>Annual Rental</u>	<u>Lease Termination Date</u>
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1. N/A
- 2.
- 3.

D. For each of your present locations which you OWN, provide the following information for those which are mortgaged:

<u>Annual Mortgage Payment</u>	<u>Termination Date</u>
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Springfield MO	\$94,704	3/15/2030
St Louis MO	\$0	N/A
Troy NY	\$329,135	11/2046

E. List which of your present locations, if any, will be vacated if IDA approval for your project is given:

None

If any of these locations will be sublet or sold, provide information concerning your ability to do so:

N/A

PART II

Reasons for Project

Please explain in detail why you want to undertake this project:

Asteri Utica will be an integrated development, combining general affordable housing with a supportive housing set-aside serving individuals with developmental disabilities. In addition to creating housing for a population that is vastly underserved in Utica, Asteri Utica will also create positive impact by restoring a historic structure in an area of emphasis within the city. The combination of the underserved population, and the chance to revitalize a historic building, in an area of town that would benefit was too much to pass up.

Why are you requesting the involvement of the IDA in your project?

This project is to be funded, in part, by the New York State Housing Finance Agency. Any project they help fund must have IDA involvement. As an affordable project, these deals are financially tight, but they do a tremendous amount of benefit to the community. The IDA involvement through a PILOT tax abatement, mortgage recording tax exemption and sales tax exemption are necessary to make this project financially feasible.

B. Description of Proposed Project

Check all appropriate categories which apply to the proposed project:

- | | | |
|--|--------|-------|
| 1. Acquisition of land | YES(X) | NO() |
| 2. Acquisition of existing building | YES(X) | NO() |
| 3. Renovations to existing building | YES(X) | NO() |
| 4. Construction of addition to existing building | YES() | NO(X) |
| 5. Demolition | YES(X) | NO() |
| 6. Construction of a new building | YES() | NO(X) |
| 7. Acquisition of machinery and/or equipment | YES(X) | NO() |
| 8. Installation of machinery and/or equipment | YES(X) | NO() |
| 9. Other (specify) | YES(X) | NO() |

Gut/Historic Rehab

C. What is the zoning classification of the proposed site?

Commercial- Central Business District

D. For what purpose was the site most recently used (e.g. light manufacturing, heavy manufacturing, assembly, etc.)?

Retail

<u>Location(s)</u>	<u>Street Address</u>	<u>Number of Floors</u>	<u>Square Footage per Floor</u>
Jeffrey Hardware	327 Bleecker St.	1	10,000

F. Is the site in an Empire Zone? () Yes (X) No

Is the business Empire Zone certified at this location: () Yes (X) No

Attach a copy of the last Business Annual Report filed. If not certified, explain why not:

- G. 1. Please describe in detail the facility to be acquired, constructed or renovated (including number of buildings and other existing structures or facilities) and attach plot plans, photos or renderings, if available.

The property, commonly referred to as The Jeffrey Hardware Building, has been vacant since Jeffrey Hardware closed its doors in 2010. Originally constructed in 1893 as the Whiffen-Ribyat Building, the main section of 327 Bleecker Street was a 4 story brick structure. In the 1920s two stories were added, bringing this section to 6 stories, plus a basement. The building also has a three-story rear section. The first three stories average just over 10,000 sf per floor. The upper floors consist of 5,117 sf. The entirety of the building is brick exterior with wood framing, and comes in at roughly 45,500 sf, with 30,156 sf dedicated to residential living space. The building will be served by one elevator. Elevator service will ensure all 49 units are accessible. While there will be a full-time management agent and a part-time maintenance person, no superintendent unit is planned.

Parking will be created by demolishing the adjacent building on the east. This section was damaged beyond repair by fire in 2012. As the eastern portion of the building was an addition completed years after the original construction, demolishing the damaged section of the building does not impact historic status.

An additional property to the west of the building will be purchased as well. This parcel currently consists of a small office building. Design plans call for demolishing the office building in order to create additional parking, as well as a main entrance into the development.

*Site plan and building schematics attached.

2. If construction or renovation work on this project has already begun, please describe the work in detail.

No work has begun on site.

3. What is the estimated useful life of the:

a. Facility: 30 Years

b. Equipment: 30 Years

- H. List the principal items or categories of equipment to be acquired as part of the project.

