

CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY

APPLICATION

IMPORTANT NOTICE: The answers to the questions contained in this application are necessary to determine your firm's eligibility for financing and other assistance from the City of Albany Industrial Development Agency. 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 Agency.

TO: CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY
c/o Department of Economic Development
21 Lodge Street
Albany, New York 12207

This application by applicant respectfully states:

APPLICANT: Albany Medical Science Research, LLC (through Wells Fargo Bank, N.A., as Trustee for the holders of the Bonds, defined below)

APPLICANT'S ADDRESS: c/o Wells Fargo Bank, N.A.
625 Marquette Avenue
Corporate Trust Services
11th Floor, MAC N9311-115

CITY: Minneapolis STATE: MN ZIP CODE: 55479

PHONE NO.: (612) 667-9036 FAX NO.: (612) 667-5047

E-MAIL: lucinda.hruska-claeys@wellsfargo.com

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

Lucinda Hruska-Claeys (Wells Fargo, Bank, N.A.)
David L. Dubrow, Esq. (Arent Fox LLP)

IF APPLICANT IS REPRESENTED BY AN ATTORNEY, COMPLETE THE FOLLOWING:

NAME OF ATTORNEY: David L. Dubrow, Esq.

ATTORNEY'S ADDRESS: Arent Fox LLP, 1675 Broadway

CITY: New York STATE: NY ZIP CODE: 10019

PHONE NO.: (212) 484-3957 FAX NO.: (212) 484-3990

E-MAIL: dubrow.david@arentfox.com

NOTE: PLEASE READ THE INSTRUCTIONS ON PAGE 2 HEREOF BEFORE FILLING OUT THIS FORM.

INSTRUCTIONS

1. The Agency will not approve any application unless, in the judgment of the Agency, said application and the summary contains sufficient information upon which to base a decision whether to approve or tentatively approve an action.
2. Fill in all blanks, using “none” or “not applicable” or “N/A” where the question is not appropriate to the project which is the subject of this application (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 eight (8) copies of this application to the Agency at the address indicated on the first page of this application.
6. The Agency will not give final approval to this application until the Agency receives a completed environmental assessment form concerning the Project which is the subject of this application.
7. Please note that Article 6 of the Public Officers Law declares that all records in the possession of the Agency (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 Agency all actual costs incurred in connection with this application and the Project contemplated herein (to the extent such expenses are not paid out of the proceeds of the Agency’s bonds issued to finance the project). The applicant will also be expected to pay all costs incurred by general counsel and bond counsel to the Agency. The costs incurred by the Agency, including the Agency’s general counsel and bond counsel, may be considered as a part of the project and included as a part of the resultant bond issue.
9. The Agency has established an application fee of One Thousand Five Hundred Dollars (\$1,500) to cover the anticipated costs of the Agency in processing this application. A check or money order made payable to the Agency must accompany each application. **THIS APPLICATION WILL NOT BE ACCEPTED BY THE AGENCY UNLESS ACCOMPANIED BY THE APPLICATION FEE.**

FOR AGENCY USE ONLY

1. Project Number	_____
2. Date application Received by Agency	_____, 20____
3. Date application referred to attorney for review	_____, 20____
4. Date copy of application mailed to members	_____, 20____
5. Date notice of Agency meeting on application posted	_____, 20____
6. Date notice of Agency meeting on application mailed	_____, 20____
7. Date of Agency meeting on application	_____, 20____
8. Date Agency conditionally approved application	_____, 20____
9. Date scheduled for public hearing	_____, 20____
10. Date Environmental Assessment Form ("EAF") received	_____, 20____
11. Date Agency completed environmental review	_____, 20____
12. Date of final approval of application	_____, 20____

SUMMARY OF PROJECT

Applicant: Albany Medical Science Research, LLC (through Wells Fargo Bank, N.A., as Trustee for the holders of the Bonds defined below)

Contact Person: Lucinda Hruska-Claeys

Phone Number: (612) 667-9036

Occupant: Albany Medical Science Research, LLC

Project Location: 150 New Scotland Avenue, City of Albany, Albany County, NY
(SBL 76.05-1-8.2)

Approximate Size of Project Site:	Building Area:	154,000± SF
	Land Area:	5.351± Acre (Ground Lease)

Description of Project: The project consists of a five-story, partially occupied multi-tenant medical research and administrative facility and a four-story, 606 space parking garage, located on a ground leased site.

Type of Project:	• Manufacturing	• Warehouse/Distribution
	R Commercial	• Not-For-Profit
	• Other-Specify	

Employment Impact:	Existing Jobs	201
	New Jobs	120-140 (est)

Project Cost: Project is completed and partially occupied. Expected loss of income due to initial lease-up of the Project is anticipated to be \$5,221,266 (est), based on a third party appraisal report recently obtained by Applicant (pro forma operating statements will follow).

Type of Financing:	• Tax-Exempt	• Taxable	R Straight Lease
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Amount of Bonds Requested: Applicant is seeking lease/leaseback financing and related PILOT. No new bond financing is requested at this time.

Estimated Value of Tax-Exemptions:

N.Y.S. Sales and Compensating Use Tax:	\$0.00
Mortgage Recording Taxes:	\$0.00
Real Property Tax Exemptions:	\$7,349,354.00
Other (please specify):	N/A

I. INFORMATION CONCERNING THE PROPOSED OCCUPANT OF THE PROJECT (HEREINAFTER, THE "COMPANY").

A. Identity of Company:

1. Company Name: Albany Medical Science Research, LLC

Present Address: 625 Marquette Avenue
Corporate Trust Services
11th Floor
MAC N9311-115
Minneapolis, MN 55479

Zip Code: 55479

Employer's ID No.: Pending

2. If the Company differs from the Applicant, give details of relationship:

N/A

3. Indicate type of business organization of Company:

a. _____ Corporation (If so, incorporated in what country?
What State? _____ Date Incorporated? _____ Type of
Corporation? _____ Authorized to do business in New York?
Yes ____; No ____).

b. ____ Partnership (if so, indicate type of partnership _____,
Number of general partners ____, Number of limited partners ____).

c. X Limited liability company,
Date created? To be formed limited liability company in the State of
Delaware; the Company will be authorized to transact
business in New York.

d. ____ Sole proprietorship

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:

The Company will be formed as a single purpose entity whose sole member will be the CMS Liquidating Trust (the "**Trust**"). Wells Fargo Bank, N.A. will serve as the Trustee for the Trust. The beneficial owners of the Trust will be the mutual funds who are now bondholders of the defaulted \$56,465,000 Civic Facility Revenue Bonds (Charitable Leadership Foundation Center for Medical Science Project), Series 2002A issued by City of Albany Industrial Development Agency (the "**Bonds**").

B. Management of Company:

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

NAME (First, Middle, Last) BUSINESS ADDRESS	OFFICE HELD	OTHER PRINCIPAL BUSINESS
Lucinda Hruska-Claeys MAC N9311-115 Sixth Street and Marquette Avenue Minneapolis, MN 55479	President	Vice President, Wells Fargo Bank, N.A.
Michael E. Fry MAC N9311-115 Sixth Street and Marquette Avenue Minneapolis, MN 55479	Secretary	Assistant Vice President, Wells Fargo Bank, N.A.
Teresa Donofrio MAC N9311-115 Sixth Street and Marquette Avenue Minneapolis, MN 55479	Treasurer	Trust Officer, Wells Fargo Bank, N.A.

2. Is the Company or management of the Company now a plaintiff or a defendant in any civil or criminal litigation? Yes ____; No X.

