

**NASSAU COUNTY INDUSTRIAL
DEVELOPMENT AGENCY**

APPLICATION FOR FINANCIAL ASSISTANCE

APPLICATION OF:

Brush Hollow Inn LLC

APPLICANT NAME

Please respond to all questions in this Application for Financial Assistance (the "Application") by, as appropriate:

- filling in blanks;
- checking the applicable term(s);
- attaching additional text (with notation in Application such as "see Schedule H, Item # 1", etc.); or
- writing "N.A.", signifying "not applicable".

All attachments responsive to questions found in this Application should be clearly labeled and attached as Schedule H to the Application. If an estimate is given, enter "EST" after the figure. One signed original and 9 copies of the Application (including all attachments) must be submitted.

A \$1,000 non-refundable Application Fee is required at the time the Application is submitted to the Nassau County Industrial Development Agency (the "Agency"). The Application Fee will not be credited against any other fees or expenses which are or become payable to the Agency in connection with this Application or the project contemplated herein (the "Project").

Every signature page comprising part of this Application must be signed by the Applicant or this Application will not be considered complete or accepted for consideration by the Agency.

Information provided herein may be subject to disclosure under the New York Freedom of Information Law (New York Public Officers Law § 84 *et seq.*) ("FOIL"). If the Applicant believes that a portion of the material submitted with this Application is protected from disclosure under FOIL, the Applicant should mark the applicable section(s) or page(s) as "confidential" and state the applicable exception to disclosure under FOIL.

February 28, 2006
DATE

Rev. 5/05

PART I. APPLICANT

A. APPLICANT FOR FINANCIAL ASSISTANCE (If more than one applicant, copy application and complete for each applicant):

Name: Brush Hollow Inn LLC
c/o Inn at Great Neck
Address: 30 Cutter Mill Road, Great Neck, NY 11021
Primary Contact: Alan Mindel
Phone: 516-773-2000 Fax: 516-498-9335
E-Mail: amindel@innatgreatneck.com

NY State Dept. of Labor Reg #: _____ Federal Employer ID #: _____

B. BUSINESS TYPE (Check applicable status. Complete blanks as necessary):

Sole Proprietorship ___ General Partnership ___ Limited Partnership ___
Limited Liability Company X Privately Held Corporation ___
Publicly Held Corporation ___ Exchange listed on _____
Not-for-Profit Corporation ___
Income taxed as: Subchapter S ___ Subchapter C ___
501(c)(3) Corporation ___ Partnership ___

State and Year of Incorporation/Organization: New York 2005

Qualified to do Business in New York: Yes X No ___ N/A ___

C. ANY ENTITY PROPOSED TO BE A USER OF THE PROJECT:

Name: Brush Hollow Inn LLC
Relationship to Applicant: Same

D. APPLICANT ACCOUNTANT (subject to Agency approval):

Firm name: Wagner, Francis, Richman & Ackerman PLLC
Address: 66 South Tyson Avenue
Floral Park, NY 11001
Phone: 516-328-3800
Fax: 516-488-4695
E-Mail: _____

E. APPLICANT COUNSEL (subject to Agency approval):

Firm name: Crowe Deegan LLP
Address: 1 School Street, Glen Cove, NY 11542
Attention: Daniel P. Deegan, Esq.
Phone: 516-676-1121
Fax: 516-759-3419
E-Mail: ddeegan@crowedeegan.com

F. Principal stockholders, members or partners, if any (i.e., owners of 5% or more of equity/voting rights in Applicant):

<u>Name</u>	<u>Percentage owned</u>
Mary Mindel Trustee	
<u>FBO Alan Mindel</u>	_____ %
Mary Mindel Trustee	
<u>FBO Joseph Mindel</u>	_____ %
Mary Mindel Trustee	
<u>FBO Marlene Mindel</u>	_____ %
<u>Alan Mindel</u>	_____ %

G. If any of the persons described in the response to the preceding Question, or a group of said persons, owns more than a 50% interest in the Applicant, list all other entities which are related to the Applicant by virtue of such persons having more than a 50% interest in such entities:

333 South Service Road LLC

H. Is the Applicant related to any other entity by reason of more than 50% common ownership? If YES, indicate name of related entity and relationship:

YES

NO

See "G" above

I. List parent corporation, sister corporations and subsidiaries, if any:

N/A

J. (To be completed only if Applicant is seeking tax-exempt bond financing)

1. Has the Applicant (or any related entity or person) been involved in, applied for or benefitted by any prior industrial development financing in the municipality in which this Project is located, whether by the Agency or another issuer, or in a contiguous municipality? ("Municipality" herein means city, town or village, or, if the Project is not in an incorporated city or village, Nassau County.) If YES, describe:

YES

NO

2. Has the Applicant (including any related entity or person) received or benefitted from within the past six months, or is contemplating to receive or benefit from within the next six months, tax-exempt financing anywhere within the United States? If YES, describe:

YES

NO

3. Will the proposed bond issue, when combined with all other outstanding industrial development bond issues of the Applicant or any related entity, exceed the aggregate principal amount of \$40,000,000?

YES

NO

4. Is the Applicant seeking federal tax-exempt bonds as a manufacturing facility?

YES ___

NO ___

If YES, complete the attached Tax-Exempt Bond Manufacturing Questionnaire (Schedule A) and provide an estimate of the capital expenditures of the Applicant, and its affiliates and subsidiaries in Nassau County, during the past three years:

\$ _____

K. Has the Applicant (including any related entity or person) made a public offering or private placement of its stock within the last year? If YES, attach a copy of the Prospectus or Offering Statement used in connection with the offering or placement.

YES ___

NO X

L. List the major bank references of the Applicant including name, address and phone number of bank contact:

M. Is the Applicant (including any related entity or person) or any principal(s) of the Applicant or its related entities involved in any litigation that would have a material adverse effect on the Applicant's financial condition or the financial condition of said principal(s)? If YES, attach details.

YES ___

NO X

N. Has the Applicant (or any related entity or person) or any principal(s) of the Applicant or its related entities, or any other business or concern with which such entities, persons or principal(s) have been connected, ever been involved, as debtor, in bankruptcy, creditors rights or receivership proceedings or sought protection from creditors? If YES, attach details.

