

APPLICATION  
FOR  
INDUSTRIAL DEVELOPMENT  
REVENUE BOND FINANCING  
AND  
SALE/LEASEBACK TRANSACTIONS

**IMPORTANT NOTICE:** The answers to the questions contained in this Application are necessary to determine your firm's eligibility for financing, tax exemptions and other assistance from the Auburn Industrial Development Authority (the "Authority"). These answers will also be used in the preparation of papers in this transaction. Accordingly, all questions should be answered accurately and completely by an officer or other employee of your firm who is thoroughly familiar with the business and affairs of your firm and who is also thoroughly familiar with the proposed project. This application is subject to acceptance by the Authority.

TO: AUBURN INDUSTRIAL DEVELOPMENT AUTHORITY  
24 South Street  
Memorial City Hall  
Auburn, New York 13021

This application by Applicant respectfully states:

APPLICANT: Community Computer Service, Inc.

APPLICANT'S  
ADDRESS: 15 Hulbert Street CITY: Auburn STATE: NY ZIP: 13021

NAME OF PERSON(S) AUTHORIZED TO SPEAK FOR APPLICANT WITH RESPECT TO THIS

APPLICATION: Gary S. Cuthbert TELEPHONE NO: 255-1751 FAX NO: 255-3539

E-MAIL ADDRESS: garyc@medent.com

APPLICANT'S ATTORNEY:

NAME OF FIRM: Boyle & Anderson, P.C.

NAME OF  
ATTORNEY: Charles H. Lynch, Jr., Esq.

ATTORNEY'S  
ADDRESS: 110 Genesee Street, Suite 300

CITY: Auburn STATE: New York ZIP: 13021

TELEPHONE NO: 253-0326 FAX NO: 253-4968 E-MAIL ADDRESS: chlynch@boylefirm.com

APPLICANT'S ACCOUNTANT:

NAME OF FIRM: Fagliarone Group CPAs, PC

NAME OF  
ACCOUNTANT: Elaine Buffington, C.P.A.

ACCOUNTANT'S  
ADDRESS: 198 Genesee Street

CITY: Auburn STATE: New York ZIP: 13021

TELEPHONE NO: 253-9744 FAX NO: 243-8040 E-MAIL ADDRESS: ebuffington@tfgcpa.com

**NOTE:** PLEASE READ THE INSTRUCTIONS ON PAGE 2 HEREOF BEFORE FILLING OUT THE REST OF THIS APPLICATION.

## INSTRUCTIONS

1. The Authority will not approve any application unless, in the judgment of the Authority, said application contains sufficient information upon which to base a decision whether to approve or tentatively approve the project contemplated herein (the "Project").
2. Fill in all blanks, using "none" or "not applicable" or "N/A" where the question is not appropriate to the Project.
3. If an estimate is given as the answer to a question, put "(est)" after the figure or answer which is estimated.
4. If more space is needed to answer any specific question, attach a separate sheet.
5. When completed, return two (2) copies of this application to the Authority at the address indicated on the first page of this application.
6. The Authority will not give final approval to this application until the Authority receives a completed Environmental Assessment Form (EAF) concerning the Project.
7. Please note that Article 6 of the New York Public Officers Law declares that all records in the possession of the Authority (with certain limited exceptions) are open to public inspection and copying. If the Applicant feels that there are elements of the Project which are in the nature of trade secrets or information, the nature of which is such that if disclosed to the public or otherwise widely disseminated would cause substantial injury to the Applicant's competitive position, the Applicant may identify such elements in writing and request that such elements be kept confidential in accordance with Article 6 of the Public Officers Law.
8. The Applicant will be required to pay to the Authority all actual costs incurred in connection with this application and the Project (to the extent such expenses are not paid out of the proceeds of the Authority's bonds issued to finance the Project, if applicable). The costs incurred by the Authority, including the Authority's general counsel, bond counsel and/or special counsel, if any, may be considered as a part of the Project and included as a part of the resultant bond issue.
9. The Authority has established an administrative fee to be paid by the Applicant upon successful conclusion of the sale of the bonds or the sale/leaseback transaction, as applicable, said fee being intended to cover the indirect expenses incurred by the Authority in administering the Project. The administrative fee will be the following amount: (a) for bond transactions, 3/4 of 1% of the aggregate principal amount of the bonds issued with respect to the Project, (b) for sale/leaseback transactions, 1/2 of 1% of the total cost of the Project, or (c) such other amount as is agreed to by the Authority on a case-by-case basis. **UNLESS THE AUTHORITY AGREES IN WRITING TO THE CONTRARY, THE ADMINISTRATIVE FEE IS REQUIRED TO BE PAID AT OR PRIOR TO THE ISSUANCE OF THE BONDS OR THE GRANTING OF ANY FINANCIAL ASSISTANCE, AS APPLICABLE.**
10. The Authority has established an application fee of Two Hundred Fifty and 00/100 Dollars (\$250) to cover the anticipated costs of the Authority in processing this application. A check or money order made payable to the Authority must accompany each application. **THIS APPLICATION WILL NOT BE ACCEPTED BY THE AUTHORITY UNLESS ACCOMPANIED BY THE APPLICATION FEE.**