3. Has any person listed above ever been convicted of a criminal offense (other than a minor traffic violation)? Yes ____; No X.

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 X.
(If yes to any of the foregoing, furnish details in a separate attachment).

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. Principal owners of Company: Is Company publicly held? Yes ____; No X.
If yes, list exchanges where stock traded:

2. If no, list all stockholders having a 5% or more interest in the Company:

NAME	ADDRESS	PERCENTAGE OF HOLDING
CMS Liquidating Trust	Wells Fargo Bank, National Association, as Trustee MAC N9311-115 Sixth Street and Marquette Avenue Minneapolis, MN 55479	100%

D. Company's Principal Bank(s) of account:

Upon formation, the Company will establish its principal bank account with Wells Fargo Bank, N.A.

II. DATA REGARDING PROPOSED PROJECT

A. Summary: (Please provide a brief narrative description of the Project.)

The project consists of a five-story, partially occupied multi-tenant medical research and administrative facility and a four-story, 606 space parking garage, located on a ground leased site.

B. Location of Proposed Project:

1. Street Address: 150 New Scotland Avenue
2. City of Albany
3. ~~Town of~~
4. ~~Village of~~
5. County of Albany

C. Project Site:

1. Approximate size (in acres or square feet) of Project site: 5.351± Acre.

Is a map, survey or sketch of the project site attached? Yes X; No ____.

(See Exhibit A attached hereto.)

2. Are there existing buildings on project site? Yes X; No ____.

a. If yes, indicate number and approximate size (in square feet) of each existing building:

154,000± SF

b. Are existing buildings in operation? Yes X; No ____.

If yes, describe present use of present buildings:

Special-purpose biomedical research and development facility.

c. Are existing buildings abandoned? Yes ____; No X. About to be abandoned? Yes ____; No X. If yes, describe:

d. Attach photograph of present buildings.

See Exhibit B attached hereto.

3. Utilities serving project site:
Water-Municipal: Yes
Other (describe)
Sewer-Municipal: Yes
Other (describe)
Electric-Utility: Yes – National Grid
Other (describe)
Heat-Utility: Yes – National Grid
Other (describe)

4. Present legal owner of project site:

The fee interest in the Project is owned by Renaissance Corporation of Albany. The Project is ground leased to the Center for Medical Science, Inc. (“CMS”) pursuant to a Ground Lease dated 2/8/2002. If the Agency consents to an assignment of the existing Installment Sale Agreement issued in connection with the Bonds to the Applicant, Applicant will be formed and CMS will immediately thereafter assign its ground lease interest in the Project to the Applicant, pursuant to an Order of Dissolution of Center for Medical Science, Inc. for Index No. 2012-983, a copy of which is attached as Exhibit C.

a. If the Company owns project site, indicate date of purchase: _____, 20____; Purchase price: \$_____.

b. If Company does not own the Project site, does Company have option signed with owner to purchase the Project site? Yes ____; No _____. If yes, indicate date option signed with owner: _____, 20____; and the date the option expires: _____, 20_____.

c. If the Company does not own the project site, is there a relationship legally or by common control between the Company and the present owners of the project site? Yes ____; No _____. If yes, describe:

5. a. Zoning District in which the project site is located:

Commercial-Office

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

A special permit was issued for the construction of a laboratory in a CO (Commercial-Office) district. A variance was also granted allowing a building

height of 92' (85' allowed). We do not have copies of the special permit or the variance at this time.

D. Buildings:

1. Does part of the project consist of a new building or buildings? Yes ____; No X. 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? Yes ____; No X. If yes, indicate the buildings to be expanded or renovated, the size of any expansions and the nature of expansion and/or renovation:
3. Describe the principal uses to be made by the Company of the building or buildings to be acquired, constructed or expanded:

Biomedical research and development facility with associated parking garage.

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 X; No _____. If yes, describe the Equipment:

All articles of personal property and all appurtenances and additions thereto and substitutions or replacements thereof, acquired and owned by CMS and now or hereafter attached to, contained in, or used in connection with the Land and/or the Project or placed on any part thereof, though not attached thereto, including but not limited to, a 2006 Model 317 John Deere Skid Steer Loader, all screens, furniture and fixtures, heating, lighting, plumbing, ventilating, air conditioning, sprinkler systems and other fire prevention and extinguishing apparatus and materials, equipment, fittings and fixtures and any and all cash proceeds or non-cash proceeds realized from the sale, transfer or conversion of any of the foregoing.

2. With respect to the Equipment to be acquired, will any of the Equipment be Equipment which has previously been used? Yes X; No _____. If yes, please provided detail:

All Equipment has been used by CMS for ongoing operation and maintenance of the Project.

3. Describe the principal uses to be made by the Company of the Equipment to be acquired or installed:

To be used in connection with operation and maintenance of the Land and/or the Project or placed on any part thereof.

F. Project Use:

1. What are the principal products to be produced at the Project?

N/A (the Project is not a manufacturing facility)

2. What are the principal activities to be conducted at the Project?

Bio-medical research and development.

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 X. 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 economic development region in which the Project will be located? Yes ____; No _____. If yes, please explain:
- c. Would the Project occupant, but for the contemplated financial assistance from the Agency, 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 reasonable accessible to the residents of the city, town or village within which the Project will be located, 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) an area designed as an economic development zone pursuant to Article 18-B of the General Municipal Law; or (ii) 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: _____

6. If the answers to any of subdivisions 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:

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 X_. If yes, please explain:

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

9. If the answer to either question 7 or question 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 on such Project Occupant in its industry? Yes____; No____. If yes, please provide detail:

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:

G. Other Involved Agencies:

1. Please indicate all other local agencies, boards, authorities, districts, commissions or governing bodies (including any city, county and other political subdivision of the State of New York and all state departments, agencies, boards, public benefit corporations, public authorities or commissions) involved in approving or funding or directly undertaking action with respect to the Project. For example, do you need a municipal building permit to undertake the Project? Do you need a zoning approval to undertake the Project? If so, you would list the appropriate municipal building department or planning or zoning commission which would give said approvals.

None.

2. Describe the nature of the involvement of the federal, state or local agencies described above:

N/A.

H. Construction Status:

1. Has construction work on this project begun? Yes X; No _____. If yes, please discuss in detail the approximate extent of construction and the extent of completion. Indicate in your answer whether such specific steps have been completed as site clearance and preparation; completion of foundations; installation of footings; etc.:

Construction of the Project began in 2002 and was completed in 2003.

2. Please indicate amount of funds expended on this project by the Company in the past three (3) years and the purposes of such expenditures:

CMS expended approximately \$1,800,000 per year for the previous three (3) years on account of ongoing operation, maintenance and repair of the Project.

I. Method of Construction After Agency Approval:

1. If the Agency approves the project which is the subject of this application, 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 Agency upon completion. Alternatively, the applicant can request to be appointed as "agent" of the Agency, in which case certain laws applicable to public construction may apply to the project. Does the applicant wish to be designated as "agent" of the Agency for purposes of constructing the project? Yes ____; No __. N/A

2. If the answer to question 1 is yes, does the applicant desire such "agent" status prior to the closing date of the financing? Yes ____; No ____.

III. INFORMATION CONCERNING LEASES OR SUBLEASES OF THE PROJECT. (PLEASE COMPLETE THE FOLLOWING SECTION IF THE COMPANY INTENDS TO LEASE OR SUBLEASE ANY PORTION OF THE PROJECT).

