

NASSAU COUNTY INDUSTRIAL
DEVELOPMENT AGENCY

APPLICATION FOR FINANCIAL ASSISTANCE
(Straight Lease)

APPLICATION OF:

William Warren Properties, Inc.
201 Wilshire Blvd., Suite 102, Santa Monica, CA 90401

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.

The following amounts are payable to the Nassau County Industrial Development Agency (the "Agency") at the time this Application is submitted to the Agency: (i) a \$1,000 non-refundable application fee (the "Application Fee"); (ii) a \$3,500 expense deposit for the Agency's Transaction Counsel fees and expenses (the "Counsel Fee Deposit"), (iii) a \$2,500 expense deposit for the cost/benefit analysis with respect to the project contemplated by this Application (the "Cost/Benefit Deposit"), and (iv) a \$500 expense deposit for the real property tax valuation analysis, if applicable, with respect to the project contemplated by this Application (the "Valuation Deposit"). 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"). In the event that the subject transaction does not close for any reason, the Agency may use all or any part of the Counsel Fee Deposit, the Cost/Benefit Deposit and/or the Valuation Deposit to defray the cost of Transaction Counsel fees and expenses, the cost of obtaining a cost/benefit analysis and/or the cost of obtaining a real property tax valuation with respect to the Project. In the event that the subject transaction does close, the Counsel Fee Deposit, the Cost/Benefit Deposit and the Valuation Deposit shall be credited against the applicable expenses incurred by the Agency with respect to 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.

The Agency's acceptance of this Application for consideration does not constitute a commitment on the part of the Agency to undertake the proposed Project, to grant any Financial Assistance with respect to the proposed Project or to enter into any negotiations with respect to the proposed Project.

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.

8/14/14

DATE

PART I. APPLICANT

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

Name: William Warren Properties, Inc. _____

Address: 201 Wilshire Blvd., Suite 102, Santa Monica, CA 90401 _____

Primary Contact: Gary Sugarman _____

Phone: 516-584-6655 _____ Fax: 516-706-6285 _____

E-Mail: gsugarman@williamwarren.com _____

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

NAICS Code #: 531130 _____

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

Sole Proprietorship ___ General Partnership ___ Limited Partnership ___

Limited Liability Company ___ 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: California, 2000 _____

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

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

Name: _____

Relationship to Applicant: _____

D. APPLICANT COUNSEL (subject to Agency approval):

Firm name: Sahn Ward Coschignano & Baker
Address: 333 Earle Ovington Blvd. #601, Uniondale, NY
Primary Contact: Chris Coschignano
Phone: 516-228-1300
Fax: 516-228-0038
E-Mail: ccoschignano@swcblaw.com

E. Principal stockholders, members or partners, if any (i.e., owners of 10% or more of equity/voting rights in Applicant):

Name	Percentage owned
<u>William W. Hobin</u>	<u> </u> %
<u>Clark W. Porter</u>	<u> </u> %

F. 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:

G. 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 X__

See attached list of affiliates

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

William Warren Group, Inc.

WWIA, LLC

I. Is the Applicant (including any parent company, subsidiary or related entity or person) or any principal(s) of the Applicant or its related entities involved in any litigation or aware of any threatened 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__

J. Has the Applicant (or any parent company, subsidiary or 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__

K. Has the Applicant (or any parent company, subsidiary or 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__

L. Has the Applicant (or any parent company, subsidiary or 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 (or is there pending proceeding or investigation with respect to) a violation of federal, state or local laws or regulations with respect to labor practices, hazardous wastes, environmental pollution, taxation, or other operating practices? If YES, attach details.

YES ___

NO X__

M. Is the Applicant (or any parent company, subsidiary or 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, delinquent or have any of the foregoing persons or entities been delinquent on any New York State, federal or local tax obligations within the past five (5) years? If YES, attach details.