Elevator, HVAC, Surveillance, Access Control Equipment and FF&E

- I. If any of this equipment has already been purchased or ordered, please attach all invoices and purchase orders and list amounts paid and dates of expected delivery as well as a brief description:

N/A

- J. If the construction or operation of the proposed project will require any local ordinance or variance to be obtained or requires a permit or prior approval of any state or federal agency or body (other than normal occupancy/construction permits), please specify:

This project is going in front of Zoning Board of Appeals for parking variance, current terms require 1.5 parking spaces per residence, we will request this be lowered to 1.0 parking spaces per unit.

This project will receive historic tax credits, as such, more stringent building terms will be necessary to adhere to historic standards.

- K. Will the project have a significant effect on the environment, YES () NO (X). If so, please describe the effect. **Important: please attach Environmental Assessment Form to this Application**

EAF Form attached at end of IDA application.

- L. Will a related real estate holding company, partnership or other entity be involved in the ownership structure of the Transaction? YES(X) NO() If YES, please explain:

Vecino Group New York, LLC will be a 73.92% member of Asteri Management, LLC, which will be a 0.01% member of Asteri Utica, LP, the ownership entity.

M. 1. With regard to the present owner of the project site, please give:

Name: Frank J. Cotrupe

Address: 1309 Lansing Street

Utica, NY 13501

Telephone Number: (315)794-5092

2. If the applicant already owns the project site, indicate:

a. date of purchase: N/A

b. purchase price: _____

3. If the project site is mortgaged, please indicate:

a. balance of mortgage: N/A

b. holder of mortgage: _____

N. Is there a relationship, legally, by virtue of common control, or through related persons, directly or indirectly, between the applicant and the present owner of the project site? YES () NO (X) If YES, please explain:

O. Is the company currently a tenant in the building to be occupied?

YES () NO (X)

P. Are you planning to use/develop the entire proposed facility?

YES (X) NO ()

If NO, give the following information with respect to present tenants:

1. Present Tenant Information

a. Name of Business Floors Occupied Square Feet Occupied Nature of Tenant's Business

N/A

b. Which of the above tenants will be vacating upon your initial use of the facility? How many jobs will be affected?

Name of Firm Jobs Square Footage Now Occupied

N/A

c. For those tenants who will remain after your initial occupancy of the site, provide the following transaction:

Name of Tenant Term of Lease Renewal Options Square Footage Now Occupied

N/A

Are any of the above tenants related to the owner of the facility? YES () NO ()

d. If the applicant will be occupying the premises of any of the tenants listed in (c) when their lease expires, please list.

N/A _____

e. Please provide copies of all present leases at the proposed project site.

Property is Vacant

Do you propose to lease part of the project facility to firms not presently tenants?

YES (X) NO ()

If YES, provide details of your proposals:

Project will consist of 49 residential units, tenants to be determined.

- g. Will financing by the Agency for the Project result in the removal or abandonment of a plant or other facility of the applicant or any related entity presently located in another area in the State of New York? YES () NO (X)

If the answer is yes, please explain briefly the reasons for the move.

N/A

Is the proposed project reasonably necessary to discourage the project occupant from removing such other plant or facility to a location outside the State of New York?

YES () NO (X)

Is the proposed project reasonably necessary to preserve the competitive position of the project occupant in its respective industry? YES () NO (X)

- h. If any of the parties who will be tenants in this project are related to or affiliated with the applicant, please identify them:

N/A

1. Please attach any written agreements (e.g., options, purchase contracts, invoices, etc.) concerning the acquisition of the real property or equipment for this proposed facility.

Purchase Contract attached at end of IDA application.

2. Employment *

- a. List your present employment in Oneida County, if any, and an estimate of the employment at the proposed facility at the end of one and two years.

Below figures include construction jobs, construction is estimated at 14 months.

Employment	Present	At End of First Year	At End of Second Year
Full Time	0	63	1
Part Time	0	6	2
Seasonal	0	0	0
Total	0	69	3

Estimate percent that total part time or seasonal working time bears to total annual full working time. 15 %

- b. Characterize the labor force to be associated with this project location according to the following categories:

Category	Present	At End of First Year	At End of Second Year
Officers	0	0	0
Sales/Supervisory	0	0	1
Clerical	0	0	1
Plant/Production	0	0	1
Construction	0	69	3

- c. Estimate the Annual Payroll for the employees associated with the project location.