YES ___

NO X

O. Has the Applicant (or any related entity or person) or any principal(s) of the Applicant or its related entities, ever been charged with or convicted of any felony or misdemeanor (other than minor traffic offenses), or have any such related persons or principal(s) held positions or ownership interests in any firm or corporation charged or convicted of a felony or misdemeanor (other than minor traffic offenses)? If YES, attach details.

YES ___

NO X

P. Has the Applicant (or any related entity or person) or any principal(s) of the Applicant or its related entities, or any other business or concern with which such entities, persons or principal(s) have been connected, been cited for a violation of federal, state or local laws or regulations with respect to labor practices, hazardous wastes, environmental pollution or other operating practices? If YES, attach details.

YES ___ NO X

Q. Complete the following information for principals (including, in the case of corporations, officers and members of the board of directors and, in the case of limited liability company, members and managers) of the Applicant:

<u>Name</u>	<u>Title</u>	<u>Social Security #</u>	<u>Other Business Affiliations</u>
<u>Alan Mindel</u>	<u>Managing Member</u>		<u>Inn at Great Neck</u> <u>Four Points</u> By Sheraton LI Plainville <u>Ramada Inn Bayside/Adria Hotel</u>
<u>Mary Mindel</u>	<u>Member</u>		
_____	_____	_____	_____

Do any of the foregoing principals hold elected or appointive public positions? If YES, attach details.

YES ___ NO X

Are any of the foregoing principals employed by any federal, state or local municipality or any agency, authority, department, board, or commission thereof or any other governmental or quasi-governmental organization?

YES ___ NO X

R. Operation at existing location(s) (Complete separate Section R for each existing location):

1. (a) Location: Inn at Great Neck
30 Cutter Mill Road, Great Neck, NY 11021
- (b) Number of Employees: Full-Time: 37 Part-Time: 7
- (c) Annual Payroll, excluding benefits: \$1,200,000.00
- (d) Type of operation (e.g. manufacturing, wholesale, distribution)
and products or services: hotel
- (e) Size of existing facility real property
(i.e., acreage of land): .57 acre
- (f) Buildings (number and square footage of each): 1 building; 24,829 square feet

P. Has the Applicant (or any related entity or person) or any principal(s) of the Applicant or its related entities, or any other business or concern with which such entities, persons or principal(s) have been connected, been cited for a violation of federal, state or local laws or regulations with respect to labor practices, hazardous wastes, environmental pollution or other operating practices? If YES, attach details.

YES ___ NO X

Q. Complete the following information for principals (including, in the case of corporations, officers and members of the board of directors and, in the case of limited liability company, members and managers) of the Applicant:

<u>Name</u>	<u>Title</u>	<u>Social Security #</u>	<u>Other Business Affiliations</u>
<u>Alan Mindel</u>	<u>Managing Member</u>		<u>Inn at Great Neck</u>
<u>Mary Mindel</u>	<u>Member</u>		<u>Four Points By Sheraton LI Plainview</u> <u>Ramada Inn Bayside/Adria Hotel</u>

Do any of the foregoing principals hold elected or appointive public positions? If YES, attach details.

YES ___ NO X

Are any of the foregoing principals employed by any federal, state or local municipality or any agency, authority, department, board, or commission thereof or any other governmental or quasi-governmental organization?

YES ___ NO X

R. Operation at existing location(s) (Complete separate Section R for each existing location):

1. (a) Location: Four Points By Sheraton L.I. Plainview
- (b) Number of Employees: Full-Time: 35 Part-Time: 5
- (c) Annual Payroll, excluding benefits: \$850,000.00
- (d) Type of operation (e.g. manufacturing, wholesale, distribution) and products or services: hotel
- (e) Size of existing facility real property (i.e., acreage of land): 3.5 acres
- (f) Buildings (number and square footage of each): 1 - 60,000+ square feet

P. Has the Applicant (or any related entity or person) or any principal(s) of the Applicant or its related entities, or any other business or concern with which such entities, persons or principal(s) have been connected, been cited for a violation of federal, state or local laws or regulations with respect to labor practices, hazardous wastes, environmental pollution or other operating practices? If YES, attach details.

YES ___ NO X

Q. Complete the following information for principals (including, in the case of corporations, officers and members of the board of directors and, in the case of limited liability company, members and managers) of the Applicant:

<u>Name</u>	<u>Title</u>	<u>Social Security #</u>	<u>Other Business Affiliations</u>
<u>Alan Mindel</u>	<u>Managing Member</u>		<u>Inn at Great Neck</u>
<u>Mary Mindel</u>	<u>Member</u>		<u>Four Points By Sheraton LI Plainview</u> <u>Ramada Inn Bayside/Adria Hotel</u>

Do any of the foregoing principals hold elected or appointive public positions? If YES, attach details.

YES ___ NO X

Are any of the foregoing principals employed by any federal, state or local municipality or any agency, authority, department, board, or commission thereof or any other governmental or quasi-governmental organization?

YES ___ NO X

R. Operation at existing location(s) (Complete separate Section R for each existing location):

1. (a) Location: Ramada Inn/Adria Hotel
- (b) Number of Employees: Full-Time: 28 Part-Time: 5
- (c) Annual Payroll, excluding benefits: \$1,064,500.00
- (d) Type of operation (e.g. manufacturing, wholesale, distribution) and products or services: hotel
- (e) Size of existing facility real property (i.e., acreage of land): .9 acre
- (f) Buildings (number and square footage of each): 2 - 30,914 square feet
- 37,727 square feet

(g) Terms of use of facility.

FEE TITLE (i.e. own) LEASE OTHER (describe below)

Fee Title (Great Neck, Ramada); Lease (Plainview)

(h) If Applicant leases, state annual rent
and lease expiration date: _____

(i) Standard Industrial Code (SIC) Number: _____

2. If any of the facilities described above are located within the State of New York, is it expected that any of the described facilities will be closed or be subject to reduced activity? If YES, complete the attached Anti-Raiding Questionnaire (Schedule D).