YES ___

NO X__

N. 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>Other Business Affiliations</u>
_____	_____	_____
_____	_____	_____
William Hobin	CEO	NA
Clark Porter	CFO	NA
Tim Hobin	EVP	NA
Kent Christensen	COO	NA
Gary Sugarman	CSO	NA
_____	_____	_____
_____	_____	_____

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__

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

1. (a) Location: 401-415 Railroad Ave., Westbury, NY _____

(b) Number of Employees: Full-Time: _____ Part-Time: _____

(c) Annual Payroll, excluding benefits: _____

(d) Type of operation (e.g. manufacturing, wholesale, distribution) and products or services: Industrial building leased to several autobody mechanics _____

(e) Size of existing facility real property (i.e., acreage of land): 47,680 SF _____

(f) Buildings (number and square footage of each): 27,000 SF & 4,000 SF _____

(g) Applicant's interest in the facility.

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

Negotiating contract to acquire fee title _____

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

2. If any of the facilities described above are located within the State of New York (other than in Nassau County), 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__

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

YES X__ NO ___

Without IDA tax benefits, Applicant will not be able to develop property in Nassau County.

Q. 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__

R. 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 ___ NO X__

S. Attach a brief history of the Applicant and its business/operations at Schedule H.

By signing this Application, the Applicant authorizes the Agency to obtain credit reports and other financial background information and perform other due diligence on the Applicant and/or any other entity or individual related thereto, as the Agency may deem necessary to provide the requested financial assistance.

PART II. PROPOSED PROJECT

A. Description of proposed Project (check all that apply):

- X - New Construction
- Addition to Existing Facility
- Renovation of Existing Facility
- Acquisition of Facility
- New machinery and equipment
- Other (specify): _____

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:

Applicant is actually developing self storage properties in the NY/NJ metro area, which is significantly underserved. Development in Nassau County is not financially feasible without IDA tax benefits.

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

Applicant cannot develop property in Nassau County without IDA benefits, and the self storage market will continue to be vastly underserved.

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

Street Address:

401-415 Railroad Ave.

City/Village(s):

Westbury

Town(s):

North Hempstead

Westbury-1

School District(s):

Section: 0 _____ Block: 229 ___ Lot: 8 _____

Census Tract Number: 3401 _____

Size of proposed facility real property
(i.e., acreage of land): 90,000 SF; 1.10 acres _____

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

E. Describe the present use of the Project site: Industrial building leased to several autobody mechanics _____

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

General:	\$27,151
School:	\$67,801
Village:	\$10,195

(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__

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

Applicant will own the Project.

H. 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.)

Applicant will construct a new 90,000 SF self storage facility

I. 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:

None

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

K. List principal items or categories of equipment to be acquired as part of the Project:
Storage cubicles, steel and other construction materials and supplies

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

YES NO

1. Describe present zoning/land use: Industrial _____
2. Describe required zoning/land use, if different: _____
3. If a change in zoning/land use is required, please provide details/status of any request for change of zoning/land use requirements:

M. 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

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

YES NO

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: Railroad Avenue Enterprises, LLC

O. 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 ____

NO X__

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

(a) Date signed: _____

(b) Purchase price: \$ _____

(c) Closing date: _____

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__

P. 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 ____

Q. Describe the social and economic conditions in the community where the Project site is or will be located and the impact of the proposed Project on the community (including impact on infrastructure, transportation, fire and police and other government-provided services):

There is a vast undersupply of self storage in Westbury and the surrounding area: SF/capita = 1.4 within 3 miles vs. a national average of 7 SF/capita. Self storage also has an extraordinarily low impact on traffic and governmental services.

R. Identify the following Project parties (if applicable):

Architect: Frank G. Relf _____

Engineer: _____

Contractors: Racanelli Construction _____

S. Will the Project be designed and constructed to comply with Green Building Standards? (if YES, describe the LEED green building rating that will be achieved):

YES ____

NO X__

T. Is the proposed Project site located on a Brownfield? (if YES, provide description of contamination and proposed remediation)

YES ____

NO X__

U. Will the proposed Project produce a unique service or product or provide a service that is not otherwise available in the community in which the proposed Project site is located?