A. Does the Company intend to lease or sublease more than 10% (by area or fair market value) of the Project? Yes X; No _____. If yes, please complete the following for each existing or proposed tenant or subtenant:

1. Sublessee name: Health Research Inc.: Bioinformatics
Present Address: 150 New Scotland Avenue
City: Albany State: NY Zip: 12208
Employer's ID No.: 14-1402155
Sublessee is: X (not for profit) Corporation: ____ Partnership: ____ Sole Proprietorship

Relationship to Company: Third party tenant

Percentage of Project to be leased or subleased: 9%

Use of Project intended by Sublessee: Health Research, Inc. (HRI) is a not-for-profit corporation affiliated with the New York State Department of Health (DOH) and the Roswell Park Cancer Institute (RPCI) a leading cancer research center located in Buffalo, New York.

Date of lease or sublease to Sublessee: February 25, 2002, expires 2023

Term of lease or sublease to Sublessee: 20 years with 1 renewal option for 8 years

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 X. If yes, please provide on a separate attachment (a)

details and (b) the answers to questions II(F)(4) through (6) with respect to such sublessee.

2. Sublessee name: Health Research Inc.: Research Group
Present Address: 150 New Scotland Avenue
City: Albany State: NY Zip: 12208
Employer's ID No.: 14-1402155
Sublessee is: ☒ (not for profit) Corporation: ☐ Partnership: ☐ Sole Proprietorship

Relationship to Company: Third party tenant

Percentage of Project to be leased or subleased: 37%

Use of Project intended by Sublessee: Health Research, Inc. (HRI) is a not-for-profit corporation affiliated with the New York State Department of Health (DOH) and the Roswell Park Cancer Institute (RPCI) a leading cancer research center located in Buffalo, New York.

Date of lease or sublease to Sublessee: February 25, 2002, expires 2019

Term of lease or sublease to Sublessee: 16 years with 1 renewal option for 8 years

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) details and (b) the answers to questions II(F)(4) through (6) with respect to such sublessee.

3. Sublessee name: The People of the State of New York acting by and through the Commissioner of General Services pursuant to Section 3 of the Public Buildings Law
Present Address: 150 New Scotland Avenue
City: Albany State: NY Zip: 12208
Employer's ID No.: N/A
Sublessee is: ☐ Corporation: ☐ Partnership: ☐ Sole Proprietorship ☐ Other: State Agency

Relationship to Company: Third party tenant

Percentage of Project to be leased or subleased: 11%

Use of Project intended by Sublessee: Biomedical Research

Date of lease or sublease to Sublessee: January 1, 2003, expires 2013

Term of lease or sublease to Sublessee: 10 years with 1 renewal option for 8 years (the time to exercise the renewal option has expired)

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__X_. If yes, please provide on a separate attachment (a) details and (b) the answers to questions II(F)(4) through (6) with respect to such sublessee.

4. Sublessee name: Albany Medical Center
Present Address: 150 New Scotland Avenue
City: Albany State: NY Zip: 12208
Employer's ID No.: 14-1641730
Sublessee is: __X__ (not for profit) Corporation: ____ Partnership: ____ Sole Proprietorship
Relationship to Company: Third party tenant
Percentage of Project to be leased or subleased: 50% of parking spaces under control of the Applicant

Use of Project intended by Sublessee: Parking

Date of lease or sublease to Sublessee: October 8, 2007

Term of lease or sublease to Sublessee: Ends September 30, 2013

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__X_. If yes, please provide on a separate attachment (a) details and (b) the answers to questions II(F)(4) through (6) with respect to such sublessee.

B. What percentage of the space intended to be leased or subleased is now subject to a binding written lease or sublease?

Fifty-Seven Percent (57%) of the medical research and administrative facility component of the Project is currently leased to third party tenants. Applicant hopes and expects to achieve full lease-up of the Project.

IV. Employment Impact

A. Indicate below the number of people presently employed at the project site and the number that will be employed at the project site at 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. Such information regarding relocated positions should also indicate whether such positions are relocated from other project sites financed by obligations previously issued by the Agency.

TYPE OF EMPLOYMENT					
	PROFESSIONAL MANAGERIAL	SKILLED	SEMI- SKILLED	UNSKILLED	TOTALS
Present Full Time	40	150	10	0	200
Present Part Time	0	0	1	0	1
Present Seasonal	0	0	0	0	0
First Year Full Time	70	205	11	0	286
First Year Part Time	0	0	1	0	1
First Year Seasonal	0	0	0	0	0
Second Year Full Time	85	240	10	0	335
Second Year Part Time	0	0	0	1	1
Second Year Seasonal	0	0	0	0	0

B. Please prepare a separate attachment describing in detail the types of employment at the project site. Such attachment should describe the activities or work performed for each type of employment. [Please see below]

Types of employment at the Project site.

Professional:

- a. Biomedical Research Scientists: MDs, PharmDs and/or PhDs with at least 10 years experience who conduct research funded by grants and contracts. They direct the work of several Post Doctoral Fellows and Laboratory Technicians.
- b. Post Doctoral Fellow: Recent PhD graduates who work under the general direction of a Research Scientist to gain sufficient experience in their field of research to be independently funded. Post Doctoral Fellows complete the most demanding technical tasks, design experiments and supervise technicians.

Skilled:

- a. Laboratory Technicians: Scientists with a Bachelor or Masters who perform the day to day technical work required for the research program.
- b. Laboratory Regulatory Staff: Scientists with a Bachelor or Masters who regulate and license clinical and environmental laboratories in New York State.
- c. Administrative Support: A mix of managers with Bachelor or Masters who provide overall management support to the research staff and building operations.

Semi-Skilled:

- a. Support staff including mechanics, security guards and clerical personnel.

V. Project Cost

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

<u>Description of Cost</u>	<u>Amount</u>
Land	N/A
Buildings	N/A
Machinery and equipment costs	N/A
Utilities, roads and appurtenant costs	N/A
Architects and engineering fees	N/A
Costs of Bond issue (legal, financial and printing)	N/A
Construction loan fees and interest (if applicable)	N/A
Other (specify)	N/A
 TOTAL PROJECT COST	 N/A

The *actual* construction costs only (without including Land and Building Costs, Costs of Bond Issue and loan fees and interest) of the Project in 2002/2003 totaled \$37,200,000.

B. Have any of the above expenditures already been made by applicant?
Yes X ; No . (If yes, indicate particular.)

The holders of the Bonds, who will be the beneficial owners of the Applicant, provided the necessary capital to initially construct the Project in 2002/2003.

V. BENEFITS EXPECTED FROM THE AGENCY

A. Financing

1. Is the applicant requesting that the Agency issue bonds to assist in financing the project? Yes ____; No X. If yes, indicate:
 - a. Amount of loan requested: ____ Dollars;
 - b. Maturity requested: ____ Years.
2. Is the interest on such bonds intended to be exempt from federal income taxation? Yes ____; No ____.
3. If the answer to question 2 is yes, will any portion of the Project be used for any of the following purposes:
 - a. retail food and beverage services: Yes ____; No ____
 - b. automobile sales or service: Yes ____; No ____
 - c. recreation or entertainment: Yes ____; No ____
 - d. golf course: Yes ____; No ____
 - e. country club: Yes ____; No ____
 - f. massage parlor: Yes ____; No ____
 - g. tennis club: Yes ____; No ____
 - h. skating facility (including roller
 - i. skating, skateboard and ice skating): Yes ____; No ____
 - j. racquet sports facility (including
 - handball and racquetball court): Yes ____; No ____
 - k. hot tub facility: Yes ____; No ____
 - l. suntan facility: Yes ____; No ____
 - m. racetrack: Yes ____; No ____
4. If the answer to any of the above questions contained in question 3 is yes, please furnish details on a separate attachment.
5. Is the Project located in the City's federally designated Enterprise Zone? Yes ____; No X.
6. Is the applicant requesting the Agency to issue federally tax-exempt Enterprise Zone bonds? Yes ____; No X.