YES ___ NO X

S. Has the Applicant considered moving to another state or another location within New York State? If YES, explain circumstances.

YES X NO ___

See attachment annexed hereto

T. Does any one supplier or customer account for over 50% of Applicant's annual purchases or sales, respectively? If YES, attach name and contact information for supplier and/or customer, as applicable:

YES ___ NO X

U. Describe any labor union affiliation of the Applicant and/or the Applicant's employees:

N/A

V. Does the Applicant (including any related entity or person) or any principal(s) of the Applicant or its related entities, or any other business or concern with which such entities, persons or principal(s) have been connected, have any contractual or other relationship with the Agency or the County of Nassau? If YES, attach details.

YES X NO ___

W. See attachment annexed hereto
Attach a brief history of the Applicant and its business/operations.

PART II. PROPOSED PROJECT

A. Type of financial assistance requested (Check One or More):

TAX-EXEMPT BONDS TAXABLE BONDS X STRAIGHT LEASE

B. Briefly describe the proposed Project, the reasons why the Project is necessary to the Applicant and why the Agency's financial assistance is necessary, and the effect the Project will have on the Applicant's business or operations:

See attachment annexed hereto

C. If the Applicant is unable to arrange financing for the Project, what will be the impact on the Applicant and Nassau County? Would the Applicant proceed with the Project without Agency financing or other Agency assistance? Describe.

See attachment annexed hereto

D. Location of Project (attach map showing the location):

Street Address:

4000 Brush Hollow Road

City/Village(s):

Westbury, NY 11590

Town(s):

Town of Oyster Bay

School District(s):

Westbury

Section: 11 Block: B Lot: 1054

If exact street address is not available, please provide a survey and the most precise description available.

E. Describe proposed Project (attach copies of preliminary plans or sketch of proposed renovation and/or construction).

1. Real Property (acreage): 1.27 acres

2. Building(s):

(a) Existing Building(s) (number of buildings and number of floors and square footage of each building):

See attachment annexed hereto

(b) Does the Project consist of an addition and/or renovations to existing buildings? If YES, indicate nature of expansion and/or renovation.

YES

NO X

(c) Does the Project consist of new construction? If YES, indicate the number of buildings and square footage of each building:

YES X

NO

1 Building 5 Stories 112 Room - Hotel

(d) Builder or Contractor Name and Address:

Zucaro Construction
3-1 Park Plaza, Suite 114
Old Brookville, NY 11545

(e) Architect Name and Address:

Hero Architects
6803 Fleet Street
Forest Hills, NY 11375

3. Describe the present use of the Project site: None - defunct bowling alley

4. (a) What are the current real estate taxes on the Project? (If amount of current taxes is not available, provide assessed value for each):

Land: \$ Building(s): \$

Transitional assessed value of land and building, collectively, is \$12,870.

(b) Are tax certiorari proceedings currently pending with respect to the Project real property? If YES, attach details including copies of pleadings, decisions, etc.

YES ___ NO x

F. Describe Project ownership structure (i.e., Applicant or other entity):

Brush Hollow Inn LLC (Applicant)

G. To what purpose will the building or buildings to be acquired, constructed or renovated be used by the Applicant? (Include description of goods to be sold, products to be manufactured, assembled or processed and services to be rendered.)

Hotel and luxury spa facility

H. If any space in the Project is to be leased to or occupied by third parties, or is currently leased to or occupied by third parties who will remain as tenants, provide the names and contact information for each such tenant, indicate total square footage of the Project to be leased to each tenant, and describe proposed use by each tenant:

Approximately 5% of the project will be leased to a third party for the operation of a spa in the basement of the project

I. Provide, to the extent available, the information requested, in Part I, Questions A, B, F and Q, with respect to any party described in the preceding response.

N/A

J. List principal items or categories of equipment to be acquired as part of the Project:

Such hotel furniture and office equipment as is customary with a hotel and luxury spa facility.

K. Will Project meet zoning/land use requirements at proposed location?

YES x NO ___

1. Describe present zoning/land use: Light Industry

2. Describe required zoning/land use, if different: N/A

3. If a change in zoning/land use is required, please provide details/status of any request for change of zoning/land use requirements:

N/A

L. Does the Applicant, or any related entity or person, currently hold a lease or license on the Project site? If YES, please provide details and a copy of the lease/license.

YES ___ NO X

M. Does the Applicant, or any related entity or person, currently hold fee title to (i.e. own) the Project site?

YES ___ NO X

If YES, indicate:

- (a) Date of purchase: _____
- (b) Purchase price: \$ _____
- (c) Balance of existing mortgage, if any: \$ _____
- (d) Name of mortgage holder: _____
- (e) Special conditions: _____

If NO, indicate name of present owner of Project site: Mermando Family Limited Partnership

N. Does the Applicant or any related person or entity have an option or a contract to purchase the Project site and/or any buildings on the Project site?

YES X NO ___

If YES, attach copy of contract or option and indicate:

- (a) Date signed: 12/22/05
- (b) Purchase price: \$3,450,000.00
- (c) Closing date: May-June 2006

Is there a relationship legally or by virtue of common control or ownership between the Applicant (and/or its principals) and the seller of the Project (and/or its principals)?
If YES, describe:

YES ___ NO X

O. Will customers personally visit the Project site for either of the following economic activities? If YES with respect to either economic activity indicated below, complete the attached Retail Questionnaire (Schedule E).

Retail Sales: YES X NO ___ Services: YES X NO ___

P. Is the Project site served by:

Water X Electric X
Gas X Sanitary/Storm Sewer X

Q. If the proposed project is a "straight-lease transaction", will any portion of the costs of the Project be financed from sources other than the Applicant's equity? If YES, provide details including the name, address and contact information for the provider of such financing and generally describe the anticipated terms of and the collateral for such financing.