YES X__

NO ____

There are currently no self storage facilities in Westbury.

PART III PROJECT COSTS

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

	<u>Item</u>	<u>Cost</u>
1.	Land Acquisition	\$3,200,000 _____
2.	Building Acquisition	\$ _____
3.	Construction or Renovation	\$6,995,000 _____
4.	Site Work	\$380,000 _____
5.	Infrastructure Work	\$50,000 _____
6.	Engineering Fees	\$35,000 _____
7.	Architectural Fees	\$225,000 _____
8.	Applicant's Legal Fees	\$50,000 _____
9.	Financial Fees (incl. lender legal fees)	\$579,000 _____
10.	Other Professional Fees	\$75,000 _____
11.	Furniture, Equipment & Machinery (not	\$175,000 _____

	included in 3. above)	
12.	Other Soft Costs (describe)*	\$550,000 _____
13.	Other (describe)**	\$1,130,000 _____
	Total	\$13,519,000 _____

*IDA fees, permitting, construction management
 **Capitalized RE taxes, marketing, construction period interest

B. Source of Funds for Project Costs:

a.	Bank Financing:	\$9,463,300 _____
b.	Equity	\$4,055,700 _____
	TOTAL	\$13,519,000 _____

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 _____ NO X__

D. Has the Applicant made any arrangement for the provision of third party financing? If YES, indicate with whom (subject to Agency approval) and provide a copy of any term sheet or commitment letter issued with respect to such financing.

YES _____ NO X__

E. Construction Cost Breakdown:

Total Cost of Construction: \$7,170,000 _____ (sum of 3 and 11 in Question A above)

Cost for materials: \$2,570,000 _____
 % Sourced in County: 60 _____ %
 % Sourced in State: 100 _____ % (incl. County)

Cost for labor: \$4,600,000 _____
 % Sourced in County: 60 _____ %
 % Sourced in State: 100 _____ % (incl. County)

Cost for "other": \$1,600,000 _____
 % Sourced in County: 33 _____ %
 % Sourced in County: 33 _____ % (incl. County)

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, Second Year and Third Year after completion of the Project.

	<u>Present</u>	<u>First Year</u>	<u>Second Year</u>	<u>Third Year</u>
Full-time:	\$ _____	\$ _____	\$ _____	\$ _____
Part-time:	_____	_____	_____	_____
Seasonal:	_____	_____	_____	_____
Total Annual Payroll:	\$ _____	\$ _____	\$ _____	\$ _____

What are the average wages of employees (excluding benefits) presently employed by the Applicant in Nassau County? \$ _____

What is the average annual value of employee benefits paid per job, if any, for the employees presently employed by the Applicant in Nassau County? \$ _____

What are the estimated average wages of the jobs (excluding benefits) to be created by the Applicant upon completion of the Project? \$100,000 _____

What is the estimated average annual value of employee benefits per job, if any, for jobs to be created upon completion of the Project? \$7,000 _____

Estimate the percentage of jobs to be created by the Applicant upon completion of the Project that will be filled by County residents: 100 _____%

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 retain the number of jobs, types of occupations and amount of payroll with respect to the Project set forth in this Application.

B. (i) Will the Applicant transfer current employees from existing location(s)? If YES, describe, please describe the number of current employees to be transferred and the location from which such employees would be transferred:

YES _____

NO X _____

(ii) Describe the number of estimated full time equivalent construction jobs to be created as a result of undertaking the project, to the extent any:

150 jobs

C. What, if any, is the anticipated increase in the dollar amount of production, sales or services rendered as a result of the Project?

\$1,500,000
annually _____

What percentage of the foregoing amount is subject to New York sales and use tax?

