Application for Financial Assistance

Town of Islip IDA
40 Nassau Avenue
Islip, New York 11751
Phone 631.224.5512
Fax 631.224.5532

Updated 6-2014
APPLICANT INSTRUCTIONS

♦ In order for a Town of Islip IDA Application to be reviewed in a timely manner, it must be complete. All questions must be answered and all required attachments must be included.
♦ Use "None" or "Not Applicable" where necessary.
♦ Part VI—Bond Information, need only be completed by applicants for Taxable or Tax Exempt Industrial Development Bonds.
♦ All applicants must submit an original and two (2) copies of all documents to the Agency.
♦ All applications must be accompanied by a $1,000 non-refundable fee to the Town of Islip Industrial Development Agency, and a $500 non-refundable fee to the Town of Islip for the EAF Review required by the State Environmental Quality Review Act (SEQRA). (If the project has already undergone a SEQRA review during the preview process, then applicant can submit the completed EAF for the one attached to the application).

APPLICANT CHECKLIST

☐ I have completed all sections of the attached application.

☐ I have signed and notarized the Certification Section (Part VII-A).

☐ I have signed Part VII-B regarding the Fee Structure for all IDA transactions.

☐ I have attached all company financial information required by Part VIII-A.

☐ I have completed and signed the Environmental Assessment Form required by SEQRA. (If the project has already undergone a SEQRA review during a previous process, substitute the completed EAF for the one that was attached to this application).

☐ I have completed and signed Form RP485-b as required by Real Property Tax Law.

☐ I have submitted the original and two (2) copies of all application materials to the Agency for review.

☐ I have submitted an application fee check for $1,000 payable to the Town of Islip IDA.

☐ I have submitted a $500 check payable to the Town of Islip for the SEQRA review. (If the project has already undergone a SEQRA review during a previous process, and the applicant substitutes the completed EAF for the one attached to the application, the $500 SEQRA fee is waived).
PART I  Company (Owner/User) Data
PART II  Project Data
PART III  Employment/Sales Data
PART IV  Construction Schedule
PART V  Project Costs/Financing
PART VI  Certifications
PART VII  Required Attachments
  1. Financial Information
  2. EAF
  3. RP 485-b
I. OWNER & USER DATA

A. Owner Data

1. Company Name: INVAGEN PHARMACEUTICALS, INC.
   Current Address: 7 OSER AVENUE, HAUPPAUGE, NY 11788

2. Company Officer certifying this application
   Name: SUDHAKAR VIDIYALA
   Mailing Address: 7 OSER AVENUE, HAUPPAUGE, NY 11788
   Telephone: [Redacted], Fax: [Redacted]
   Email: [Redacted]

3. Business Type
   [ ] Sole Proprietorship [ ] General Partnership
   [ ] Limited Partnership [ ] Limited Liability Company
   [ ] Not-for-profit Corporation [ ] Privately Held Corporation
   [ ] Education Corporation [ ] Other
   [ ] Public Corporation—Listed on __________________ Exchange

4. State of Incorporation: NEW YORK

5. Principal Officers
   Name: SUDHAKAR VIDIYALA
   Title: PRESIDENT & CHIEF EXECUTIVE OFFICER
   Name: MADHAVA REDDY
   Title: CHIEF OPERATING OFFICER

6. Principal Stockholders

7. Owner's Legal Counsel
   Name: PETER L. CURRY
   Firm Name: FARRELL FRITZ, P.C.
   Address: 1320 ROX PLAZA, UNIONDALE, NY 11558-1320
   Telephone: [Redacted], Fax: [Redacted]
   Email: [Redacted]

8. Bank References
   CITIBANK, N.A.

9. Major Trade References
   CAMBER PHARMACEUTICALS INC.

10. Nature of Business
    (i.e. "manufacturer of ___ for ___ industry" or "warehouse distributor of ___" or "real estate holding company")
    MANUFACTURER OF GENERIC PHARMACEUTICAL PRODUCTS.

11. NAICS Code: [Redacted]
    *For help determining your NAICS code, please visit http://www.naics.com*
I. OWNER & USER DATA

B. User Data

For co-applicants, where a tenant/landlord relationship will exist between the owner and the user, the user must occupy at least 50% of the square footage of the facility.