I. INFORMATION CONCERNING THE PROPOSED OCCUPANT OF THE PROJECT (HEREINAFTER REFERRED TO AS THE "COMPANY").

A. Identity of Company.

1. Company Name: Community Computer Service, Inc.  
Present Address: 15 Hulbert Street  
City: Auburn State: New York Zip: 13021  
Employer's Federal ID No.: 16-0958181 NAICS Code No.: \_\_\_\_\_
2. If the Company differs from the Applicant, give details of relationship:  
\_\_\_\_\_  
\_\_\_\_\_
3. Indicate the type of business organization of Company:
  - a.  Corporation. If so, incorporated in what country? USA; What State? NY; Date Incorporated 03/07/68; Type of Corporation? (C Corp); Authorized to do business in New York?  Yes  No; Date so authorized 03/07/68.
  - b.  Limited Liability Company. If so, State of organization? \_\_\_\_\_; Date Organized \_\_\_\_\_; Authorized to do business in New York? \_\_\_\_\_; Date so authorized \_\_\_\_\_ Number of members \_\_\_\_\_
  - c.  Partnership. If so, indicate type of partnership \_\_\_\_\_; Number of general partners \_\_\_\_\_; Number of limited partners \_\_\_\_\_
  - d.  Sole proprietorship.
  - e.  Other. Please explain \_\_\_\_\_  
\_\_\_\_\_
4. Is the Company a subsidiary or direct or indirect affiliate of any other organization(s)? If so, indicate name of related organization(s) and relationship: NO  
\_\_\_\_\_  
\_\_\_\_\_
5. Is the Applicant a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code?  Yes;  No. If yes, please attach the Applicant's Determination Letter from the Internal Revenue Service with respect to such status. Has the Applicant received any notice indicating that its exempt status is under investigation or subject to revocation?  Yes;  No. If yes, please explain and attach relevant correspondence. \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

B. Management of Company.

1. List all owners, officers, directors, managers and partners (complete all columns for each person):

<i>NAME</i>	<i>HOME ADDRESS</i>	<i>OFFICE HELD</i>	<i>OTHER PRINCIPAL BUSINESS AFFILIATIONS</i>
Gary S. Cuthbert	5602 Buck Pt. Rd., Auburn	President/Treasurer	Director
George T. Cuthbert	1 Brae Ridge Auburn, NY	Vice-Chairman, Vice Pres. of Marketing &	Secretary Director
Douglas P. Cuthbert	5612 Buck Pt. Rd., Auburn	Vice-Pres. of Systems Design and Programming	Director
Robert S. Cuthbert	3 Brae Ridge Auburn, NY	Vice President of Customer Service	Director
Edward L. Cuthbert	11 Lakehurst Dr. Auburn, NY	Chairman of the Board	Director

2. Is the Company or management of the Company now a plaintiff or a defendant in any civil or criminal litigation?  Yes;  No.
3. Has any person listed above ever been convicted of a criminal offense (other than a minor traffic violation?)  Yes;  No.
4. Has any person listed above or any concern with whom such person has been connected ever been in receivership or been adjudicated a bankrupt?  Yes;  No.
5. If the answer to any of questions 2 through 4 is yes, please furnish details in a separate attachment.