1%

Describe any other municipal revenues that will result from the Project (excluding the above and any PILOT payments):

D. What is the estimated aggregate annual amount of goods and services to be purchased by the Applicant for each year after completion of the Project and what portion will be sourced from businesses located in the County and the State (including the County):

	<u>Amount</u>	<u>% Sourced in County</u>	<u>% Sourced in State</u>
Year 1	\$200,000__	50 _____	65 _____
Year 2	\$210,000__	50 _____	65 _____
Year 3	\$220,000__	50 _____	65 _____

E. Describe, if applicable, other benefits to the County anticipated as a result of the Project, including a projected annual estimate of additional sales tax revenue generated, directly and indirectly, as a result of undertaking the project:

F. Costs to the County and affected municipalities:

Estimated Value of Sales Tax Exemption: \$221,662 _____

Estimated Value of Mortgage Tax Exemption: \$94,500 _____

Estimated Property Tax Exemption: \$2,200,000 total _____

Existing Property Tax paid on the Land and/or

Building: (please provide current tax bills) \$105,000_____

Estimated new Real Property Tax Revenue if the Project did not receive Real Property Tax exemption: \$400,000_____

Estimated new Real Property Tax Revenue if the Project does receive Real Property Tax exemption: \$250,000 avg. _____

G. Describe any other one-time municipal revenues (not including fees payable to the Agency) that the Project will create:

est. \$100,000 permit and related fees

PART V. PROJECT CONSTRUCTION SCHEDULE

A. Has construction work on the Project begun? If YES, indicate the percentage of completion:

- | | | | | |
|----|-------------------------------|---------|--------|------------------|
| 1. | (a) Site clearance | YES ___ | NO X__ | _____ % complete |
| | (b) Environmental Remediation | YES ___ | NO X__ | _____ % complete |
| | (c) Foundation | YES ___ | NO X__ | _____ % complete |
| | (d) Footings | YES ___ | NO X__ | _____ % complete |
| | (e) Steel | YES ___ | NO X__ | _____ % complete |
| | (f) Masonry | YES ___ | NO X__ | _____ % complete |
| | (g) Interior | YES ___ | NO X__ | _____ % complete |
| | (h) Other (describe below): | YES ___ | NO X__ | _____ % 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?

12/1/14

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):

1 year. Open by 1/1/16.

PART VI. ENVIRONMENTAL IMPACT

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

- 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__

- 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 Assessment Form. If an environmental report has been or is being prepared in connection with the Project, please provide a copy.

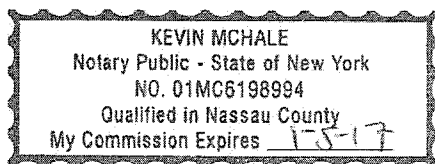
D. The Applicant authorizes the Agency to make inquiry of the United States Environmental Protection Agency, the New York State Department of Environmental Conservation or any other appropriate federal, state or local governmental agency or authority as to whether the Project site or any property adjacent 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: William Warren Properties, Inc.
Signature: [Handwritten Signature]
Name: Gary Sugarman
Title: Principal, CSO
Date: 8/15/14

Sworn to before me this 15
day of August, 2014

[Handwritten Signature]
Notary Public



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 retain 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 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 lenders, title companies and their respective attorneys must be satisfactory to and approved in writing by the Agency.

Understood and Agreed to:

Name of
Applicant: William Warren Properties, Inc. _

By: _____
Name/Title: Gary Sugarman,
Principal/CSO

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, transaction counsel, economic development consultant, real property tax valuation consultant and other experts and consultants (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 is unable to secure 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.

As an authorized representative of the Applicant, I acknowledge and agree on behalf of the Applicant that each of the Agency's general counsel, transaction counsel, economic development consultant, real property tax valuation consultant and other experts and consultants is an intended third-party beneficiary of this Certification and Agreement, and that each of them may (but shall not be obligated to) enforce the provisions of the immediately preceding paragraph, whether by lawsuit or otherwise, to collect the fees and expenses of such party or person incurred by the Agency (whether or not first paid by the Agency) with respect to the Application.


Upon successful closing of the "straight lease" transaction, 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) 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.