1. Company Name
   Current Address

2. Company Officer certifying this application
   Name
   Mailing Address
   Telephone Fax
   Email

3. Business Type
   □ Sole Proprietorship □ General Partnership
   □ Limited Partnership □ Limited Liability Company
   □ Not-for-profit Corporation □ Privately Held Corporation
   □ Education Corporation □ Other
   □ Public Corporation—Listed on ___________ Exchange

4. State of Incorporation

5. Principal Officers
   Name Title

6. Principal Stockholders
   Name Title

7. User's Legal Counsel
   Name
   Firm Name
   Address
   Telephone Fax
   Email

8. Bank References

9. Major Trade References

10. Nature of Business
    (i.e. "manufacturer of ___ for ___ industry" or "warehouse distributor of ___" or "real estate holding company")

11. NAICS Code
    For help determining your NAICS code, please visit http://www.naics.com
II. PROJECT DATA

A. Location

1. Street Address South Technology Drive, Central Islip, NY

2. Tax Map
   
   District #  0500  
   Section #  207.00  
   Block #  01.00  
   Lot #  P0 004.016

3. Acreage APPROXIMATELY 14 ACRES

4. Municipal Jurisdictions
   
   Town ISLIP
   Village N/A
   School District 13 - CENTRAL ISLIP

B. Description (Check all that apply)

- New Construction 260,000 Square Feet
- Addition to Existing Facility
- Acquisition of Existing Facility
- Acquisition & Renovation of Existing Facility
- Purchase of New Machinery & Equipment
- Other (specify)

C. Related Facilities

1. Are other facilities or related companies located within the state? ■ Yes □ No
   
   Address 600 OLD WILLETS PATH, HAUPPAUGE, NY 11788
   7 OSER AVENUE, HAUPPAUGE, NY 11788

2. If yes to above (C-1), will any of these facilities close or be subject to reduced activity? ■ Yes □ No

3. If yes to above (C-2), please describe:

D. Real Estate Search

1. Has the company actively sough sites in another state or outside the New York metropolitan region? ■ Yes □ No

2. If yes to above (D-1), please list the states/regions considered:

E. Present Owner

1. Who is the current legal of owner of the site? TOWN OF ISLIP

2. Is there a purchase option or other legal or common control in the project? ■ Yes □ No

3. Is there an existing or proposed lease for the project? ■ Yes □ No

4. If yes to either above (E-2 or E-3), please explain (i.e. purchase price, term of lease):
II. PROJECT DATA

F. Project Narrative

1. Describe the project in detail, emphasizing the following:
   A. Specific operations of the company to be conducted at the project premises
      (product manufactured/warehoused, services rendered)
   B. Proposed product lines and market demands
   C. Need for the new facility
   D. Square footage of the old facility
   E. Square footage of the new facility
   F. Type of building to be constructed
   G. Major equipment to be purchased

   A. MANUFACTURING AND DISTRIBUTION OF PHARMACEUTICALS, PRODUCTS, RESEARCH AND DEVELOPMENT.
   B. THERE IS AN INCREASING NEED FOR GENERIC PHARMACEUTICAL PRODUCTS, WHICH INVAGEN WILL DEVELOP AND MARKET.
   C. THE COMPANY IS EXPANDING RAPIDLY AND WILL OUTGROW ITS CURRENT FACILITIES. IT WOULD PREFER TO CONCENTRATE ITS BUSINESS OPERATIONS ON LONG ISLAND, WHERE IT IS HEADQUARTERED.
   D. THE COMPANY CURRENTLY HAS 92,000 SQUARE FEET OF SPACE IN HAUPPAUGE, AND RELATED ENTITY ASCENT PHARMACEUTICALS OPERATES 250,000 SQUARE FEET IN CENTRAL ISLIP.
   E. APPROXIMATELY 260,000 SQUARE FEET.
   F. MASONRY AND STEEL.
   G. MANUFACTURING AND PACKAGING EQUIPMENTS, R&D EQUIPMENT, FURNITURE, COMPUTER AND TELEPHONE SYSTEMS.

2. For pollution controls, also describe:
   A. Type of pollution to be abated
   B. Method of abatement
   C. Existing orders of environmental agencies
III. EMPLOYMENT/SALES DATA

A. Employees

<table>
<thead>
<tr>
<th></th>
<th>Current</th>
<th>First year upon completion</th>
<th>Second year upon completion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Full time</td>
<td>390</td>
<td>440</td>
<td>490</td>
</tr>
<tr>
<td>Part time</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Seasonal</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>390</td>
<td>440</td>
<td>490</td>
</tr>
</tbody>
</table>

B. Payroll

<table>
<thead>
<tr>
<th></th>
<th>Current</th>
<th>First year upon completion</th>
<th>Second year upon completion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total $</td>
<td>20,000,000</td>
<td>$23,240,000</td>
<td>$26,655,000</td>
</tr>
</tbody>
</table>

C. Average Annual Wages

<table>
<thead>
<tr>
<th></th>
<th>Current</th>
<th>First year upon completion</th>
<th>Second year upon completion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total $</td>
<td>51,250</td>
<td>$52,825</td>
<td>$54,400</td>
</tr>
</tbody>
</table>