YES ___ NO ___

N/A

PART III. PROJECT COSTS

A. Provide an estimate of cost of all items listed below:

	<u>Item</u>	<u>Cost</u>
1.	Land Acquisition	\$3,450,000.00
2.	Building Acquisition	\$ _____
3.	Construction or Renovation	\$12,000,000.00
4.	Site Work	\$ _____
5.	Engineering Fees	\$ _____
6.	Architectural Fees	\$ _____
7.	Applicant's Legal Fees	\$ _____
8.	Financial Fees (incl. lender legal fees)	\$ _____

9. Other Professional Fees \$ _____
 10. Furniture, Equipment & Machinery \$ _____
 11. Other Soft Costs (describe) \$ 2,200,000.00
 12. Other (describe) \$ _____

Total \$ 17,650,000.00

B. Funds required: \$ 13,000,000 Financing term desired: 20-30 years

C. Have any of the above costs been paid or incurred (including contracts of sale or purchase orders) as of the date of this application? If YES, describe particulars on a separate sheet.

YES X NO _____

D. 10% Deposit - Land Acquisition
 Are items of working capital, moving expenses, work in progress, or stock in trade included in the proposed uses of the bond proceeds (if applicable)? If YES, provide details:

YES X NO _____

Includes inventory costs, stock in trade

E. Will any of the funds to be borrowed through the Agency's issuance of bonds, if applicable, be used to repay or refinance an existing mortgage, outstanding loan or an outstanding bond issue? If YES, provide details:

YES _____ NO X

F. What portion, if any, of the cost of the Project is to be financed from funds of the Applicant, or other than from the proposed Project financing? Provide details:

23 %

\$4,000,000.00

G. Has the Applicant made any arrangement for the marketing or the purchase of the bonds or the provision of other third party financing? If YES, indicate with whom (subject to Agency approval).

YES X NO

Introductory meeting with M & T Bank, Rich Rickli

H. Has the Applicant made any arrangements for a bond trustee? If YES, indicate with whom (subject to Agency approval).

YES NO X

PART IV. COST/BENEFIT ANALYSIS

A. If the Applicant presently operates in Nassau County, provide the current annual payroll, excluding benefits. Estimate payroll, excluding benefits, in First Year and Second Year after completion of the Project.

	Present	First Year	Second Year
Full-time:	\$ _____	\$ _____	\$ _____
Part-time:	_____	_____	_____
Seasonal:	_____	_____	_____
Total Annual Payroll:	\$ _____*	\$ 1,000,000.00	\$ 1,100,000.00**

* based on 35 full time and 5 part time employees

** based on 40 full time and 10 part time employees

Please note that the Agency may utilize the foregoing employment projections and the projections set forth in Schedule C, among other things, to determine the financial assistance that will be offered by the Agency to the Applicant. The Applicant acknowledges that the transaction documents may include a covenant by the Applicant to maintain the number of jobs, types of occupations and amount of payroll with respect to the Project set forth in this Application.

B. Does the Applicant intend to employ new additional employees at the proposed Project site, or will Applicant transfer current employees from existing location(s)? If YES, describe:

YES X NO

New additional employees will be employed at the project site

C. What, if any, is the anticipated increase in the dollar amount of production, sales or services rendered as a result of the Project? \$5,000,000 - Per Annum

 %

D. Describe, if applicable, other benefits to the County anticipated as a result of the Project:

See attachment annexed hereto

E. Costs to the County and affected municipalities:

Estimated Value of Sales Tax Exemption: \$ 1,050,000

Estimated Value of Mortgage Tax Exemption: \$ 136,500

Estimated Property Tax Exemption: \$ 10-year phase in of assessed valuation of new structure

Estimated Interest Savings: \$ 3,250,000

PART V. PROJECT CONSTRUCTION SCHEDULE

A. Has construction work on the Project begun? If YES, indicate the percentage of completion: No

I. (a) Site clearance YES NO % complete

(b) Environmental Remediation YES NO % complete

(c) Foundation YES NO % complete

(d) Footings YES NO % complete

(e) Steel YES NO % complete

- (f) Masonry YES ___ NO ___ _____% complete
- (g) Interior YES ___ NO ___ _____% complete
- (h) Other (describe below): YES ___ NO ___ _____% complete

2. If NO to all of the above categories, what is the proposed date of commencement of construction, renovation or acquisition of the Project?

March 2008 Construction

B. Provide an estimate of time schedule to complete the Project and when the first use of the Project is expected to occur (attach additional sheet if necessary):

March 2009

C. At what date(s) and in what amount(s) is it estimated that funds will be required?

February 2008

PART VI. ENVIRONMENTAL IMPACT

A. What is the expected environmental impact of the Project? (Complete the attached Environmental Form (Schedule G)).

None

B. Is an environmental impact statement required by Article 8 of the N.Y. Environmental Conservation Law (i.e., the New York State Environmental Quality Review Act)?

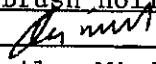
YES ___ NO X

Phase I Environmental Study Completed

C. Please be advised that the Agency may require at the sole cost and expense of the Applicant the preparation and delivery to the Agency of an environmental report in form and scope satisfactory to the Agency, depending on the responses set forth in the Environmental Form. If an environmental report has been or is being prepared in connection with the Project, please provide a copy.

- D. The Applicant authorizes the Agency to make inquiry of the United States Environmental Protection Agency, the New York State Department of Environmental Conservation or any other appropriate federal, state or local governmental agency or authority as to whether the Project site or any property adjacent to or within the immediate vicinity of the Project site is or has been identified as a site at which hazardous substances are being or have been used, stored, treated, generated, transported, processed, handled, produced, released or disposed of. The Applicant will be required to secure the written consent of the owner of the Project site to such inquiries (if the Applicant is not the owner), upon request of the Agency.

THE UNDERSIGNED HEREBY CERTIFIES that the answers and information provided above and in any statement attached hereto are true, correct and complete.

Name of
Applicant: Brush Hollow Inn LLC
Signature: 
Name: Alan Mindel
Title: Managing Member
Date: February, 2006

**RULES AND REGULATIONS OF THE NASSAU COUNTY
INDUSTRIAL DEVELOPMENT AGENCY**

The Nassau County Industrial Development Agency (the "Agency"), in order to better secure the integrity of the projects it sponsors, declares that it is in the public interest (i) to ensure the continuity of such projects and the jobs created by such projects, (ii) to prevent the conversion of the use of the premises upon which a sponsored project is to be constructed or renovated and (iii) to limit and prevent unreasonable profiteering or exploitation of a project, and does hereby find, declare and determine as follows:

FIRST:

Upon the approval of a sponsored project, the Agency shall take title to, or acquire a leasehold or other interest in, all premises upon which an Agency sponsored project is to be constructed or renovated, and shall lease, sublease, license, sell or otherwise transfer the premises to the Applicant for a term to be determined by the Agency.