At present: \$ 0

At end of one year: \$ 3,100,000

At end of two years: \$ 90,000

*** Company will be required to submit Annual Job Monitoring Reports for a minimum of five (5) years for any commercial project and ten (10) years for any industrial/manufacturing project (attached). Annual Job Monitoring Reports will be compared to employment counts as stated above and companies whose reported counts fall below those levels above will be subject to the Agency's Recapture Provisions Policy.**

3. Estimated Project Cost

Listed the costs necessary for the construction, acquisition or renovation of the project (this should NOT include working capital needs, moving expenses, work in progress, stock in trade, applicant's debt repayment, real estate broker fees or your legal fees):

Acquisition of Land	\$ <u>122,500</u>
Acquisition of Building(s)	\$ <u>300,000</u>
Renovation Costs	\$ <u>5,408,665</u>
New Construction of Buildings	\$ <u>0</u>
Machinery and Equipment (other than furniture costs)	\$ <u>820,000</u>
Fixtures	\$ <u>60,000</u>
Installation Costs	\$ <u>100,000</u>
Fees (other than your own counsel and brokerage fees)	\$ <u>1,308,144</u>
Architectural/Engineering Fees	\$ <u>443,450</u>
Interest on Interim Financings	\$ <u>581,217</u>
Other (Bond Financing Fees)	\$ <u>439,775</u>
Subtotal	\$ <u>9,583,751</u>
Agency Fee	\$ <u>TBD</u>
Total Project Cost	\$ <u>TBD</u>

What is the amount of funding requested for financing through the agency?

\$0

4. Real Estate Taxes

List separately the proposed project's Real Estate Taxes and/or Assessed Value as it applies to land and building:

Project's	Real Estate Taxes	Assessed Value
318.52-1-2	\$4,318	\$68,000
318.52-1-3	\$16,052.80	\$252,800
Total	\$20,370.80	\$320,800

5. Project Schedule

Indicate the estimated dates for the following:

- a. Construction commencement: April 2016
- b. Construction completion: May 2017
- c. Project financing: List the dates and in what amounts the estimated funds will be required:

Funds not requested from Utica IDA

- d. Indicate the name of the incorporated municipality in which the facility will be located and the applicant's (or any related entity's) estimated capital expenditures in such municipality during the past three years:

City of Utica, no capital expenditures in last three years.

- e. What do you expect the applicant's (or any related entity's) capital expenditures to be in the above municipality during the next three years (including this project):

\$8 million

- f. If the applicant or any related entity has previously secured the benefit of tax exempt financing in the City of Utica, whether through IDA, the New York Job Development Authority or any other entity, please explain (indicate date, location of financed facility, and outstanding balance):

N/A

- g. Has the applicant or any related entity received the benefit of tax exempt financing anywhere within the United States within the past 90 days or is the applicant or any related entity contemplating the receipt of such financing assistance within the next 90 days? YES (X) NO () if yes, please explain.

Applicant anticipates benefit of tax exempt bond financing on this project from New York State Housing Finance Agency. We project these bonds will be issued during the first bond resolution of 2016, estimated to be in March.

6. Project Financing Efforts

IT IS THE APPLICANT'S RESPONSIBILITY TO SECURE A PURCHASER FOR IDA BONDS ISSUED IN CONJUNCTION WITH THIS PROJECT. Below are a series of questions relating to your efforts to secure financing for your project if IDA approval is granted.

- A. Has the applicant contacted any bank, financial/lending institution or private investor in regard to the financing for this project? YES (X) NO () If YES, please give details:

Bonds will be issued and purchased by New York State Housing Finance Agency.

B. Have you obtained a financial commitment for this project? YES () NO (X)

1. If Yes, please briefly describe this commitment and attach related correspondence:

Asteri has received a commitment of \$200,000 in HOME funds from the City of Utica, this letter is attached.

Asteri has received letter of commitment from OPWDD to pay a portion of debt on this project, the amount is estimated at \$1,378,800. This letter is attached.

2. If No, please explain how you will be able to finance this project:

An application has been filed for tax exempt bond financing through New York State HFA. These tax exempt bonds will be combined with 4% Low Income Housing Credits and Homes for Working Families Funds from HFA, along with an HFA permanent loan on the project. This is a competitive process, we hope to receive commitment from HFA by December.

This project will be historic in nature, this enables Asteri to receive state and federal historic tax credits. An LOI from Richman Housing will be attached at end of IDA application showing commitment to purchase historic and Low Income Housing Credits.