B. Tax Benefits

1. Is the applicant requesting any real property tax exemption that would not be available to a project that did not involve the Agency? Yes ____; No X.
2. Is the applicant expecting that the financing of the Project will be secured by one or more mortgages? Yes ____; No X. If yes, what is the approximate amount of financing to be secured by mortgages? \$_____.
3. Is the applicant expecting to be appointed agent of the Agency for purposes of avoiding payment of N.Y.S. Sales Tax or Compensating Use Tax? Yes ____; No X. If yes, what is the approximate amount of purchases which the applicant expects to be exempt from the N.Y.S. Sales and Compensating Use Taxes? \$_____.

4. 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 the exemption.

a.	N.Y.S. Sales and Compensating Use Taxes:	\$0.00
b.	Mortgage Recording Taxes:	\$0.00
c.	Real Property Tax Exemptions:	\$7,349,354.00
d.	Other (please specify):	N/A

5. Are any of the tax-exemptions being sought in connection with the Project inconsistent with the Agency's tax-exemption policy contained in its Rules and Regulations? Yes ____; No _____. If yes, please explain. TBD

6. Is the Project located in the City's state designated Empire Zone? Yes ____; No X.

C. Project Cost/Benefit Information. Complete the attached Cost/Benefit Analysis so that the Agency can perform a cost/benefit analysis of undertaking the Project. Such information should consist of a list and detailed description of the benefits of the Agency undertaking the Project (e.g., number of jobs created, types of jobs created, economic development in the area, etc.). Such information should also consist of a list and detailed description of the costs of the Agency undertaking the Project (e.g., tax revenues lost, buildings abandoned, etc.).

VI. REPRESENTATIONS BY THE APPLICANT. The applicant understands and agrees with the Agency as follows:

A. Job Listings. Except as otherwise provided by collective bargaining agreements, new employment opportunities created as a result of the Project will be listed with the New York State Department of Labor Community Services Division (the "DOC") and with the administrative entity (collectively with the DOC, the "JTPA Entities") of the service delivery area created by the federal job training partnership act (Public Law 97-300) ("JTPA") in which the Project is located.

B. First Consideration for Employment: In accordance with Section 858-b(2) of the New York General Municipal Law, the applicant understands and agrees that, if the Project receives any Financial Assistance from the Agency, except as otherwise provided by collective bargaining agreements, where practicable, the applicant will first consider persons eligible to participate in JTPA programs who shall be referred by the JTPA Entities for new employment opportunities created as a result of the Project.

C. City Human Rights Law. The Applicant agrees to endeavor to comply with the provisions of Article XI, Division 2 of the City Code, entitled "The Omnibus Human Rights Law". The Applicant understands that it is not subject to the provisions of The Omnibus Human Rights Law.


D. Annual Sales Tax Filings. In accordance with Section 874(8) of the New York General Municipal Law, the applicant understands and agrees that, if the Project receives any sales tax exemptions as part of the Financial Assistance from the Agency, in accordance with Section 874(8) of the General Municipal Law, the applicant agrees to file, or cause to be filed, with the New York State Department of Taxation and Finance, the annual form prescribed by the Department of Taxation and Finance, describing the value of all sales tax exemptions claimed by the applicant and all consultants or subcontractors retained by the applicant.

F. Annual Employment Reports: The applicant understands and agrees that, if the Project receives any Financial Assistance from the Agency, the applicant agrees to file, or cause to be filed, with the Agency, on an annual basis, reports regarding the number of people employed at the project site.

[Remainder of Page Intentionally Left Blank]

G. Absence of Conflicts of Interest: The applicant has received from the Agency a list of the members, officers and employees of the Agency. No member, officer or employee of the Agency has an interest, whether direct or indirect, in any transaction contemplated by this Application, except as hereinafter described:

By: Wells Fargo Bank, N.A., as Trustee for
the holders of the Bonds

By: 
Name: Lucinda Hruska-Claeys
Title: Vice President

NOTE: APPLICANT MUST ALSO COMPLETE THE APPROPRIATE VERIFICATION
APPEARING ON PAGES 18 THROUGH 21 HEREOF BEFORE A NOTARY PUBLIC AND MUST
SIGN AND ACKNOWLEDGE THE HOLD HARMLESS AGREEMENT APPEARING ON PAGE 22

VERIFICATION

(If applicant is limited liability company)

STATE OF Minnesota)
) SS.:
COUNTY OF Hennepin)

Lucinda Hruska-Claeys, deposes and says that she is a Vice President of Wells Fargo Bank, N.A., the Trustee for the holders of the Bonds, who will be the sole beneficiaries of the to be formed CMS Liquidating Trust, which will be the sole member of the to be formed Albany Medical Science Research, LLC, the limited liability company named in the attached application; that 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 her knowledge. The grounds of deponent's belief relative to all matters in the said application which are not stated upon her own personal knowledge are investigations which deponent has caused to be made concerning the subject matter of this application as well as information acquired by deponent in the course of her duties as Vice President of the Trustee of the member of and from the books and papers of said limited liability company.

Lucinda Hruska-Claeys

Sworn to before me this
13th day of December, 2012.

Teresa Donofrio
(Notary Public)



NOTE: THIS APPLICATION WILL NOT BE ACCEPTED BY THE AGENCY UNLESS THE HOLD HARMLESS AGREEMENT IS SIGNED BY THE APPLICANT.

HOLD HARMLESS AGREEMENT

Applicant hereby releases City of Albany Industrial Development Agency and the members, officers, servants, agents and employees thereof (hereinafter collectively referred to as the "Agency") from, agrees that the Agency shall not be liable for and agrees to indemnify, defend and hold the Agency harmless from and against any and all liability arising from or expense incurred by (i) the Agency's examination and processing of, and action pursuant to or upon, the attached Application, regardless of whether or not the application or the project described therein or the issue of bonds requested therein are favorably acted upon by the Agency, and (ii) the Agency's financing of the Project described therein; including without limiting the generality of the foregoing, all causes of action and attorneys' 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 Agency or the Applicant are unable to find buyers willing to purchase the total bond issue requested, then, and in that event, upon presentation of an invoice itemizing the same, the Applicant shall pay to the Agency, its agents or assigns, all actual costs incurred by the Agency in the processing of the Application, including attorneys' fees, if any.

By: Wells Fargo Bank, N.A., as Trustee for
the holders of the Bonds

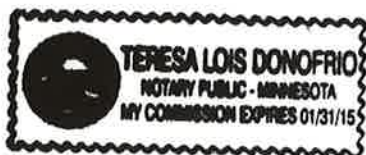
BY:

Name: Lucinda Hruska-Claeys

Title: Vice President

Sworn to before me this
13th day of December, 2012.


(Notary Public)



TO: Project Applicants
 FROM: City of Albany Industrial Development Agency
 RE: Cost/Benefit Analysis

In order for the City of Albany Industrial Development Agency (the “Agency”) to prepare a Cost/Benefit Analysis for a proposed project (the “Project”), the Applicant must answer the questions contained in this Project Questionnaire (the “Questionnaire”) and complete the attached Schedules. This Questionnaire and the attached Schedule will provide information regarding various aspects of the Project, and the costs and benefits associated therewith.