C. Principal Owners of Company.

1. Is the Company publicly held?  Yes;  No. If yes, please list exchanges where stock of the Company is traded: \_\_\_\_\_
2. If "No", list all stockholders having a 5% or more interest in the Company:

<i>NAME</i>	<i>HOME ADDRESS</i>	<i>PERCENTAGE OF HOLDING</i>
Gary S. Cuthbert	5602 Buck Point Road Auburn, New York 13021	20%
George T. Cuthbert	1 Brae Ridge Auburn, New York 13021	20%
Douglas P. Cuthbert	5612 Buck Point Road Auburn, New York 13021	20%
Robert S. Cuthbert	3 Brae Ridge Auburn, New York 13021	20%
Edward L. Cuthbert	11 Lakehurst Drive Auburn, New York 13021	20%

D. Company's principal bank(s): First Niagara Bank, 115 Genesee Street,  
Auburn, New York 13021  
\_\_\_\_\_  
\_\_\_\_\_

E. Absence of Conflicts of Interest. The Applicant has received from the Authority a list of the members, officers and employees of the Authority. No member, officer or employee of the Authority has an interest, whether direct or indirect, in any transaction contemplated by this application, except as hereinafter described:  
None  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

II. INFORMATION CONCERNING PERSON(S) TO WHOM THE COMPANY INTENDS TO LEASE OR SUBLEASE THE PROJECT (HEREINAFTER REFERRED TO AS THE "SUBLESSEES"). Please give the following information with respect to each Lessee or Sublessee to whom the Company intends to lease or sublease more than 10% (by area or fair market rental value) of the Project:

A. Sublessee Name: N/A  
\_\_\_\_\_  
Present Address: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_  
Employer's Federal ID No.: \_\_\_\_\_ NAICS Code No.: \_\_\_\_\_  
Sublessee is:  Corporation;  Limited Liability Company;  Partnership;  
 Sole Proprietorship  
Relationship to Company: \_\_\_\_\_  
Percentage of Project to be leased or subleased: \_\_\_\_\_  
Use of Project intended by Sublessee: \_\_\_\_\_  
Date of lease or sublease to Sublessee: \_\_\_\_\_  
Term of lease or sublease to Sublessee: \_\_\_\_\_

Will any portion of the space leased by this Sublessee be primarily used in making retail sales of goods or services to customers who personally visit the Project?  Yes;  No. If yes, please provide on a separate attachment (a) detail and (b) the answers to questions III(F)(4) through (6) with respect to each Sublessee.

B. Sublessee Name: N/A  
\_\_\_\_\_  
Present Address: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Employer's Federal ID No.: \_\_\_\_\_ NAICS Code No.: \_\_\_\_\_

Sublessee is:  Corporation;  Limited Liability Company;  Partnership;  
 Sole Proprietorship

Relationship to Company: \_\_\_\_\_

Percentage of Project to be leased or subleased: \_\_\_\_\_

Use of Project intended by Sublessee: \_\_\_\_\_

Date of lease or sublease to Sublessee: \_\_\_\_\_

Term of lease or sublease to Sublessee: \_\_\_\_\_

Will any portion of the space leased by this Sublessee be primarily used in making retail sales of goods or services to customers who personally visit the Project?  Yes;  No. If yes, please provide on a separate attachment (a) detail and (b) the answers to questions III(F)(4) through (6) with respect to each Sublessee.

C. Sublessee Name:   N/A  

Present Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Employer's Federal ID No.: \_\_\_\_\_ NAICS Code No.: \_\_\_\_\_

Sublessee is:  Corporation;  Limited Liability Company;  Partnership;  
 Sole Proprietorship

Relationship to Company: \_\_\_\_\_

Percentage of Project to be leased or subleased: \_\_\_\_\_

Use of Project intended by Sublessee: \_\_\_\_\_

Date of lease or sublease to Sublessee: \_\_\_\_\_

Term of lease or sublease to Sublessee: \_\_\_\_\_

Will any portion of the space leased by this Sublessee be primarily used in making retail sales of goods or services to customers who personally visit the Project?  Yes;  No. If yes, please provide on a separate attachment (a) detail and (b) the answers to questions III(F)(4) through (6) with respect to each Sublessee.

III. DATA REGARDING PROPOSED PROJECT.

A. Description of the Project. (Please provide a brief narrative description of the Project.)  
Construction of 15,500 square foot addition to existing building  
in order to enable applicant to increase size of workforce.