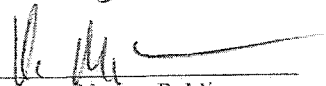
- (B) General Counsel Fee – One-tenth (1/10) of one percent (1%) of total project costs, with a minimum fee of \$2,000.
- (C) Two Thousand Five Hundred Dollars (\$2,500) closing compliance fee payable at closing and One Thousand Dollars (\$1,000) per year (or part thereof) administrative fee, payable 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.
- (D) Refinancings – The Agency fee shall be determined on a case-by-case basis.
- (E) Assumptions – The Agency fee shall be determined on a case-by-case basis.
- (F) Modifications – The Agency fee shall be determined on a case-by-case basis.

Transaction counsel fees and expenses are payable at closing and are based on the work performed in connection with the Project.

Upon the termination 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 general counsel, transaction counsel, and all applicable recording, filing or other related fees, taxes and charges.


 Name Georg M. Zerman
 Title Principal CSO

Sworn to before me this 15
 day of August, 2017


 Notary Public

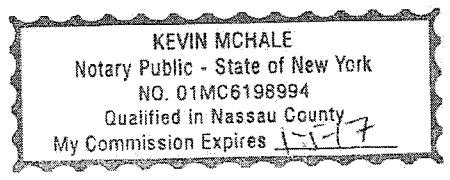


TABLE OF SCHEDULES:

<u>Schedule</u>	<u>Title</u>	<u>Complete as Indicated Below</u>
A.	Intentionally omitted	
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 Q.2. of Application
E.	Retail Questionnaire	If Applicant checked "YES" in Part II, Question P 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 transaction, if different than the Applicant, including the personal financial statement of any anticipated Guarantor that is a natural person.	
	5. Dun & Bradstreet report.	
G.	Environmental Assessment Form	All applicants
H.	Other Attachments	As required

Schedule A

Intentionally omitted

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.

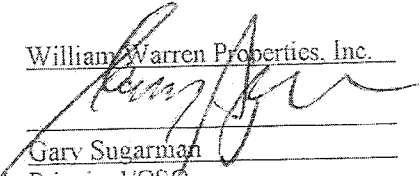
- C. Please be advised that the New York State Industrial Development Agency Act imposes additional annual reporting requirements on the Agency, and the Applicant will be required to furnish information in connection with such reporting, as follows:

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 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: William Warren Properties, Inc.
Signature: 
Name: Gary Sugarman
Title: Principal/CSO
Date: 8/14/14

GUIDELINES FOR ACCESS TO EMPLOYMENT OPPORTUNITIES

INITIAL EMPLOYMENT PLAN

Prior to the granting of financial assistance, the Applicant shall complete the following employment plan:

Applicant Name: William Warren Properties, Inc. _____

Address: 201 Wilshire Blvd., Suite 102, Santa Monica, CA 90401 _____

Type of Business: Real estate development - self storage _____

Contact Person: Gary Sugarman _____
 Tel. No.: 516-584-6655 _____

Please complete the following table describing the Applicant's projected employment plan following receipt of financial assistance:

<u>Current and Planned Occupations</u> (provide NAICS Code for each)	<u>Current Number Full Time Equivalent Jobs Per Occupation</u>		<u>Estimated Number of Full Time Equivalent Jobs in the County After Completion of the Project:</u>		
	<u>County</u>	<u>Statewide</u>	<u>1 year</u>	<u>2 years</u>	<u>3 years</u>
	493190 _____	0 _____	0 _____	3 _____	3 _____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

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

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

The project would create approximately 20 temporary construction jobs commencing approximately 1/1/15

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

YES _____

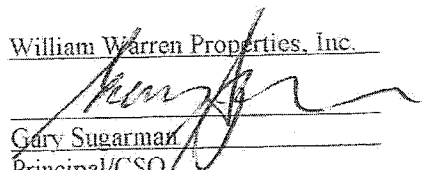
NO X__

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 retain the above number of jobs, types of occupations and amount of payroll with respect to the proposed project.