Since we need this Questionnaire to be completed before we can finalize the Cost/Benefit Analysis, please complete this Questionnaire and forward it to us at your earliest convenience.

PROJECT QUESTIONNAIRE

1. Name of Project Beneficiary (“Company”):	Albany Medical Science Research, LLC
2. Brief Identification of the Project:	The Center for Medical Science
3. Estimated Amount of Project Benefits Sought:	
A. Amount of Bonds Sought:	\$0.00
B. Value of Sales Tax Exemption Sought	\$0.00
C. Value of Real Property Tax Exemption Sought	\$7,349,354.00 (Over 10 years)
D. Value of Mortgage Recording Tax Exemption Sought	\$0.00

PROJECTED PROJECT INVESTMENT

A. Land-Related Costs	
1. Land acquisition	N/A
2. Site preparation	N/A
3. Landscaping	N/A
4. Utilities and infrastructure development	N/A
5. Access roads and parking development	N/A
6. Other land-related costs (describe) – Ground Lease Rent	\$150,000 (annually)
B. Building-Related Costs	
1. Acquisition of existing structures	N/A
2. Renovation of existing structures	N/A
3. New construction costs	N/A
4. Electrical systems	N/A
5. Heating, ventilation and air conditioning	N/A
6. Plumbing	N/A
7. Other building-related costs (describe): Capital Repairs and Replacements	\$367,000

C.	Machinery and Equipment Costs	
1.	Production and process equipment	N/A
2.	Packaging equipment	N/A
3.	Wharehousing equipment	N/A
4.	Installation costs for various equipment	N/A
5.	Other equipment-related costs (describe)	N/A
D.	Furniture and Fixture Costs	
1.	Office furniture	N/A
2.	Office equipment	N/A
3.	Computers	N/A
4.	Other furniture-related costs (describe)	N/A
E.	Working Capital Costs	
1.	Operation costs	\$1,798,000 (est) (annually)
2.	Production costs	N/A
3.	Raw materials	N/A
4.	Debt service	N/A
5.	Relocation costs	N/A
6.	Skills training	N/A
7.	Other working capital-related costs (describe) – Loss of Income Due to Lease Up (based on recent third party appraisal report – pro forma operating statements will follow)	\$5,221,266 (est)
F.	Professional Service Costs	
1.	Architecture and engineering	N/A
2.	Accounting/legal	N/A
3.	Other service-related costs (describe)	N/A
G.	Other Costs	N/A
H.	Summary of Expenditures	
1.	Total Land-Related Costs	\$150,000 (annually)
2.	Total Building-Related Costs	\$367,000
3.	Total Machinery and Equipment Costs	\$0.00
4.	Total Furniture and Fixture Costs	\$0.00
5.	Total Working Capital Costs	\$1,798,000 (est) (annually) plus \$5,221,266 (est) due to loss of income due to lease-up
6.	Total Professional Service Costs	\$0.00
7.	Total Other Costs	\$0.00

PROJECTED PROFIT

I. Please provide projected profit as defined by earnings after income tax but before depreciation and amortization:

<u>YEAR</u>	<u>Without IDA benefits</u>	<u>With IDA benefits</u>
2013	-\$1,334,911.56	-\$801,304.26
2014	-\$490,429.81	\$365,529.19
2015	-\$385,634.75	\$445,275.25
2016	-\$451,885.02	\$351,703.98
2017	-\$519,912.79	\$253,967.21
2018	-\$427,293.00	\$314,373.00
2019	-\$158,592.10	\$548,229.90
2020	\$257,883.76	\$927,103.76
2021	\$245,077.72	\$873,803.72
2022	\$231,888.09	\$817,088.09
2023	\$217,295.55	\$437,069.93
2024	\$209,431.57	\$209,431.57

The holders of the Bonds, who will be the beneficial owners of the Applicant, are owed \$47,645,919.56 on account of the defaulted Bonds. The Bondholders, therefore, are not expecting to make a profit from owning the Project. Instead, the Bondholders hope to lease-up the Project to biomedical research tenants and eventually transfer the Project to a skilled owner who can operate it on a long-term basis to benefit the community. Presently, the Project benefits the community by housing various non-for-profit and state agencies who perform important biomedical research. With IDA benefits in place, the Applicant hopes to mitigate a portion of its losses and to sell the asset so that it can be a long-term advantage to the Capital Region. Pro-forma operating statements showing the basis for projected Project income/expenses both with and without IDA benefits will follow under separate cover.

PROJECTED CONSTRUCTION EMPLOYMENT IMPACT

I. Please provide estimates of total construction jobs and the total annual wages and benefits of construction jobs at the Project:

N/A

PROJECTED PERMANENT EMPLOYMENT IMPACT

I. Please provide estimates of total number of existing permanent jobs to be preserved or retained as a result of the Project:

Year	Professional	Skilled	Semi-Skilled	Unskilled
Current Year	40	150	11	0
Year 1	70	205	12	0
Year 2	85	240	11	0
Year 3	85	240	11	0

Year 4	85	240	11	0
Year 5	85	240	11	0

II. Please provide estimates of total new permanent jobs to be created at the Project:

120 – 140 (est)

III. Please provide estimates for the following:

Creation of New Job Skills relating to permanent jobs. Please complete Schedule A.

IV. Provide the projected percentage of employment that would be filled by City of Albany residents: _____50% (est)_____.

A. Provide a brief description of how the project expects to meet this percentage:

Applicant intends to market and lease-up the Project to tenants that are either new or existing to the Capital Region. It is anticipated that the personnel who will be employed at the Project will live in or around the Albany region.

PROJECTED OPERATING IMPACT

I. Please provide estimates for the impact of Project operating purchases and sales:

Additional Purchases (1 st year following project completion)	Not Significant
Additional Sales Tax Paid on Additional Purchases	Not Significant
Estimated Additional Sales (1 st full year following project completion)	Not Significant
Estimated Additional Sales Tax to be collected on additional sales (1 st full year following project completion)	Not Significant

II. Please provide estimates for the impact of Project on existing real property taxes and new payments in lieu of taxes (“Pilot Payments”):

Applicant will work with Agency staff in coming months to develop a suitable PILOT.

Year	Existing Real Property Taxes (Without IDA involvement)	New Pilot Payments (With IDA)	Total (Difference)
2013	\$651,112.38	\$117,505.08	\$533,607.30
2014	\$1,081,706.90	\$225,747.90	\$855,959.00
2015	\$1,114,158.11	\$283,248.11	\$830,910.00

2016	\$1,147,582.85	\$343,993.85	\$803,589.00
2017	\$1,182,010.34	\$408,130.34	\$773,880.00
2018	\$1,217,470.65	\$475,804.65	\$741,666.00
2019	\$1,253,994.77	\$547,172.77	\$706,822.00
2020	\$1,291,614.61	\$622,394.61	\$669,220.00
2021	\$1,330,363.05	\$701,637.05	\$628,726.00
2022	\$1,370,273.94	\$785,073.94	\$585,200.00
2023	\$1,411,382.16	\$1,191,607.78	\$219,774.38
2024	\$1,453,723.63	\$1,453,723.63	\$0.00

III. Please provide a brief description for the impact of other economic benefits expected to be produced as a result of the Project:

The Project was designed and built as a premier biomedical research facility for scientists focused on research areas such as bioinformatics, angiogenesis and cancer research, emerging infections and regenerative medicine. The Project founders intended that the Project encourage the formation of alliances to speed new and better solutions to help make the Capital Region a hub of biomedical research. It is the hope and intent of the Applicant to revitalize the Project and help it achieve its lofty purpose by attracting new biomedical research tenants to complement the tenants already in place, thereby advancing job opportunities and preserving this important component of the research community in the Capital Region.