At such time as, among other things, the Applicant fails to maintain or create the jobs as represented in the Application or changes the use of the project or ownership of the project or the Applicant during the life of the project in a manner inconsistent with the Application, and such employment default or change of use or ownership does not meet with the prior written approval of the Agency, a recapture of benefits may be required to be paid by the Applicant to the Agency. The amount and sufficiency (with respect to a particular applicant) of the applicable recapture of benefits payment shall be determined by the Agency and shall be set forth in the bond or straight lease documents.

SECOND:

At such time as a proposed Project is reviewed, the members of the Agency must disclose any blood, marital or business relationships they or members of their families have or have had with the Applicant (or its affiliates). The Applicant represents that no member, manager, principal, officer or director of the Applicant has any such relationship with any member of the Agency (or any member of the family of any member of the Agency).

THIRD:

All applicants must disclose whether they have been appointed, elected or employed by New York State, any political division of New York State or any other governmental agency.

FOURTH:

All proposed underwriters, credit enhancers (including banks and bond insurance companies), trustees, title companies and their respective attorneys must be satisfactory to and approved in writing by the Agency.

Understood and Agreed to:

Name of

Applicant: Brush Hollow Inn LLC

By:  Alan Mindel, Managing Member

Name/Title:

**CERTIFICATION AND AGREEMENT
WITH RESPECT TO FEES AND COSTS**

The undersigned deposes and says: that I am an authorized representative of the Applicant named in the attached application for financial assistance ("Application") and that I hold the office specified below my signature at the end of this Certification and Agreement, that I am authorized and empowered to deliver this Certification and Agreement and the Application for and on behalf of the Applicant, that I am familiar with the contents of said Application (including all schedules and attachments thereto), and that said contents are true, correct and complete to my knowledge. Capitalized terms used but not otherwise defined in this Certification and Agreement shall have the meanings assigned to such terms in the Application.

The grounds of my belief relative to all matters in the Application that are not based upon my own personal knowledge are based upon investigations I have made or have caused to be made concerning the subject matter of this Application, as well as upon information acquired in the course of my duties and from the books and records of the Applicant.

As an authorized representative of the Applicant, I acknowledge and agree on behalf of the Applicant that the Applicant hereby releases the Nassau County Industrial Development Agency, its members, officers, servants, attorneys, agents and employees (collectively, the "Agency") from, agrees that the Agency shall not be liable for and agrees to indemnify, defend (with counsel selected by the Agency) and hold the Agency harmless from and against any and all liability, damages, causes of actions, losses, costs or expenses incurred by the Agency in connection with: (A) examination and processing of, and action pursuant to or upon, the Application, regardless of whether or not the Application or the financial assistance requested therein are favorably acted upon by the Agency, (B) the acquisition, construction and/or installation of the Project by the Agency, and (C) any further action taken by the Agency with respect to the Project; including, without limiting the generality of the foregoing, (i) all fees and expenses of the Agency's general counsel, bond/transactional counsel and independent tax assessor (if deemed necessary or advisable by the Agency), and (ii) all other expenses incurred by the Agency in defending any suits, actions or proceedings that may arise as a result of any of the foregoing. If, for any reason whatsoever, 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 Applicant is unable to find buyers willing to purchase the total bond issue required or is unable to secure other third party financing or otherwise fails to conclude the Project, then upon presentation of an invoice by the Agency, its agents, attorneys or assigns, the Applicant shall pay to the Agency, its agents, attorneys or assigns, as the case may be, all fees and expenses reflected in any such invoice.

Upon successful conclusion of the required bond issue or other form of financing or Agency assistance, the Applicant shall pay to the Agency an administrative fee set by the Agency (which amount is payable at closing) in accordance with the following schedule:

- (A) Taxable Bond Issues – Six-tenths (6/10) of one percent (1%) for the first twenty million dollars (\$20,000,000) of total project costs and, if applicable, two-tenths (2/10) of one percent (1%) for any additional amounts in excess of twenty million dollars (\$20,000,000) of total project costs.
- (B) Tax-Exempt Bond Issues – Six-tenths (6/10) of one percent (1%) of total project costs.

- (C) Straight-Lease Transactions – Six-tenths (6/10) of one percent (1%) for the first twenty million dollars (\$20,000,000) of total project costs and, if applicable, two-tenths (2/10) of one percent (1%) for any additional amounts in excess of twenty million dollars (\$20,000,000) of total project costs.
- (D) All Transactions - Two Thousand Five Hundred Dollars (\$2,500) closing compliance fee payable at closing and One Thousand Dollars (\$1,000) per year (or part thereof) administrative fee, payable in advance, at the closing for the first year (or part thereof) and on January 1st of each year for the term of the financing. The annual service fee is subject to periodic review and may be adjusted from time to time in the discretion of the Agency.

The Agency's bond/transactional counsel's fees and the administrative fees may be considered as a cost of the Project and included as part of any resultant financing, subject to compliance with applicable law.

Upon the termination of the financing of the Project, Applicant agrees to pay all costs in connection with any conveyance by the Agency to the Applicant of the Agency's interest in the Project and the termination of all related Project documents, including the fees and expenses of the Agency's bond/transactional counsel, and all applicable recording, filing or other related fees, taxes and charges.

I further acknowledge and agree on behalf of the Applicant that, in the event the Agency shall have used all of its available tax-exempt bond financing allocation from the State of New York and shall accordingly be unable to obtain an additional allocation for the benefit of the Applicant, the Agency shall have no liability or responsibility as a result of the inability of the Agency to issue and deliver tax-exempt bonds for the benefit of the Applicant.