B. Location of the Project.

1. Street Address: 15 Hulbert Street
2. City: Auburn
3. Town: N/A
4. Village: N/A
5. School District: Auburn Enlarged City School District
6. Fire District: Auburn
7. County: Cayuga
8. Property Tax Identification No.: 115.52-1-17

C. Description of the Project site.

1. Approximate size (in acres or square feet) of the Project site: 0.682 ac.. Is a map, survey or sketch of the Project site attached?  Yes;  No.
2. Are there existing buildings on the Project site?  Yes;  No.

a. If yes, indicate the number of buildings on the site: -1-. Also, please briefly identify each existing building and indicate the approximate size (in square feet) of each such existing building:  
3 story building consisting of 16,500 square feet

b. Are the existing buildings in operation?  Yes;  No. If yes, describe present use of such buildings: The current building houses applicant's workforce, contains storage facilities and functions as applicant's principal office.

c. Are the existing buildings abandoned?  Yes;  No. About to be abandoned?  Yes;  No. If yes, describe: \_\_\_\_\_

d. Attach photograph of present buildings.

3. Utilities serving the Project site:

- |                   |                       |
|-------------------|-----------------------|
| Water-Municipal:  | <u>City of Auburn</u> |
| Other (describe): | <u>N/A</u>            |
| Sewer-Municipal:  | <u>City of Auburn</u> |
| Other (describe): | <u>N/A</u>            |
| Electric-Utility: | <u>NYSEG</u>          |
| Other (describe): | <u>N/A</u>            |

Heat - Utility: NYSEG  
Other (describe): N/A

4. Present legal owner of the Project site: Community Computer Service, Inc.

a. If the Company (or any Sublessee) owns the Project site, indicate date of purchase: 01/02/01; purchase price: \$ 234,000.00

b. If the Company does not own the Project site, does the Company (or any Sublessee) have an option signed with the owner(s) to purchase the Project site?  Yes;  No. If yes, indicate date option signed with the owner(s): \_\_\_\_\_; date the option expires: \_\_\_\_\_

c. If the Company (or any Sublessee) does not own the Project site, is there a relationship legally or by common control between the Company (or any Sublessee) and the present owner(s) of the Project site?  Yes;  No. If yes, describe in detail on separate attachment.

5. a. Zoning District in which the Project is located: commercial

b. Are there any variances or special permits affecting the Project site?  Yes;  No. If yes, list below and attach copies of all such variances or special permits: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

6. Will an portion of the Project be located outside the geographical boundaries of the City of Auburn?  Yes;  No. If yes, what other municipality is the Project partially located in? \_\_\_\_\_. Is the portion of the Project located outside the City of Auburn contiguous with the portion of the Project inside the City of Auburn?  Yes;  No.

D. Description of Proposed Construction.

1. Does part of the Project consist of the acquisition or construction of a new building or buildings?  Yes;  No. If yes, indicate number and size of new buildings: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

2. Does part of the Project consist of additions and/or renovations to the existing buildings located on the Project site?  Yes;  No. If yes, indicate the buildings to be expanded or renovated, the size of any expansions and the nature of expansion and/or renovation: Existing 16,500 square foot building will be expanded by the 15,500 square foot addition, which will continue to house applicant's business operations.

3. Describe the principal uses to be made by the Company of the building or buildings to be acquired, constructed, renovated or expanded: See F2 on Page 9  
\_\_\_\_\_  
\_\_\_\_\_



E. Description of the Equipment.

1. Does a part of the Project consist of the acquisition or installation of machinery, equipment or other personal property (the "Equipment")?  Yes;  No. If yes, describe the Equipment: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
2. With respect to the Equipment to be acquired, will any of the Equipment be Equipment which has previously been used?  Yes;  No. If yes, please provide detail:  
N/A  
\_\_\_\_\_  
\_\_\_\_\_
3. Describe the principal uses to be made by the Company of the Equipment to be acquired or installed: N/A  
\_\_\_\_\_  
\_\_\_\_\_