CERTIFICATION

I certify that I have prepared the responses provided in this Questionnaire and that, to the best of my knowledge, such responses are true, correct and complete.

I understand that the foregoing information and attached documentation will be relied upon, and constitute inducement for, the Agency in providing financial assistance to the Project. I certify that I am familiar with the Project and am authorized by the Company to provide the foregoing information, and such information is true and complete to the best of my knowledge. I further agree that I will advise the Agency of any changes in such information, and will answer any further questions regarding the Project prior to the closing.

Date Signed: Dec 13, 2012.

Name of Person Completing Project Questionnaire on behalf of the Company.

Name: Lucinda Hruska-Claeys
Title: Vice President, Wells Fargo Bank, N.A.
Phone Number: (612) 667-9036
Address: 625 Marquette Avenue
Corporate Trust Services
11th Floor
MAC N9311-115
Minneapolis, MN 55479

Signature: Lucinda Hruska-Claeys

SCHEDULE A

CREATION OF NEW JOB SKILLS

Please list the projected new job skills for the new permanent jobs to be created at the Project as a result of the undertaking of the Project by the Company.

[illegible]

Should you need additional space, please attach a separate sheet.

EXHIBIT A

MAP OF SITE

See attached.



Site Map

Prepared by Jacqueline ContiConti Appraisal Group

150 New Scotland Avenue, Alb...
150 New Scotland Ave, Albany, NY 12208-3423
Ring: 1, 3, 5 Miles

Latitude: 42.652709
Longitude: -73.782979

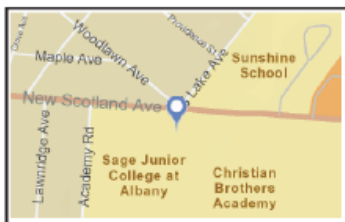
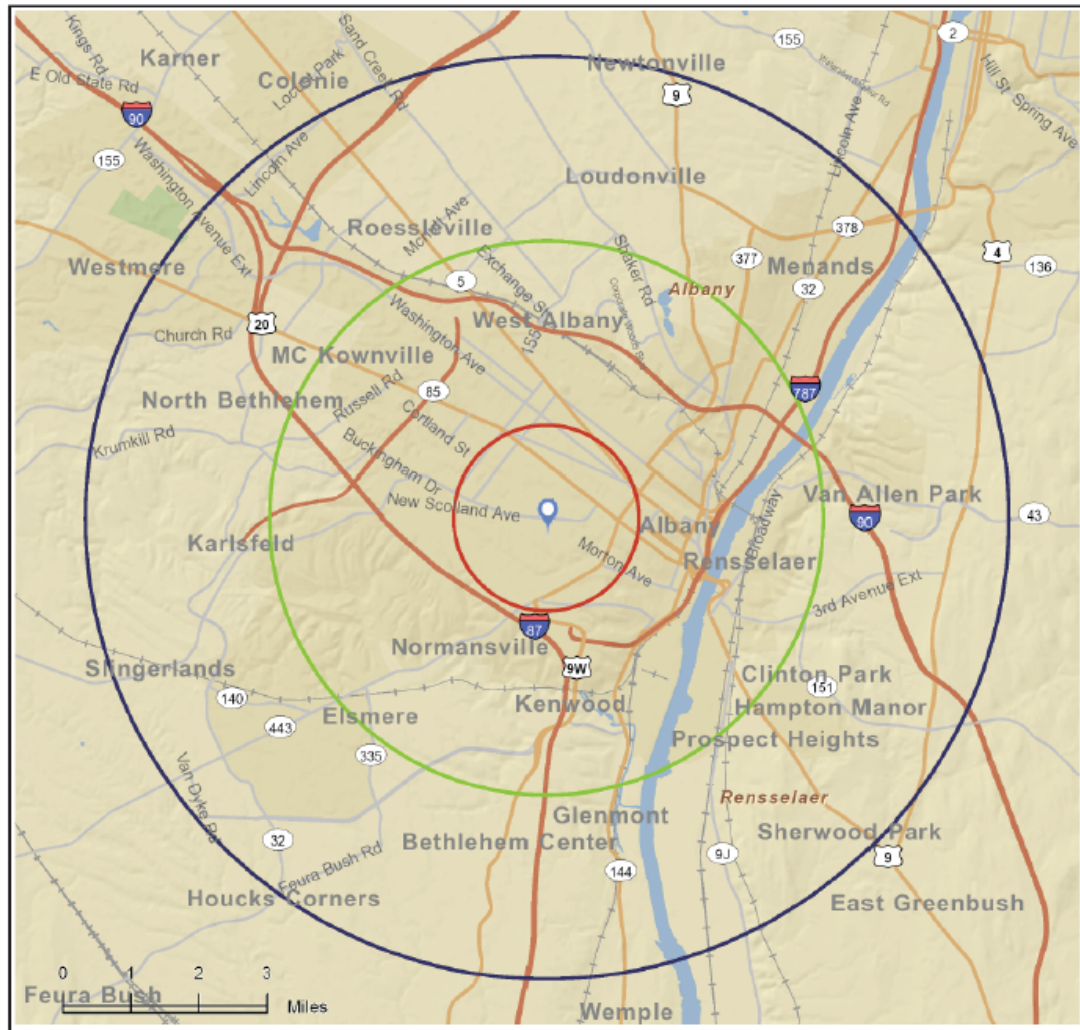


EXHIBIT B

PHOTOS OF PRESENT BUILDINGS

See attached.

EXHIBIT B – PHOTO OF BUILDINGS

AERIAL PHOTOGRAPH



Boundaries are approximate

SUBJECT PHOTOGRAPHS



Front elevation of subject



View of subject facing south



View of parking garage

EXHIBIT C

ORDER OF DISSOLUTION

See attached.

At a Special Term of the Supreme Court of the State of New York held in and for the County of Saratoga, located at Municipal Center, 30 McMaster St., Ballston Spa, New York 12020, on this 20th day of August, 2012.

SUPREME COURT
STATE OF NEW YORK COUNTY OF SARATOGA

In the Matter of the Application of
THE BOARD OF DIRECTORS OF
CENTER FOR MEDICAL SCIENCE, INC.,

NOTICE OF ENTRY
RJI 45-1-2012-0407

Petitioners,

Index No. 2012-983

for the Judicial Dissolution of

CENTER FOR MEDICAL SCIENCE, INC.

and for related relief pursuant to
Section 1102(a)(1)(A) of the
New York Not-For-Profit Corporation Law

THE ATTORNEY GENERAL
OF THE STATE OF NEW YORK

Designated as a necessary party pursuant to
Section 1102(b) of the
New York Not-For-Profit Corporation Law

PLEASE TAKE NOTICE that the attached document is a true copy of the Order of Dissolution, which the Hon. Ann C. Crowell, signed on August, 20, 2012 and duly entered in the Saratoga County Clerk's Office on August, 20, 2012.