Asteri will apply for funding from the Federal Home Loan Bank for their Affordable Housing Program Grant, an award of \$980,000 is anticipated. This application will be submitted by July 1, 2016, with announcement of awards occurring by December 2016.

C. Are there any other governmental agencies that you have contacted concerning financial assistance in regard to your proposed project? YES () NO (X) If YES, please explain:

D. 1. Will the applicant's obligations be guaranteed, and if so, by whom?

Yes, the obligations will be guaranteed by the principals of Vecino Group New York, Richard Manzardo and Matthew Miller.

2. Is the guarantor related to or affiliated with the applicant?

Yes, guarantors are principals of applying entity.

E. Financial Information (Attach the Following).

1. Financial Statements for the last three fiscal years.
2. Pro forma Balance Sheet as at start of operations at project site.
3. Projected Profit and Loss Statements for first two years of operation at project site.
4. Projected "Cash Flow" Statement, by quarters, for first year of operation at project site.

Certification

The undersigned requests that this application be submitted for review to the City of Utica Industrial Development Agency's Board of Directors. It is hereby certified by the undersigned that the information contained in this application and the attachments thereto is, to the best of my knowledge and belief accurate and it is truly descriptive of the project which is intended as the security for the financing. Intentional misstatements or misleading information contained herein could be cause for disapproval or could lead to voiding IDA benefits.

APPROVAL OF THE APPLICATION CAN BE GRANTED SOLELY BY THIS AGENCY'S BOARD OF DIRECTORS. IT IS ACKNOWLEDGED THAT APPLICANT SHALL BE RESPONSIBLE FOR ALL COSTS INCURRED BY THE AGENCY AND ITS COUNSELS IN CONNECTION WITH THE ATTENDANT NEGOTIATIONS AND ISSUANCE OF BONDS WHETHER OR NOT CARRIED TO A SUCCESSFUL CONCLUSION.

Signature:  _____

Print or Type Name: Rick Manzardo

Title: President

Date: October 23, 2015

Return the original application and six copies with a check in the amount of \$250.00 made payable to: Utica Industrial Development Agency, 1 Kennedy Plaza, Utica, New York, Attn.: Jack N. Spaeth, Executive Director.

CITY OF UTICA INDUSTRIAL DEVELOPMENT AGENCY ANNUAL JOB MONITORING REPORT

COMPANY NAME: _____ ADDRESS: _____
PHONE NO. _____

EMPLOYER REGISTRATION NO: _____ CONTACT PERSON: _____
(name & title) _____

ORIGINAL PROJECT DATE: _____

Please fill in the following information for the reporting period January 1, 201 _____ – December 31, 201 _____.

FULL TIME EMPLOYEES *

*Note: A full-time employee works 35-40 hours per week. Use a fraction for part-time employees (i.e., .5 = 1 employee working 17 1/2 to 20 hours per week.)

Permanent Occupations In Company	Current Employment (prior to Original Project Date)	# of Emp. Hired During Reporting Period	# of Male Employees	# of Female Employees	White	Black/African American	Hispanic	Asian
Management								
Professional								
Clerical								
Sales								
Service								
Construction								
Manufacturing								
Skilled								
Semi-Skilled								
Unskilled								
Other (Describe)								
Total:								

Are you planning any additional increase or decrease in your employment workforce in the foreseeable future? YES NO

If yes, please describe:

The information included herein is correct to the best of my knowledge and belief,

Company Official

Date

Sources and Uses of Funds Schedule
New York State Housing Finance Agency
HYA Form 8