F. Project Use.

1. What are the principal products to be produced at the Project? Computer software/ programs for use by physicians.  
\_\_\_\_\_  
\_\_\_\_\_
2. What are the principal activities to be conducted at the Project? Manufacturing of computer program(s), hardware maintenance and software support  
\_\_\_\_\_  
\_\_\_\_\_
3. Does the Project include facilities or property that are primarily used in making retail sales of goods or services to customers who personally visit such facilities?  Yes;  No. If yes, please provide detail: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
4. If the answer to question 3 is yes, what percentage of the cost of the Project will be expended on such facilities or property primarily used in making retail sales of goods or services to customers who personally visit the Project? \_\_\_\_\_%.
5. If the answer to question 3 is yes, and the answer to question 4 is more than 33.33%, indicate whether any of the following apply to the Project:
  - a. Will the Project be operated by a not-for-profit corporation?  Yes;  No. If yes, please explain: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

b. Is the Project likely to attract a significant number of visitors from outside the counties of Cayuga, Onondaga, Madison, Cortland and Oswego?  Yes;  No. If yes, please explain: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

c. Would the Project occupant, but for the contemplated financial assistance from the Authority, locate the related jobs outside the State of New York?  Yes;  No. If yes, please explain: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

d. Is the predominant purpose of the Project to make available goods or services which would not, but for the Project, be reasonably accessible to the residents of the City of Auburn; because of a lack of reasonably accessible retail trade facilities offering such goods or services?  Yes;  No. If yes, please provide detail: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

e. Will the Project be located in one of the following: (i) the City of New York; (ii) an area designed as an economic development zone pursuant to Article 18-B of the General Municipal Law; or (iii) a census tract or block numbering area (or census tract or block numbering area contiguous thereto) which, according to the most recent census data, has (x) a poverty rate of at least 20% for the year in which the data relates, or at least 20% of households receiving public assistance, and (y) an unemployment rate of at least 1.25 times the statewide unemployment rate for the year to which the data relates?  Yes;  No. If yes, please explain: An area designated as an economic development zone pursuant to Article 18-B of the General Municipal Law

\_\_\_\_\_  
\_\_\_\_\_

6. If the answers to any of subparagraphs c. through e. of question 5 is yes, will the Project preserve permanent, private sector jobs or increase the overall number of permanent, private sector jobs in the State of New York?  Yes;  No. If yes, please explain:

The purpose of the project is to provide space for the addition of up to fifty (50) new employees.

\_\_\_\_\_  
\_\_\_\_\_

7. Will the completion of the Project result in the removal of a plant or facility of the Company or another proposed occupant of the Project (a "Project Occupant") from one area of the State of New York to another area of the State of New York?  Yes;  No. If yes, please explain: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

8. Will the completion of the Project result in abandonment of one or more plants or facilities of the Company located in the State of New York?  Yes;  No. If yes, please provide detail: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

9. If the answer to either question 7 or 8 is yes, indicate whether any of the following apply to the Project:

a. Is the Project reasonably necessary to preserve the competitive position of the Company or such Project Occupant in its industry?  Yes;  No. If yes, please provide detail: \_\_\_\_\_

N/A  
\_\_\_\_\_  
\_\_\_\_\_

b. Is the Project reasonably necessary to discourage the Company or such Project Occupant from removing such other plant or facility to a location outside the State of New York?  Yes;  No. If yes, please provide detail: \_\_\_\_\_

N/A  
\_\_\_\_\_  
\_\_\_\_\_

G. Project Status.

1. If the Project includes the acquisition of any land or buildings, have any steps been taken toward acquiring same?  Yes;  No. If yes, please discuss in detail the approximate stage of such acquisition: \_\_\_\_\_

N/A  
\_\_\_\_\_  
\_\_\_\_\_

2. If the Project includes the acquisition of any Equipment, have any steps been taken toward acquiring same?  Yes;  No. If yes, please discuss in detail the approximate stage of such acquisition: \_\_\_\_\_

N/A  
\_\_\_\_\_  
\_\_\_\_\_

3. If the Project involves the construction or reconstruction of any building or other improvement, has construction work on any such building or improvement begun?  Yes;  No. If yes, please discuss in detail the approximate extent of construction and the extent of completion. Indicate in your answer whether specific steps have been completed, such as site clearance and preparation, completion of foundations, installation of footings, etc.: Site clearance and preparation has been commenced; excavation for foundations/footings has commenced.

\_\_\_\_\_

4. Please indicate amount of funds expended on the Project by the Company in the past three (3) years and the purposes of such expenditures: \$164,600 - purchase of former Luke Williams lumber yard property, demolition of existing buildings thereon, paving and landscaping

\_\_\_\_\_  
\_\_\_\_\_

H. Method of Construction After Authority Approval. If the Authority approves the Project, there are two methods that may be used to construct the Project. The Applicant can construct the Project privately and sell the Project to the Authority upon completion. Alternatively, the Applicant can request to be appointed as "agent" of the Authority for purposes of constructing the Project, which request, if approved, will result in the Applicant constructing the Project as "agent" of the Authority, in which case certain laws applicable to public construction will apply to the Project. Does the Applicant anticipate that in the future the Company may wish to request being designated as "agent" of the Authority for purposes of construction of the Project?  Yes;  No.