Dated: August 21, 2012
Albany, New York

HARRIS BEACH PLLC

By: 

Karl J. Sleight
Attorneys for Petitioners
The Board of Directors for the
Center for Medical Science, Inc.
677 Broadway, Suite 1101
Albany, New York 12207
Telephone: (518) 701-2716

TO:

Carol Connor Cohen,
Counsel for Wells Fargo Bank
1050 Connecticut Avenue, NS
Washington, DC 20036-5339

Patrick Morphy
New York State Assistant Attorney General
Charities Bureau
The Capitol
Albany, New York 12224-0341

Joann Sternheimer,
Local Counsel for Wells Fargo Bank
8 Thurlow Terrace
Albany, New York 12203

Paul A. Levine,
Court-Appointed Receiver
50 Beaver Street
Albany, New York 12207

Richard Frankel,
Counsel for Renaissance Corporation of Albany
Iseman, Cunningham, Riester & Hyde, LLP
9 Thurlow Terrace
Albany, New York 12203

Timothy Brennan,
Counsel for BBL Construction Services, LLC
Phelan, Phelan & Danek, LLP
302 Washington Avenue Extension, Suite 3
Albany, New York 12203

James Lagios,
Counsel for the Silverman Foundation
Iseman, Cunningham, Riester & Hyde, LLP
9 Thurlow Terrace
Albany, New York 12203

At a Special Term of the Supreme Court of the State of New York held in and for the County of Saratoga, located at Municipal Center, 30 McMaster St., Ballston Spa, New York 12020, on this 20 day of August, 2012.

SUPREME COURT
STATE OF NEW YORK COUNTY OF SARATOGA

In the Matter of the Application of
THE BOARD OF DIRECTORS OF
CENTER FOR MEDICAL SCIENCE, INC.,

Petitioners,

for the Judicial Dissolution of

CENTER FOR MEDICAL SCIENCE, INC.

and for related relief pursuant to
Section 1102(a)(1)(A) of the
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THE ATTORNEY GENERAL
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New York Not-For-Profit Corporation Law

**ORDER OF
DISSOLUTION**

RJI 45-1-2012-0407

Index No. 2012-983

2012 AUG 20 PM 3:21
SARATOGA COUNTY
CLERK'S OFFICE
BALLSTON SPA, NY

FILED

On reading the Verified Petition filed herein on March 27, 2012, by Richard C. Liebich and Virginia B. Liebich, being the current members of the Board of Directors of Center for Medical Science, Inc. ("CMS") and the Order to Show Cause made thereon April, 3 2012, requiring all persons interested in said corporation to show cause on May, 23 2012, which return date was subsequently adjourned to June 28, 2012, before the Court why the said company should not be dissolved; and it appearing that Renaissance Corporation of Albany has made itself

a party to this proceeding by filing a notice of appearance, dated June 15, 2012, with the clerk of this court; and it appearing that Wells Fargo Bank, N.A., has made itself a party to this proceeding by filing a notice of appearance, dated May 3, 2012, with the clerk of this court;

And on reading and filing the affidavit of Richard C. Liebich, sworn to on March 2, 2012, in support of CMS' petition for dissolution; and the Receiver's Response to Application of the Board of Directors of Center for Medical Science, Inc. for Judicial Dissolution, dated May 16, 2012 submitted by Paul Levine, the Receiver of the Project (as hereinafter defined) appointed in the foreclosure proceeding ("Foreclosure Proceeding") entitled *Wells Fargo Bank, N.A. v. Center for Medical Science, Inc.*, commenced in New York State Albany County Supreme Court (Index No. 6887-11, RJ1 No. 01-11-105281); and the affidavit of Timothy S. Brennan, sworn to on June 11, 2012, and the affidavit of David Jaroslawicz, sworn to on June 20, 2012, both in opposition to CMS' petition for dissolution on behalf of BBL Construction Services, LLC and Marty & Dorothy Silverman Foundation, respectively, and publication of the Order to Show Cause according to its terms and as required by law having been made; and

CMS, having appeared by its attorneys Harris Beach PLLC, Christopher A. Andreucci and Karl J. Sleight; Marty & Dorothy Silverman Foundation, having appeared by its attorneys Jaroslawicz & Jaros and through local counsel, Iseman, Cunningham, Riester & Hyde, LLP, James P. Lagios; BBL Construction Services, LLC, having appeared by its attorneys Phelan, Phelan & Danek, LLP, Timothy S. Brennan; Renaissance Corporation of Albany, having appeared by its attorneys Iseman, Cunningham, Riester & Hyde, LLP, Richard A. Frankel; Wells Fargo Bank, N.A., having appeared by its attorneys Deily, Mooney and Glastetter, LLP, Joann Sternheimer and Arent Fox LLP, Carol Connor Cohen; and the Attorney General of the State of New York, represented by Assistant Attorney General Patrick Morphy; and

Now, on motion of Harris Beach PLLC, attorney for CMS, and due deliberation having been had by this Court, it is hereby

ORDERED, that CMS be and hereby is dissolved, and it is further,

ORDERED, that CMS' interest in the "Project," defined as (a) the acquisition of a leasehold interest in the medical research facility located at 150 New Scotland Avenue, Albany, New York (the "Project Site"); (b) the construction on the Project Site of the biomedical research facility known as The Center for Medical Science (the "Medical Research Building") and an approximately 600 space multi-tier parking garage; (c) the acquisition and installation in the Medical Research Building of certain machinery and equipment (the "Equipment"), and all assets encumbered by a mortgage dated as of June 1, 2002 (the "Mortgage"), from the City of Albany Industrial Development Agency and The Charitable Leadership Foundation ("CLF") to Wells Fargo Bank, N.A., as successor trustee (the "Trustee"), which such Mortgage grants to the Trustee a first mortgage lien on CMS's interest in the Project as successor to CLF and a first priority security interest in the Equipment, including without limitation, the motor vehicles/moving stock referenced in paragraph 33 of the Verified Petition consisting of (i) a 2003 Chevy Silverado, together with snow plow and snow removal equipment valued at approximately \$9,849.00, and (ii) a 2006 Model 317 John Deere Skid Steer Loader valued at approximately \$18,081.95, and the net settlement proceeds described in paragraph 35 of the Verified Petition in an amount equal to approximately \$315,000 deemed to be assets of CMS, and (d) all sub-tenant leases, contracts, and licenses necessary to the operation of the Medical Research Building, all of which will be granted and released to and accepted by the Trustee or its designee, free and clear of all liens, encumbrances, and interests, except for and subject to (i) the existing Lease Agreement dated February 8, 2002 currently between Renaissance Corporation of Albany, as landlord, and CMS, as tenant (the "Lease Agreement") and all the terms and

conditions thereof and all obligations and liabilities of the tenant thereunder, except for any breaches or defaults of CMS under the Lease Agreement existing on the date of transfer to the Trustee or its designee (provided, however, that if the Trustee or its designee continues an existing breach or default under the Lease Agreement on the effective date of the assignment of the Lease Agreement from CMS to the Trustee or its designee, such breach or default shall be deemed to have first arisen or occurred on the effective date of the assignment of the Ground Lease from CMS to the Trustee or its designee and Renaissance Corporation of Albany, as landlord under the Ground Lease, shall have all rights and remedies under the Ground Lease on account of the occurrence of such breach or default), (ii) matters of public record set forth on Exhibit A attached hereto, and (iii) Taxes (as defined in the Lease Agreement), and it is further,

ORDERED, that until such time as the Project is released unto the Trustee or its designee, the Receiver of the Project, in his exercise of possession and control of the Project, shall have the right, on behalf and in the name of CMS, to facilitate his negotiated wind up of a lease with the University of Florida, to sell, lease, license and/or transfer the personal property set forth at Exhibit B constituting furniture provided that the Trustee or its designee shall have first approved the terms and conditions of such sale, lease, license and/or transfer, and it is further,