Attached hereto is a true, correct and complete copy of the Applicant's most recent Quarterly Combined Withholding, Wage Reporting, and Unemployment Insurance Return (Form NYS-45-MN) (first page only). Upon request of the Agency, the Applicant shall provide such other or additional information or documentation as the Agency may require with respect to the Applicant's current employment levels in the State of New York.

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:	<u>William Warren Properties, Inc.</u>
Signature:	
Name:	<u>Gary Sugarman</u>
Title:	<u>Principal/CSO</u>
Date:	<u>8/14/14</u>

ANTI-RAIDING QUESTIONNAIRE

(To be completed by Applicant if Applicant checked "YES" in Part I, Question O.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 X

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?

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?

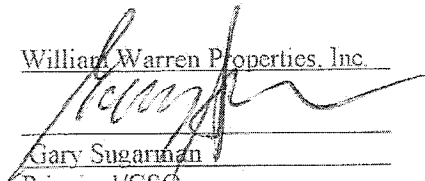
YES _____ NO _____

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: William Warren Properties, Inc.
Signature: 
Name: Gary Sugarman
Title: Principal/CSO
Date: 8/14/14

RETAIL QUESTIONNAIRE

(To be completed by Applicant if Applicant checked either "YES" in Part II, Question P 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 other sources) 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 other sources) 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?

2 %

- 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

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 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

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?

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.

YES _____

NO _____

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

Retail Sales: _____ 1%

Services: _____ 99%

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

Retail Sales: _____ 0.5%

Services: _____ 99.5%

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:

William Warren Properties, Inc.

Signature:

Name:

Title:

Date:

Gary Sugarman

Principal/CSO

8/14/14

Schedule F

APPLICANT'S FINANCIAL ATTACHMENTS

William Warren Properties, Inc.
Balance Sheet
As of December 31, 2013

<u>Dec 31, 13</u>	<u>Dec 31, 12</u>
-------------------	-------------------

ASSETS

Current Assets

Total Checking/Savings

Total Other Current Assets

Total Current Assets

Fixed Assets

3000 · Fixed Assets

Total Fixed Assets

Other Assets

3500 · Investment

Total Other Assets

TOTAL ASSETS

LIABILITIES & EQUITY

Liabilities

Current Liabilities

Total Other Current Liabilities

Total Current Liabilities

Total Long Term Liabilities

Total Liabilities

Equity

4217 · Capital Stock-Kent Christensen

4200 · Capital Stock-Hobin

4210 · Capital Stock-Porter

4215 · Capital Stock-Tim Hobin

4230 · Retained Earnings

Net Income

Total Equity

TOTAL LIABILITIES & EQUITY

William Warren Properties, Inc.
Profit & Loss
January through December 2013

Jan - Dec 13

Jan - Dec 12

Ordinary Income/Expense

Total Income

Expense

6000 · 401K
6005 · Advertising
6010 · Automobile Expense
6015 · Bank Service Charges
6020 · Consulting Fee Expense
6025 · Donations
6030 · Dues and Subscriptions
6035 · Education & Seminars
6040 · Equipment Rental
6045 · Gifts
6050 · Insurance
6055 · Interest Expense
6060 · Janitorial Services
6065 · Licenses and Permits
6070 · Office Supplies
6075 · Officer's Salary
6080 · Outside Services
6085 · Payroll Service
6090 · Postage and Delivery
6095 · Printing and Reproduction
6100 · Professional Fees
6105 · Rent
6110 · Repairs
6115 · Security
6120 · Taxes
6125 · Telephone
6130 · Travel & Ent
6200 · Wages

Total Expense

Net Ordinary Income

Net Other Income

Net Income

Schedule G

ENVIRONMENTAL ASSESSMENT FORM

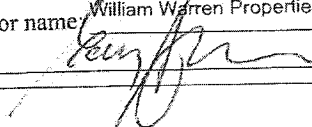
617.20
Appendix B
Short Environmental Assessment Form

Instructions for Completing

Part 1 - Project Information. The applicant or project sponsor is responsible for the completion of Part 1. Responses become part of the application for approval or funding, are subject to public review, and may be subject to further verification. Complete Part 1 based on information currently available. If additional research or investigation would be needed to fully respond to any item, please answer as thoroughly as possible based on current information.