IV. EMPLOYMENT IMPACT. Indicate below the number of people presently employed at the Project site and the number that will be employed at the Project site at the end of the first and second years after the Project has been completed. (Do not include construction workers). Also indicate below the number of workers employed at the Project site representing newly created positions as opposed to positions relocated from other project sites of the Applicant.

TYPE OF EMPLOYMENT				
	PROFESSIONAL, MANAGERIAL OR TECHNICAL	SKILLED	UNSKILLED OR SEMI-SKILLED	TOTALS
Present Full Time	139	4	0	143
Present Part Time				
Present Seasonal				
First Year Full Time				
First Year Part Time				
First Year Seasonal				
Second Year Full Time				
Second Year Part Time				
Second Year Seasonal				

V. PROJECT COST.

A. State the costs reasonably necessary for the acquisition of the Project site, the construction of the proposed buildings and the acquisition and installation of any machinery and equipment necessary or convenient in connection therewith, including any utilities, access roads or appurtenant facilities, using the following categories:

<u>Description of Cost</u>	<u>Amount</u>
Land	\$ <u>N/A</u>
Buildings	\$ <u>1,250,000.</u>
Machinery and Equipment costs	\$ <u>N/A</u>

Utilities, roads and appurtenant costs	\$ <u>      N/A      </u>
Architects and engineering fees	\$ <u>   83,773.00   </u>
Costs of financing (legal, financial and printing)	\$ <u>   10,069.00   </u>
Construction loan fees and interest	\$ <u>    6,000.00    </u>
Other (specify)	\$ _____
_____	\$ _____
_____	\$ _____
<b>TOTAL PROJECT COSTS</b>	\$ <u>  1,349,842.00  </u>

- B. Have any of the above expenditures already been made by the Applicant?  Yes;  No. If yes, indicate particulars: See G4 on Page 11
- C. Amount of financial assistance requested:       N/A       Dollars;  
Maturity requested: \_\_\_\_\_ Years.
- D. Has the Applicant made any arrangements for the marketing or purchase of the proposed bond issue?  Yes;  No. If yes, please explain:       N/A
- E. Does the Applicant intend to designate the bonds as "qualified tax-exempt obligations" within the meaning of Section 265(b) of the Internal Revenue Code?  Yes;  No. If yes, please provide name of financial institution and details of transaction:       N/A
- F. Will the proceeds of the bonds be used to finance or refund any prior industrial development bond or private activity bond issued by the Authority with respect to the Project?  Yes;  No. If yes, please provide details of prior bond issuance:       N/A
- G. Will the proceeds of the bonds be used to finance or refund any existing mortgage, loan or other indebtedness with respect to the Applicant or the Project?  Yes;  No. If yes, please provide details of prior obligations:       N/A
- H. Does the Applicant, any affiliate of the Applicant, or any user of the Project, currently have outstanding any bonds, notes or other obligations, the interest on which is, or is claimed to be, exempt from federal taxation under Section 103 of the Internal Revenue Code?  Yes;  No. If yes, please provide details: \_\_\_\_\_

VI. FINANCIAL ASSISTANCE EXPECTED FROM THE AUTHORITY.

A. Is the Applicant requesting any real property tax exemption in connection with the Project that would not be available to a project that did not involve the Authority?  Yes;  No. If yes, is the real property tax exemption being sought consistent with the Authority's Uniform Tax Exemption Policy?  Yes;  No.

B. Is the Applicant expecting the financing of the Project to be secured by one or more mortgages?  Yes;  No. If yes, what is the approximate amount of financing to be secured by the mortgage(s)? \$1.25 Million.

C. Is the Applicant expecting to be appointed agent of the Authority for purposes of avoiding payment of New York State Sales Tax and Compensating Use Taxes?  Yes;  No. If yes, what is the approximate amount of purchases which the Applicant expects to be exempt from the New York State Sales and Compensating Use Taxes? \$\_\_\_\_\_.

D. What is the estimated value of each type of tax-exemption being sought in connection with the Project? Please detail the type of tax-exemption and value of each exemption.