ORDERED, that the grant and release of the Project unto the Trustee or its designee as described in the preceding paragraph shall be effective as soon as reasonably commercially practicable, and it is further,

ORDERED, that CMS shall deliver any documents in its possession to the Trustee that are necessary or desired by the Trustee, or its designee, to effectuate the transfer of the Project, and CMS shall execute any documents necessary for the Trustee to perform its responsibilities related to the transfer of the Project. Copies of an assignment and assumption of the Lease

Agreement by CMS as assignor and the Trustee or its designee as assignee, any bill of sale executed by CMS in favor of the Trustee or its designee, and copies of any documents recorded in the land records by the Trustee or its designee in connection with the transfer of the Project are to be provided by the Trustee or its designee upon reasonable request to Renaissance Corporation of Albany, and it is further,

JL
ORDERED, that this dissolution shall not have any impact on claims made by the plaintiffs in existing litigation in New York County Supreme Court entitled *Marty and Dorothy Silverman Foundation v. Paul J. Davis, Richard C. Liebich, Center of Medical Science, Inc. and Charitable Leadership Foundation* (Index No. 652772/2011), and CMS acknowledges its document preservation responsibilities with respect to that litigation, and custody and control of the CMS records ^{documents and papers} shall remain with Richard Liebich, a director of CMS, ^{who is directed to maintain and preserve the records until such time as the Court directs that they can be destroyed.} and it is further,

ORDERED, that in consideration of Fifty Thousand (\$50,000) Dollars, BBL Construction Services, LLC shall withdraw all opposition to this dissolution and terminate with prejudice any and all claims, liens, encumbrances that have been filed or could be filed in the future against CMS, and shall enter into a Stipulation of Discontinuance with respect to existing litigation in Albany County Supreme Court entitled *BBL Construction Services, LLC v. Center for Medical Science Inc.* (Index No. 5903-11), and it is further,

ORDERED, that the Trustee, together with its agents, servants, heirs, executors, administrators, successors and assigns (the "Trustee Released Parties"), in exchange for the transfer of CMS' interest in the Project, hereby releases, acquits and forever discharges CMS and its agents, servants, heirs, executors, administrators, successors and assigns (the "CMS Released Parties") from any and all claims, actions, causes of action, demands, rights, damages, costs, loss of service, loss of consortium, expenses and compensation whatsoever, which the Trustee Released Parties now have/has or which may hereafter accrue against the CMS Released Parties,

provided, however, that nothing in this paragraph will release any rights of the Trustee Released Parties against the Charitable Leadership Foundation, and it is further,

ORDERED, that notwithstanding the release and discharge granted by the Trustee as referenced herein, this dissolution and this Order shall not be deemed a release or discharge of CMS for any liability or claim for insurance coverage, indemnification and/or contribution in connection with the Project or that might form the basis for denial or disclaimer of insurance coverage whether such insurance coverage is required by the Lease Agreement, the City of Albany Industrial Development Agency financing documents, or otherwise be deemed in contradiction of Section 1006(b) of the New York Not-For-Profit Corporation Law as such pertains to parties other than the Trustee, and it is further,

ORDERED, that cash balances, to the extent thereof, be used by CMS to pay filing fees, publication costs and service fees incurred in the course of this proceeding, and it is further,

ORDERED, that in the event the Trustee or its designee decides not to pursue its claims in connection with Ordway's liquidation proceedings it will transfer such claims to CMS, who, in turn, in the unlikely event there is any recovery thereunder, will report to the Court any such recovery for distribution to the creditors and claimants, other than the Trustee or its designee, identified within this Verified Petition, and it further,

ORDERED, that except as otherwise provided herein, all parties interested in CMS be and they are hereby enjoined from in any way using, controlling, interfering with or encumbering the said corporation's property, collecting any debts due CMS, or paying out any money belonging to CMS, commencing any action against CMS, and initiating or taking any further proceedings in any action commenced prior to the date of this Order, until the further order of this court.

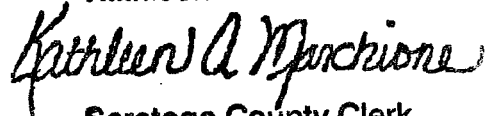
IT IS SO ORDERED this 20th day of August, 2012



Hon. Ann C. Crowell, J.S.C.

Entered

Kathleen A. Marchione



Saratoga County Clerk

ENTERED

2012 AUG 20 PM 3:21

SARATOGA COUNTY
CLERK'S OFFICE
BALLSTON SPA, NY

EXHIBIT A

1. Covenants and Restrictions recited in a deed recorded 8/11/1999 in Liber 2636 Cp 1094 and as repeated in Liber 2636 Cp 1098.
2. Covenants and Restrictions, together with easements, recited in a deed recorded 12/31/2008 in Liber 2940 Cp 42.
3. Terms, covenants, conditions and agreements contained in a lease (49 year term) made by and between University Heights Association, Inc., Lessor, and Charitable Leadership Foundation, Lessee, a memorandum of which dated 2/8/2002 was recorded on 8/6/2002 in Liber 2716 Cp 528.

WITH REGARD THERETO:

Assignment of Lease from Charitable Leadership Foundation, assignor, to Center for Medical Science, Inc., assignee, dated 12/21/2003 and recorded on 6/30/2004 in Liber 2772 Cp 701.

4. Electric Easement Agreement recorded 2/3/1992 in Liber 2453 Cp 386.
5. Ingress, Egress and Utility Easement Agreement recorded 8/6/2002 in Liber 2716 Cp 521.
6. Sidewalk Easement Agreement recorded 8/6/2002 in Liber 2716 Cp 708.
7. Mortgage and Security Agreement made by City Of Albany Industrial Development Agency, Charitable Leadership Foundation to The Bank Of New York as Trustee For The Holders Of The Issuer's Civic Facility Revenue Bonds (Charitable Leadership Foundation) Series 2002A in the amount of \$56,465,000.00 dated as of 6/1/2002, recorded 8/6/2002 in (as) Liber 4170 Mp 171.
8. Assignment of Leases and Rents made from City of Albany Industrial Development Agency, Charitable Leadership Foundation, Assignor to The Bank of New York as trustee for the Holders of the Issuer's Civic Facility Revenue Bonds (Charitable Leadership Foundation Center for Medical Science Project) Series 2002A, Assignee, dated as of 6/1/2002 and recorded on 8/6/2002 in(as) Liber 2716 Cp 498.

EXHIBIT B

CMS Furniture

Description	Size	Total Number of Pieces
2 Drawer filing cabinets (wood)	24Dx36W	13
5 Shelf bookcase (wood)	14Dx36W	19
2 in 1 (2 Drawer filing cabinet combo unit) w Hutch		2
L Shape Wooden Desk		6
U shape Full Desk w Hutch		5
U shape Full Desk (No Hutch)		3
Guest Chairs (wooden)	23Dx24W	35
Wooden End Stands		2
Wooden Coffee Table		2
Office Desk Chairs		13
Laboratory Stock Pots		15
Grey Fabric Office Chairs		7
Laboratory Chairs		31
Black Leather Office Chairs		1
Round Tables		3
Metal Chairs		12
Leather Couch		1
Leather Chairs		5
Metal Straight Office Desk w 3 drawer file cabinet and overhead hutch	24Dx61W	6
Metal 3 drawer lateral file cabinet	18Dx30W	2
Total Number of Pieces of Office Furniture		183