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Potential Gross Income										
Market Rate Units	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
At-Risk Units	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Commercial Space	\$317,376	323,724	330,198	336,802	343,538	350,409	357,417	364,565	371,857	379,294
Parking	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Tenant Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Potential Gross Income	\$317,376	\$323,724	\$330,198	\$336,802	\$343,538	\$350,409	\$357,417	\$364,565	\$371,857	\$379,294
Vacancy Allowance										
Vacancy Allowance - Market Rate Units	5.0%	-	-	-	-	-	-	-	-	-
Vacancy Allowance - At-Risk Units	5.0%	15,869	16,184	16,510	16,840	17,177	17,520	17,871	18,228	18,593
Vacancy Allowance - Commercial	10.0%	-	-	-	-	-	-	-	-	-
Vacancy Allowance - Parking	10.0%	-	-	-	-	-	-	-	-	-
Vacancy Allowance - Other Tenant Revenue	5.0%	-	-	-	-	-	-	-	-	-
Total Vacancy Allowance		15,869	16,184	16,510	16,840	17,177	17,520	17,871	18,228	18,593
Effective Gross Income										
EGI - Market Rate Units	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
EGI - At-Risk Units	\$301,507	\$307,557	\$313,688	\$319,942	\$326,361	\$332,888	\$339,546	\$346,337	\$353,264	\$360,329
EGI - Commercial Space	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
EGI - Parking	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
EGI - Other Tenant Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Effective Gross Income	\$301,507	\$307,557	\$313,688	\$319,942	\$326,361	\$332,888	\$339,546	\$346,337	\$353,264	\$360,329
Operating Expenses Breakdowns										
Real Estate Taxes	3%	\$20,000	\$20,600	\$21,218	\$21,855	\$22,510	\$23,185	\$23,881	\$24,597	\$25,335
Insurance	3%	\$18,000	\$18,540	\$19,096	\$19,670	\$20,259	\$20,867	\$21,493	\$22,138	\$22,802
Heat		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Gas	3%	\$10,000	\$10,300	\$10,609	\$10,927	\$11,255	\$11,593	\$11,941	\$12,299	\$12,668
Electricity	3%	\$10,000	\$10,300	\$10,609	\$10,927	\$11,255	\$11,593	\$11,941	\$12,299	\$12,668
Water & Sewer	3%	\$15,000	\$15,450	\$15,914	\$16,391	\$16,883	\$17,389	\$17,911	\$18,448	\$18,992
Other Utility Expenses	3%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Property Management	3%	\$15,073	\$15,625	\$16,191	\$16,771	\$17,365	\$17,974	\$18,598	\$19,237	\$19,891
Repairs & Maintenance	3%	\$4,000	\$4,120	\$4,244	\$4,371	\$4,502	\$4,637	\$4,776	\$4,919	\$5,067
Landscaping	3%	\$4,000	\$4,120	\$4,244	\$4,371	\$4,502	\$4,637	\$4,776	\$4,919	\$5,067
Administrative Payroll	3%	\$46,000	\$47,280	\$48,601	\$49,965	\$51,373	\$52,827	\$54,326	\$55,874	\$57,471
Administrative Payroll Taxes & Benefits	3%	\$11,500	\$11,845	\$12,200	\$12,566	\$12,943	\$13,332	\$13,732	\$14,144	\$14,568
Maintenance Payroll	3%	\$20,000	\$20,600	\$21,218	\$21,855	\$22,510	\$23,185	\$23,881	\$24,597	\$25,335
Maintenance Payroll Taxes & Benefits	3%	\$5,000	\$5,150	\$5,305	\$5,464	\$5,628	\$5,796	\$5,970	\$6,149	\$6,334
Marketing	3%	\$4,000	\$4,120	\$4,244	\$4,371	\$4,502	\$4,637	\$4,776	\$4,919	\$5,067
Security	3%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Bad Debt	3%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
O & M Supplies	3%	\$1,800	\$1,854	\$1,910	\$1,967	\$2,026	\$2,087	\$2,149	\$2,214	\$2,280
Admin Misc	3%	\$7,457	\$7,681	\$7,911	\$8,148	\$8,393	\$8,645	\$8,904	\$9,171	\$9,446
Other Legal	3%	\$1,500	\$1,545	\$1,591	\$1,639	\$1,688	\$1,739	\$1,791	\$1,845	\$1,900
Other Janitorial	3%	\$4,600	\$4,738	\$4,880	\$5,027	\$5,177	\$5,333	\$5,497	\$5,667	\$5,842
Other Accounting	3%	\$10,000	\$10,300	\$10,609	\$10,927	\$11,255	\$11,593	\$11,941	\$12,299	\$12,668
Other Elevator Maintenance	3%	\$4,200	\$4,326	\$4,456	\$4,589	\$4,727	\$4,869	\$5,015	\$5,165	\$5,320
Other Extreming	3%	\$2,400	\$2,472	\$2,546	\$2,623	\$2,701	\$2,782	\$2,866	\$2,952	\$3,040
Other Snow Removal	3%	\$2,000	\$2,060	\$2,122	\$2,185	\$2,251	\$2,319	\$2,388	\$2,460	\$2,534
Other Trash Removal	3%	\$3,600	\$3,708	\$3,819	\$3,934	\$4,052	\$4,173	\$4,299	\$4,428	\$4,560
Other Turnover Exp	3%	\$4,000	\$4,120	\$4,244	\$4,371	\$4,502	\$4,637	\$4,776	\$4,919	\$5,067
Total Expenses	3%	\$22,130.00	\$23,214	\$23,901	\$24,609	\$25,341	\$26,098	\$26,881	\$27,691	\$28,528
Reserves	3%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Operating Reserves	3%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Replacement Reserves	3%	\$14,700.00	\$15,141	\$15,595	\$16,063	\$16,545	\$17,041	\$17,553	\$18,079	\$18,622
Total Reserves	3%	\$14,700	\$15,141	\$15,595	\$16,063	\$16,545	\$17,041	\$17,553	\$18,079	\$18,622
Total Expenses & Reserves	3%	\$36,830	\$38,355	\$39,496	\$40,672	\$41,886	\$43,139	\$44,432	\$45,761	\$47,150
Net Operating Income		\$249,577	\$249,202	\$244,192	\$248,870	\$244,521	\$245,847	\$248,566	\$247,593	\$243,179
Debt Service										
First Mortgage	4.500%	(\$40,899)	(\$40,899)	(\$40,899)	(\$40,899)	(\$40,899)	(\$40,899)	(\$40,899)	(\$40,899)	(\$40,899)
Mortgage Insurance Premium	0.750%	(\$3,650)	(\$3,650)	(\$3,650)	(\$3,650)	(\$3,650)	(\$3,650)	(\$3,650)	(\$3,650)	(\$3,650)
Total Debt Service	5.250%	(\$44,549)	(\$44,549)	(\$44,549)	(\$44,549)	(\$44,549)	(\$44,549)	(\$44,549)	(\$44,549)	(\$44,549)
Cash Flow Available for Self Financing		\$205,028	\$204,653	\$199,643	\$204,321	\$199,972	\$201,298	\$203,917	\$202,944	\$198,630