1.	N.Y.S. Sales and Compensating Use Taxes:	\$ -0-
2.	Mortgage Recording Taxes:	\$ 12,500.00
3.	Real Property Tax Exemptions:	\$ 254,100.00
4.	Other (please specify):	\$ _____
	_____	\$ _____
	_____	\$ _____

E. Are any of the tax-exemptions being sought in connection with the Project inconsistent with the Authority's Uniform Tax-Exemption Policy?  Yes;  No. If yes, please explain how the request of the Applicant differs from the Authority's Uniform Tax-Exemption Policy: Applicant is seeking a 20 year PILOT Agreement and is also seeking to have the assessed value of the existing building fixed at its present assessed value for the term of the PILOT Agreement.

VII. OTHER GOVERNMENTAL INVOLVEMENT.

A. Has the Applicant contacted any other governmental agency with regard to the Project?  Yes;  No. If yes, indicate the agency and the nature of the inquiry: New York State Department of Economic Development regarding Qualified Empire Zone Enterprise (QEZE) Real Property Tax Credit

B. Does the Applicant have any agreement to subsequently contract with a municipality for the lease or purchase of all or part of the Project?  Yes;  No. If yes, please explain: \_\_\_\_\_

VIII. FINANCIAL INFORMATION: (Please attach the following to the Application):

A. Certified or reviewed Financial Statements of the Applicant (and of any expected guarantor of the bond issue) for the last three fiscal years.

B. Pro forma balance sheet as of the start of operations at the Project site.

C. Projected profit and loss statements for the first two years of operation at the Project site.

D. Projected quarterly cash flow statement for the Project for the first year of operation at the Project site.

IX. **HOLD HARMLESS AGREEMENT.** Applicant hereby releases the Authority and the members, officers, servants, agents (other than the Company) and employees thereof from, agrees that the Authority shall not be liable for and agrees to indemnify, defend and hold the Authority harmless from and against any and all liability arising from or expense incurred by the Authority with respect to (i) the Authority's examination and processing of, and action pursuant to or upon, the attached application, regardless of whether or not the application or the Project, the issue of bonds requested therein, or the tax exemptions and other assistance requested therein are favorably acted upon by the Authority, (ii) the Authority's acquisition, construction and/or installation of the Project described therein, (iii) the issue of bonds requested therein or the Project described therein, and (iv) any further action taken by the Authority with respect to the Project; including, without limiting the generality of the foregoing, all causes of action and attorney's fees and any other expenses incurred in defending any suits or actions which may arise as a result of any of the foregoing. If, for any reason, the Applicant fails to conclude or consummate necessary negotiations, or fails, 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 Authority or the Applicant are unable to reach final agreement with respect to the Project or to find buyers willing to purchase the total bond issue requested, then, and in that event, upon presentation of an invoice itemizing the same, Applicant shall pay to the Authority, its agents or assigns, all actual costs incurred by the Authority in the processing of the application, including attorney's fees, if any.

X. **VERIFICATION.** The undersigned deposes and says that he/~~she~~ is the President of the Applicant; (Title)  
that he/~~she~~ has read the foregoing application and knows the contents thereof and that the same is true and complete and accurate to the best of his/~~her~~ knowledge. The undersigned further says that the reason this verification is made by the undersigned and not by the Applicant is because the Applicant is an entity. The grounds of the undersigned's belief relative to all matters in this application which are not stated upon his/~~her~~ own personal knowledge are investigations which the undersigned has caused to be made concerning the subject matter of this application as well as information acquired by the undersigned in the course of his/~~her~~ duties as an officer of and from the books and papers of the Applicant.

IN WITNESS WHEREOF, the Applicant has duly executed this application this 23<sup>rd</sup> day of April, 2003