Brush Hollow Inn LLC

By: Alan Mindel
Name: Alan Mindel
Title: Managing Member

Sworn to before me this 20th
day of February, 2006

Franklin R. Davis
Notary Public

FRANKLIN R. DAVIS
Notary Public, State of New York
No. 02DA4004405
Qualified in Nassau County
Commission Expires April 2, 2006

TABLE OF SCHEDULES:

<u>Schedule</u>	<u>Title</u>	<u>Complete as Indicated Below</u>
A.	Tax-Exempt Bond Manufacturing Questionnaire	If Applicant checked "YES" in Part I, Question J.4 of Application (See Page 3)
B.	New York State Financial and Employment Requirements for Industrial Development Agencies	All applicants
C.	Guidelines for Access to Employment Opportunities	All applicants
D.	Anti-Raiding Questionnaire	If Applicant checked "YES" in Part I, Question R.2. of Application (See Page 6)
E.	Retail Questionnaire	If Applicant checked "YES" in Part II, Question O. of Application (See Page 11)
F.	Applicant's Financial Attachments, consisting of:	All applicants
	1. Applicant's audited financial statements for the last two fiscal years (unless included in Applicant's annual reports).	
	2. Applicant's annual reports (or Form 10-K's) for the two most recent fiscal years.	
	3. Applicant's quarterly reports (Form 10-Q's) and current reports (Form 8-K's) since the most recent Annual Report, if any.	
	4. In addition, attach the financial information described above in items F1, F2, and F3 of any anticipated Guarantor of the proposed financing, if different than the Applicant, including the personal financial statement of any anticipated Guarantor that is a natural person.	
	5. Dun & Bradstreet report, if applicable.	
G.	Environmental Assessment Form	All applicants
H.	Other Attachments	As required

TAX-EXEMPT BOND MANUFACTURING QUESTIONNAIRE

(To be completed by the Applicant if the Applicant checked "YES" in Part I, Question J.4 of the Application for Financial Assistance).

Please complete the following questions for each facility to be financed. Use additional pages as necessary.

- 1. Describe the production process which occurs at the facility to be financed.

- 2. Allocate the facility to be financed by function (expressed in square footage) (e.g., production line, employee lunchroom, offices, restrooms, storage, warehouse, loading dock, repair shop, parking, research, sales, etc.) and location in relation to production (e.g., same building, adjacent land or building, off-site, etc.). Please attach blueprints of the facility to be financed.

<u>FUNCTION</u>	<u>LOCATION</u>	<u>SQ. FOOTAGE</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____

TOTAL

- 3. Of the space allocated to offices above, identify by function (e.g., executive offices, payroll, production, etc.) and location in relation to production (e.g., same building, adjacent land or building, off-site, etc.).

<u>FUNCTION</u>	<u>LOCATION</u>	<u>SQ. FOOTAGE</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____

TOTAL

4. Of the space allocated to storage or warehousing above, identify the square footage and location of the areas devoted to storage of the following:

SO. FOOTAGE

LOCATION

Raw Materials used
for production of
manufactured goods

Finished product storage

Component parts of
goods manufactured at
the facility

Purchased component
parts

Other (specify)

TOTAL

5. List raw materials used at the facility to be financed in the processing of the finished product(s).

6. List finished product(s) which are produced at the facility to be financed.

The UNDERSIGNED HEREBY CERTIFIES that the answers and information provided above and in any statement attached hereto are true and correct.

Name of
Applicant:

Signature:

Name:

Title:

Date:

**NEW YORK STATE FINANCIAL AND EMPLOYMENT REPORTING
REQUIREMENTS FOR INDUSTRIAL DEVELOPMENT AGENCIES**

- A. Pursuant to applicable law, the Agency requires the completion of an Initial Employment Plan (see Schedule C) and a year-end employment plan status report, both of which shall be filed by the Nassau County Industrial Development Agency (the "Agency") with the New York State Department of Economic Development on January 15. The Project documents will require the Applicant to provide such report to the Agency on or before January 1 of each year, together with such employment verification information as the Agency may require.

Except as otherwise provided by collective bargaining agreements, the Applicant agrees to list any new employment opportunities with the New York Department of Labor Community Services Division and the administrative entity of the service delivery area created by the Federal Job Training Partnership Act (P.L. 97-300), or any successor statute thereto (the "JTPA Entities"). In addition, except as otherwise provided by collective bargaining agreements, the Applicant, where practicable, will first consider persons eligible to participate in JTPA programs who shall be referred by the JTPA Entities for such new employment opportunities.

- B. The Applicant will be required to file annually a statement with the New York State Department of Taxation and Finance and the Agency of the value of all sales or use tax exemptions claimed in connection with the Project by reason of the involvement of the Agency.
- C. Please be advised that the New York State Industrial Development Agency Act imposes additional annual reporting requirements on the Agency, and the Applicant will be required to furnish information in connection with such reporting, as follows:

1. The following information must be provided for all bonds issued, outstanding or retired during the year:

Name, address and owner of the project; total amount of tax exemptions granted (broken out by state and local sales tax, property taxes, and mortgage recording tax); payments in lieu of taxes made; total real estate taxes on the Project prior to exemption; number of jobs created and retained, and other economic benefits realized.


Date of issue; interest rate at end of year; bonds outstanding at beginning of year; bonds issued during year; principal payments made during year; bonds outstanding at end of year; federal tax status; and maturity date(s).

2. The following information must be provided for straight-lease transactions entered into or terminated during the year:

Name, address and owner of the project; total amount of tax exemptions granted (broken out by state and local sales tax, property taxes, and mortgage recording tax); payments in lieu of taxes made; total real estate taxes on the Project prior to exemption; number of jobs created and retained, and other economic benefits realized.

Failure to provide any of the aforesaid information will be constitute a DEFAULT under the Project documents to be entered into by the Agency and the Applicant in connection with the proposed Project.

Please sign below to indicate that the Applicant has read and understood the above and agrees to provide the described information on a timely basis.