**Office for People With
Developmental Disabilities**

Andrew M. Cuomo, Governor
Kerry A. Delaney, Acting Commissioner

September 24, 2015

Mr. Richard Manzardo, President
Vecino Bond Group
305 W. Commercial St
Springfield MO 65803

Re: Asteri Utica
Utica, New York

Dear Mr. Manzardo:

The NYS Office for People With Developmental Disabilities (OPWDD) is pleased to provide this commitment to support the development of Asteri Utica, which will be located in Utica, New York.

This project supports the direction of OPWDD and of the Governor's Supportive Housing Development Program and is a high priority as it allows people with intellectual and developmental disabilities (I/DD) to live in integrated housing and in a less restrictive residential setting, thus assisting OPWDD in compliance with the 1991 Supreme Court ruling known as the *Olmstead* decision.

It is our understanding that the project comprises 49 total units, of which twelve (12) units will have a tenant preference for people with I/DD (the OPWDD units). The projected breakdown of the units by bedroom size is subject to change prior to the final commitment to the project, but is currently projected to include 9 (nine) one-bedroom and 3 (three) two-bedroom units.

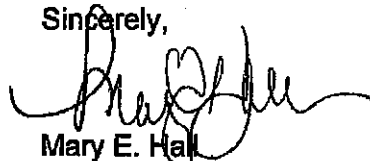
In recognition of the tenant preference, OPWDD will provide debt service on tax-exempt Housing Finance Agency bonds, to support 50 percent of the Total Project Costs for the OPWDD units, as approved by NYS Homes and Community Renewal (HCR). In addition, in cooperation with the supportive services provider, Resource Center for Independent Living, OPWDD will provide:

Mr. Richard Manzardo, President
September 24, 2015
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- 1) Funding for necessary supports and services to enable the individuals with I/DD to live successfully in the OPWDD units.
- 2) Rental subsidies for the individuals with I/DD residing in the OPWDD units in amounts equal to the difference between the HCR-approved rents and utility costs and 30 percent of the tenants' available monthly income.

Please feel free to contact me if you have any questions or concerns. Thank you.

Sincerely,



Mary E. Hall
Acting Director, Region 2

cc: Kerry Delaney
Helene DeSanto
Abiba Kindo
JoAnn Lamphere
Kevin Valenchis
Martha Dalton
John Smith
Christine Carey
Lucinda Griffin
Henry Hamelin
Bret Garwood, NYSHFA
Ernest Orts, Director of Compliance, RCIL