Complete all items in Part 1. You may also provide any additional information which you believe will be needed by or useful to the lead agency; attach additional pages as necessary to supplement any item.

Part 1 - Project and Sponsor Information			
Name of Action or Project: William Warren Properties, Inc. Westbury Self Storage Project			
Project Location (describe, and attach a location map): 401-415 Railroad Avenue, Westbury, NY			
Brief Description of Proposed Action: Raze existing structures on premises and construct a state-of-the-art 90,000 square foot premium StorQuest brand self-storage facility.			
Name of Applicant or Sponsor: William Warren Properties, Inc.		Telephone: 516-584-6655	
		E-Mail: gsugarman@williamwarren.com	
Address: 201 Wilshire Blvd., Suite 102			
City/PO: Santa Monica	State: CA	Zip Code: 90401	
1. Does the proposed action only involve the legislative adoption of a plan, local law, ordinance, administrative rule, or regulation? If Yes, attach a narrative description of the intent of the proposed action and the environmental resources that may be affected in the municipality and proceed to Part 2. If no, continue to question 2.			NO <input checked="" type="checkbox"/>
2. Does the proposed action require a permit, approval or funding from any other governmental Agency? If Yes, list agency(s) name and permit or approval: Nassau County Industrial Development Agency			YES <input checked="" type="checkbox"/>
3.a. Total acreage of the site of the proposed action?			1.1 acres
b. Total acreage to be physically disturbed?			1.1 acres
c. Total acreage (project site and any contiguous properties) owned or controlled by the applicant or project sponsor?			0 acres
4. Check all land uses that occur on, adjoining and near the proposed action. <input type="checkbox"/> Urban <input type="checkbox"/> Rural (non-agriculture) <input checked="" type="checkbox"/> Industrial <input type="checkbox"/> Commercial <input type="checkbox"/> Residential (suburban) <input type="checkbox"/> Forest <input type="checkbox"/> Agriculture <input type="checkbox"/> Aquatic <input type="checkbox"/> Other (specify): _____ <input type="checkbox"/> Parkland			

18. Does the proposed action include construction or other activities that result in the impoundment of water or other liquids (e.g. retention pond, waste lagoon, dam)? If Yes, explain purpose and size: _____	NO	YES
_____	<input checked="" type="checkbox"/>	<input type="checkbox"/>
19. Has the site of the proposed action or an adjoining property been the location of an active or closed solid waste management facility? If Yes, describe: _____	NO	YES
_____	<input checked="" type="checkbox"/>	<input type="checkbox"/>
20. Has the site of the proposed action or an adjoining property been the subject of remediation (ongoing or completed) for hazardous waste? If Yes, describe: _____	NO	YES
_____	<input checked="" type="checkbox"/>	<input type="checkbox"/>
I AFFIRM THAT THE INFORMATION PROVIDED ABOVE IS TRUE AND ACCURATE TO THE BEST OF MY KNOWLEDGE		
Applicant/sponsor name: <u>William Warren Properties, Inc.</u>	Date: <u>7-25-14</u>	
Signature: 		

Part 2 - Impact Assessment. The Lead Agency is responsible for the completion of Part 2. Answer all of the following questions in Part 2 using the information contained in Part 1 and other materials submitted by the project sponsor or otherwise available to the reviewer. When answering the questions the reviewer should be guided by the concept "Have my responses been reasonable considering the scale and context of the proposed action?"