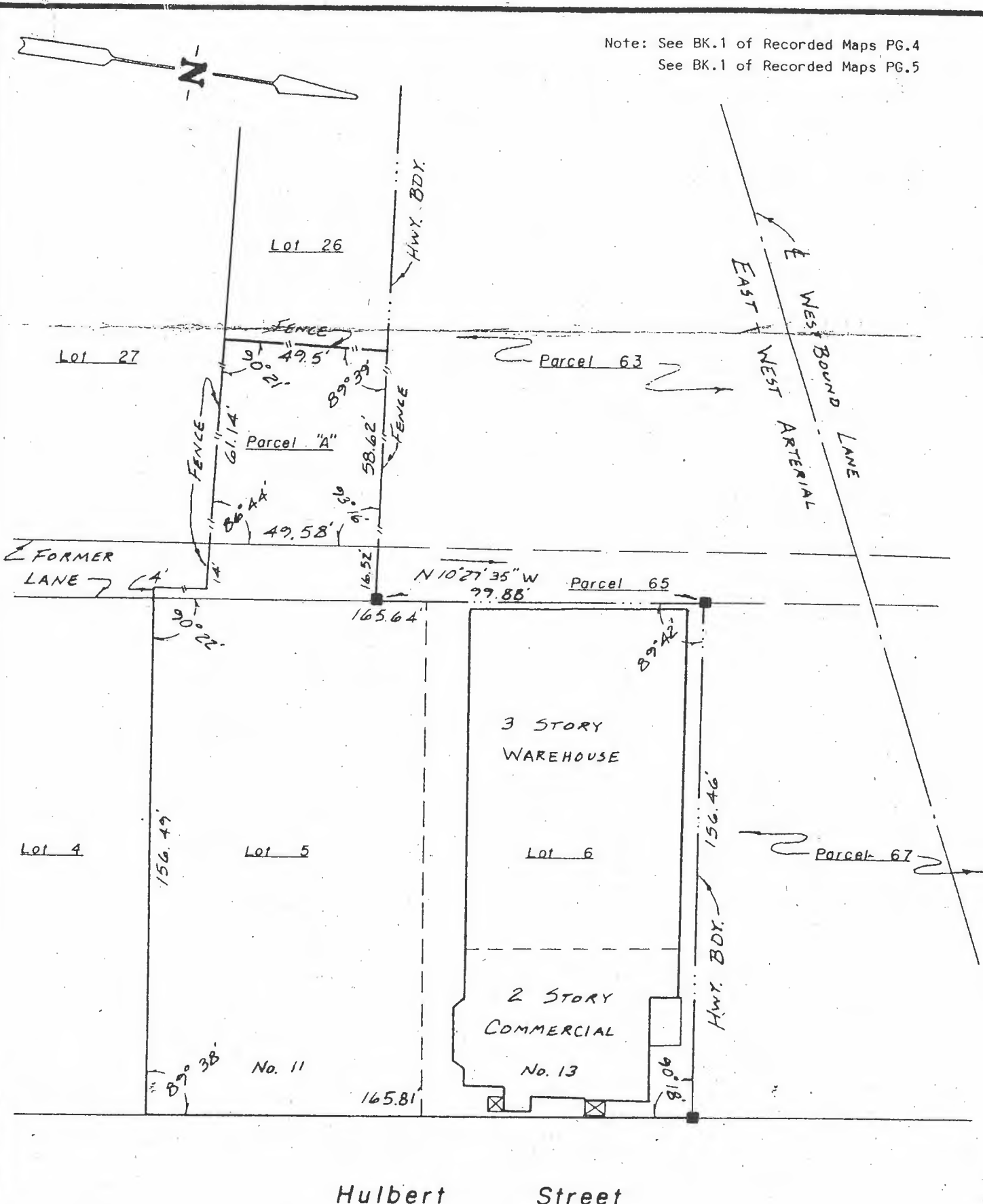
COMMUNITY COMPUTER SERVICE, INC.  
(Applicant)  
By: [Signature]  
Name: Gary S. Cuthbert  
Its: President

Sworn to before me this 23<sup>rd</sup> day of April, 2003.

[Signature]  
Notary Public

**CHARLES H. LYNCH, JR 1487**  
N.Y.S. Reg No. 4517625  
Notary Public, State of New York  
Qualified in Cayuga County  
My Commission Expires April 30, 2006

Note: See BK.1 of Recorded Maps PG.4  
See BK.1 of Recorded Maps PG.5



Hulbert Street

To:

LOCATION SURVEY MAP

11-13 Hulbert Street  
City of Auburn  
Cayuga County, New York  
Scale 1"=40' April 15, 1987

The undersigned hereby certifies that this map was made from an actual survey and that both map and survey are correct.

Signed: Richard W. Wheeling  
Richard W. Wheeling, PLS #49193

Date: April 15, 1987

Richard W. Wheeling, PLS  
5 Court Street  
Auburn, New York

EXHIBIT "A"