Name of Applicant: Brush Hollow Inn LLC
Signature: 
Name: Alan Mindel
Title: Managing Member
Date: February, 2006

GUIDELINES FOR ACCESS TO EMPLOYMENT OPPORTUNITIES

INITIAL EMPLOYMENT PLAN

Prior to the expenditure of bond proceeds or the granting of other financial assistance, the Applicant shall complete the following employment plan:

Applicant Name: Brush Hollow Inn LLC
 Address: c/o Inn at Great Neck
30 Cutter Mill Road, Great Neck, NY 11021
 Type of Business: Hotel
 Contact Person: Alan Mindel Tel. No.: (516) 773-2000

Please complete the following table describing the Applicant's projected employment plan following receipt of financing.

<u>Current and Planned Full Time Occupations</u>	<u>Current Number Full Time Equivalent Jobs Per Occupation</u>	<u>Estimated Number of Full Time Jobs After Completion of the Project</u>		
		<u>1 year</u>	<u>2 years</u>	<u>3 years</u>
<u>Full Time</u>	<u>N/A</u>	<u>30</u>	<u>34</u>	<u> </u>
<u>Part Time</u>	<u> </u>	<u>4</u>	<u>8</u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Please indicate the number of temporary construction jobs anticipated to be created in connection with the acquisition, construction and/or renovation of the Project: 150

Please indicate the estimated hiring dates for the new jobs shown above and any special recruitment or training that will be required:

March 2009; special training required include hotel management, luxury spa operations.

Are the Applicant's employees currently covered by a collective bargaining agreement?

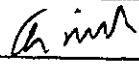
YES ___

NO X

IF YES, Union Name and Local: _____

Please note that the Agency may utilize the foregoing employment projections, among other things, to determine the financial assistance that will be offered by the Agency to the Applicant. The Applicant acknowledges that the transaction documents may include a covenant by the Applicant to maintain the above number of jobs, types of occupations and amount of payroll with respect to the proposed project.

The UNDERSIGNED HEREBY CERTIFIES that the answers and information provided above and in any statement attached hereto are true, correct and complete.

Name of Applicant: Brush Hollow Inn LLC
Signature: 
Name: Alan Mindel
Title: Managing Member
Date: February , 2006

ANTI-RAIDING QUESTIONNAIRE

(To be completed by Applicant if Applicant checked "YES" in Part I, Question R.2 of the Application for Financial Assistance)

A. Will the completion of the Project result in the removal of a plant or facility of Applicant, or of a proposed occupant of the Project, from an area in New York State (but outside of Nassau County) to an area within Nassau County?

YES ___

NO X

If the answer to Question A is YES, please provide the following information:

Address of the to-be-removed plant or facility: _____

Names of all current occupants of the to-be-removed plant or facility: _____

B. Will the completion of the Project result in the abandonment of one or more plants or facilities of the Applicant, or of a proposed occupant of the Project, located in an area of the State of New York other than in Nassau County?

YES ___

NO ___

If the answer to Question B is YES, please provide the following information:

Addresses of the to-be-abandoned plants or facilities: _____

Names of all current occupants of the to-be-abandoned plants or facilities: _____

C. Has the Applicant contacted the local industrial development agency at which its current plants or facilities in New York State are located with respect to the Applicant's intention to move or abandon such plants or facilities?

YES ___

NO ___

If the answer to Question C is YES, please provide details in a separate attachment.

IF THE ANSWER TO EITHER QUESTION A OR B IS "YES", ANSWER QUESTIONS D AND E.

D. Is the Project reasonably necessary to preserve the competitive position of the Applicant, or of a proposed occupant of the Project, in its industry?

YES ___

NO ___

E. Is the Project reasonably necessary to discourage the Applicant, or a proposed occupant of the Project, from removing such plant or facility to a location outside of the State of New York?

YES ___

NO ___

IF THE ANSWER TO EITHER QUESTION D OR E IS "YES", PLEASE PROVIDE DETAILS IN A SEPARATE ATTACHMENT.

THE UNDERSIGNED HEREBY CERTIFIES that the answers and information provided above and in any statement attached hereto are true, correct and complete.

Name of
Applicant:

Signature:

Name:

Title:

Date:

RETAIL QUESTIONNAIRE

(To be completed by Applicant if Applicant checked either "YES" in Part II, Question O of the Application for Financial Assistance)

- A. Will any portion of the Project (including that portion of the cost to be financed from equity or sources other than Agency financing) consist of facilities or property that are or will be primarily used in making retail sales to customers who personally visit the Project?

YES X NO ___

For purposes of Question A, the term "retail sales" means (i) sales by a registered vendor under Article 28 of Tax Law of the State of New York (the "Tax Law") primarily engaged in the retail sale of tangible personal property (as defined in Section 1101(b)(4)(i) of the Tax Law, or (ii) sales of a service to customers who personally visit the Project.

- B. If the answer to Question A is YES, what percentage of the cost of the Project (including that portion of the cost to be financed from equity or sources other than Agency financing) 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?

100 %

- C. If the answer to Question A is YES, and the amount entered for Question B is greater than 33.33%, indicate whether any of the following apply to the Project:

1. Will the Project be operated by a not-for-profit corporation?

YES ___ NO X

2. Is the Project likely to attract a significant number of visitors from outside the economic development region (i.e., Long Island) in which the Project is or will be located?

YES X NO ___

3. 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 X

4. 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, 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 X NO ___

5. Will the Project be located in one of the following: (a) an area designed as an economic development zone pursuant to Article 18-B of the General Municipal Law; or (b) 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 (i) a poverty rate of at least 20% for the year in which the data relates, or at least 20% of the households receiving public assistance, and (ii) an unemployment rate of at least 1.25 times the statewide unemployment rate for the year to which the data relates?

YES

NO

If the answer to any of the subdivisions 1 through 5 of Question C is YES, attach details.

- D. If the answer to any of the subdivisions 3 through 5 of Question C 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? If YES, attach details. Increase the overall number of permanent, private sector jobs in the State of New York

YES

NO

- E. State percentage of the Applicant's annual gross revenues comprised of each of the following:

Retail Sales: 95 %

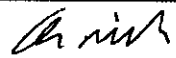
Services: 5 %

- F. State percentage of Project premises utilized for same:

Retail Sales: 95 %

Services: 5 %

The UNDERSIGNED HEREBY CERTIFIES that the answers and information provided above and in any statement attached hereto are true, correct and complete.