	No, or small impact may occur	Moderate to large impact may occur
1. Will the proposed action create a material conflict with an adopted land use plan or zoning regulations?	<input type="checkbox"/>	<input type="checkbox"/>
2. Will the proposed action result in a change in the use or intensity of use of land?	<input type="checkbox"/>	<input type="checkbox"/>
3. Will the proposed action impair the character or quality of the existing community?	<input type="checkbox"/>	<input type="checkbox"/>
4. Will the proposed action have an impact on the environmental characteristics that caused the establishment of a Critical Environmental Area (CEA)?	<input type="checkbox"/>	<input type="checkbox"/>
5. Will the proposed action result in an adverse change in the existing level of traffic or affect existing infrastructure for mass transit, biking or walkway?	<input type="checkbox"/>	<input type="checkbox"/>
6. Will the proposed action cause an increase in the use of energy and it fails to incorporate reasonably available energy conservation or renewable energy opportunities?	<input type="checkbox"/>	<input type="checkbox"/>
7. Will the proposed action impact existing:	<input type="checkbox"/>	<input type="checkbox"/>
a. public / private water supplies?	<input type="checkbox"/>	<input type="checkbox"/>
b. public / private wastewater treatment utilities?	<input type="checkbox"/>	<input type="checkbox"/>
8. Will the proposed action impair the character or quality of important historic, archaeological, architectural or aesthetic resources?	<input type="checkbox"/>	<input type="checkbox"/>
9. Will the proposed action result in an adverse change to natural resources (e.g., wetlands, waterbodies, groundwater, air quality, flora and fauna)?	<input type="checkbox"/>	<input type="checkbox"/>

	No, or small impact may occur	Moderate to large impact may occur
10. Will the proposed action result in an increase in the potential for erosion, flooding or drainage problems?	<input type="checkbox"/>	<input type="checkbox"/>
11. Will the proposed action create a hazard to environmental resources or human health?	<input type="checkbox"/>	<input type="checkbox"/>

Part 3 - Determination of significance. The Lead Agency is responsible for the completion of Part 3. For every question in Part 2 that was answered "moderate to large impact may occur", or if there is a need to explain why a particular element of the proposed action may or will not result in a significant adverse environmental impact, please complete Part 3. Part 3 should, in sufficient detail, identify the impact, including any measures or design elements that have been included by the project sponsor to avoid or reduce impacts. Part 3 should also explain how the lead agency determined that the impact may or will not be significant. Each potential impact should be assessed considering its setting, probability of occurring, duration, irreversibility, geographic scope and magnitude. Also consider the potential for short-term, long-term and cumulative impacts.

<input type="checkbox"/>	Check this box if you have determined, based on the information and analysis above, and any supporting documentation, that the proposed action may result in one or more potentially large or significant adverse impacts and an environmental impact statement is required.
<input type="checkbox"/>	Check this box if you have determined, based on the information and analysis above, and any supporting documentation, that the proposed action will not result in any significant adverse environmental impacts.
_____	_____
Name of Lead Agency	Date
_____	_____
Print or Type Name of Responsible Officer in Lead Agency	Title of Responsible Officer
_____	_____
Signature of Responsible Officer in Lead Agency	Signature of Preparer (if different from Responsible Officer)

PRINT

OTHER ATTACHMENTS

Applicant History/Description -

William Warren Properties, Applicant, has been in the real estate development and self-storage business for twenty years, as it was founded in 1994. Based in Santa Monica, California, Applicant owns and operates more than one hundred self-storage facilities across California, Colorado, Hawaii, Arizona, Texas, South Carolina and Florida, and is currently in the process of developing sites in New York and New Jersey as part of its national development program. Among the five largest privately-held self-storage operators in the industry, Applicant is best known for its exceptionally high-quality facilities, providing its customers with the highest levels of service, its state-of-the-art website, digital marketing presence, operating platform, and for its StorQuest brand. Please refer to the following websites for additional information:

williamwarren.com
storquest.com

William Warren Properties, Inc. Affiliates (i.e., 50% or greater common ownership) –

BTC Storage Partners, LLC

SQ – Manager, LLC

BTC – StorQuest, LLC

BTC – Sunset, LLC

Arizona Arrowmini Self Storage, LP

Arrowmini, LLC

WWG – SCG, LLC

SQ – SCG MM, LLC

WWG – CF 1, LLC

WWG – CG 1 MM, LLC