Name of Applicant: Brush Hollow Inn LLC
Signature: 
Name: Alan Mindel
Title: Managing Member
Date: February 28, 2006

APPLICANT'S FINANCIAL ATTACHMENTS

ENVIRONMENTAL ASSESSMENT FORM

OTHER ATTACHMENTS

**ATTACHMENT TO
NASSAU COUNTY INDUSTRIAL DEVELOPMENT AGENCY
APPLICATION FOR FINANCIAL ASSISTANCE**

Part I.

Item S. *Has the Applicant considered moving to another state or another location within New York State? If YES, explain circumstances.*

While the Applicant and its affiliates have considered other locations for a hotel facility of this type and quality, and have considered other uses at the site in Jericho, the Applicant believes that operating a hotel at this site provides the greatest potential to meet its needs, the needs of the community and to sustain future growth for itself and the County.

Item V. *Does the Applicant (including any related entity or person) or any principal(s) of the Applicant or its related entities, or any other business or concern with which such entities, persons or principal(s) have been connected, have any contractual or other relationship with the Agency or the County of Nassau? If YES, attach details.*

A related entity of the Applicant has previously received financial benefits from the Agency at 333 South Service Road, Plainview, New York and currently operates a hotel at such site.

Item W. *Attach a brief history of the Applicant and its business/operations.*

Related entities of the Applicant have been in the hotel business for many years and are looking to expand their operations. Such entities currently own and manage hotels in Great Neck, L.I. (The Inn at Great Neck), Plainview, L.I. (Four Points by Sheraton) and the Ramada Inn/Adria Hotel in Bayside, Queens.

Part II.

Item B. *Briefly describe the proposed Project, the reasons why the Project is necessary to the Applicant and why the Agency's financial assistance is necessary, and the effect the Project will have on the Applicant's business or operations:*

The proposed Project is a 112-room, 5-story hotel with spa facilities. The Project is necessary for the principals of the Applicant to maintain and preserve its competitive position in its industry in that this facility, if built, would be the fourth hotel facility owned and operated by Applicant and its affiliates. This would create a critical mass of hotel facilities that would allow Applicant to benefit from efficiencies and economies of scale in management and operational costs, such as the purchasing of supplies and equipment. This is essential to Applicant and its affiliates because it will allow Applicant to achieve an incremental competitive advantage in a market place that is dominated by

much larger national hotel chains that already benefit from economies of scale. Additionally, financial assistance from the Agency is necessary to allow the Applicant to construct and operate a hotel at the site because the economic feasibility of constructing and operating the hotel at this location with the tax structure currently in place would be questionable at best. The financial assistance sought by Applicant will permit it to construct and operate this hotel in a quality fashion that will meet the needs of the community in which it is located. Without the financial assistance sought, Applicant would not be able to achieve the type and quality of hotel facilities at this location that are necessary for it to succeed financially and to meet the pre-existing community need. The financial risk associated with the Project would out-weigh the benefits without the financial assistance from the Agency. This Applicant is uniquely qualified to accomplish this Project given its (and its affiliates') track-record and experience in operating other hotels in Great Neck and Plainview in Nassau County and in Bayside, Queens.

Item C. *If the Applicant is unable to arrange financing for the Project, what will be the impact on the Applicant and Nassau County? Would the Applicant proceed with the Project without Agency financing or other Agency assistance? Describe.*

If the Applicant is unable to arrange financing with the Agency, the Applicant would not be able to proceed with the construction of a hotel at the site. The result would be a negative effect on the County since the operation of a hotel at the site would provide a viable operating business at the site, which was previously a bowling alley and is now deserted and is an eyesore for the community. The County would not receive the following benefits: the economic activity associated the construction of the Project, including the purchase of building materials and the provision of construction jobs; the removal of a blighted building structure and replacement of same with an ascetically pleasing new structure; the creation of permanent additional jobs resulting from the operation of a hotel at the site (as set forth in Item A above); the long-term and substantial increase of the real estate tax base for the County (and the Town and local School District) resulting from the construction a new substantial structure; the provision of a unique and greatly needed type and quality hotel product in an area of the County where such a facility is not currently available; and, given its proximity to the Westbury Music Fair and other regional attractions, it will encourage and facilitate an increase in tourism for the County, becoming a destination in and of itself for visitors to that part of the County.

Item E. *Existing Building(s) (number of buildings and number of floors and square footage of each building):*

The site currently contains one one-story, 24,000 square foot building. The Project contemplates the demolition of such building, which was most recently used as a bowling alley, which is vacant and dilapidated, and is to be replaced by the contemplated hotel/spa facility.

Part IV.

Item D. *Describe, if applicable, other benefits to the County anticipated as a result of the Project.*

The County would receive numerous benefits, including, without limitation: the economic activity associated the construction of the Project, including the purchase of building materials and the provision of construction jobs; the removal of a blighted building structure and replacement of same with an ascetically pleasing new structure; the creation of permanent additional jobs resulting from the operation of a hotel at the site (as set forth in Item A above); the long-term and substantial increase of the real estate tax base for the County (and the Town and local School District) resulting from the construction a new substantial structure; the provision of a unique and greatly needed type and quality hotel product in an area of the County where such a facility is not currently available; and, given its proximity to the Westbury Music Fair and other regional attractions, it will encourage and facilitate an increase in tourism for the County, becoming a destination in and of itself for visitors to that part of the County.

Schedule E – Retail Questionnaire

Item C – *If the answer to any of the subdivisions 1 through 5 of Question C is YES, attach details.*

No. 2 – *Is the Project likely to attract a significant number of visitors from outside the economic development region (i.e., Long Island) in which the Project is or will be located?*

Yes, it is reasonable to expect that the Project will attract a significant number of visitors from outside the Nassau and Suffolk County economic development region given that the Project is a unique combination of a quality hotel product containing a luxury spa facility. This is in addition to the close proximity of the Project to the Westbury Music Fair and other regional attractions.

No. 4 – *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, 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, as stated above, there is a dearth of quality hotel facilities in the vicinity and the availability of the additional 112 hotel rooms at the Project will greatly benefit the residents of the community, including the residents of the Villages of Westbury and New Cassel.