D. Sales

<table>
<thead>
<tr>
<th></th>
<th>Current</th>
<th>First year upon completion</th>
<th>Second year upon completion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total $</td>
<td>140,000,000</td>
<td>$200,000,000</td>
<td>$250,000,000</td>
</tr>
</tbody>
</table>

IV. PROJECT CONSTRUCTION SCHEDULE

A. Key Dates (proposed)

<table>
<thead>
<tr>
<th>Event</th>
<th>Month &amp; Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Construction commencement</td>
<td>March, 2015</td>
</tr>
<tr>
<td>2. Construction completion</td>
<td>March, 2016</td>
</tr>
<tr>
<td>3. Building Occupancy</td>
<td>April, 2016</td>
</tr>
</tbody>
</table>

B. Please check if any of the following applications/permits have been filed for the project:

- Change of Zone
- Special Use
- Variance
- Interior Alterations
- Building
- Site plan
V. PROJECT COSTS/FINANCING

A. Estimate the costs necessary for the construction, acquisition, rehabilitation, improvement and/or equipping of the project.

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Land</td>
<td>$2,770,000</td>
</tr>
<tr>
<td>2. Site Work</td>
<td>1,100,000</td>
</tr>
<tr>
<td>3. Building (new construction)</td>
<td>25,000,000</td>
</tr>
<tr>
<td>4. Building (rehabilitation)</td>
<td></td>
</tr>
<tr>
<td>5. Engineering &amp; Architectural Fees</td>
<td>80,000</td>
</tr>
<tr>
<td>6. Machinery &amp; Equipment</td>
<td>8,000,000</td>
</tr>
<tr>
<td>7. Other (specify)</td>
<td></td>
</tr>
</tbody>
</table>

**TOTAL PROJECT COST**

$36,950,000

B. Please provide the amount of sales tax exemptions that your project requires

$______________________

B1. If your project has a landlord/tenant arrangement, please provide the breakdown of the number above

C. How does the company propose to finance the project?

<table>
<thead>
<tr>
<th></th>
<th>Amount</th>
<th>Term</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Tax Exempt IDB*</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Taxable IDB*</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Conventional Mortgage</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(with IDA sale/leaseback)</td>
<td>18,500,000</td>
<td>20 YR</td>
</tr>
<tr>
<td>4. Owner/User Self-Financing</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(with IDA sale/leaseback)</td>
<td>18,450,000</td>
<td></td>
</tr>
<tr>
<td>5. JDA/SBA</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. Other loans</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7. Company/Owner Equity contribution</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**TOTAL AMOUNT FINANCED**

$36,950,000

D. Please estimate when the above amounts will be required

MARCH, 2015

Month & Year

* The Agency Fee of one-half of a basis point (.006) will be applied against the total project cost or, where applicable, against the amount of the IDB issuance.
VI. CERTIFICATIONS

A. Applicant Responsibilities

SUDHAKAR VIDIYALA
(name of representative of entity submitting application or name of individual submitting application) deposed and says that s/he (choose and complete one of the following two options) (a) is a/the PRESIDENT & CEO (title) of INVAGEN PHARMACEUTICALS, INC.

(company name), the entity named in the attached application, or (b) is the individual named in the attached application; that s/he has read the foregoing application and knows the contents thereof; and that the same is true of his/her knowledge.

Deponent further says that s/he is duly authorized to make this certification on behalf of her/himself or on behalf of the entity named in the attached application. The grounds of deponent's belief relative to all matters in said application which are not stated upon his/her own personal knowledge are investigations which deponent has caused to be made concerning the subject matter of this application as well as, if deponent is not an individual applicant, information acquired by deponent in the course of his/her duties in connection with said entity and from the books and papers of said entity.

As (a) the representative of said entity, or (b) the individual applicant (such entity or individual applicant hereinafter referred to as the "Applicant"), deponent acknowledges and agrees that the Applicant shall be and is responsible for all costs incurred by the Town of Islip Industrial Development Agency (hereinafter referred to as the "Agency"), acting on behalf of the Applicant in connection with this application and all matters relating to the provision of financial assistance to which this application and all matters relating to the provision of financial assistance to which this application relates. If, for any reason whatsoever, the Applicant fails to conclude or consummate necessary negotiations or fails to act within a reasonable or specified period of time to take reasonable, proper or requested action or withdraws, abandons, cancels or neglects the application, then upon presentation of an invoice, the Applicant shall pay to the Agency, its agents or assigns, all actual costs incurred with respect to the application up to that date and time, including fees to transaction counsel for the Agency and fees of general counsel for the Agency. Upon the successful conclusion of the transaction contemplated herein, the Applicant shall pay to the Agency an administrative fee set by the Agency, in accordance with its fee schedule in effect on the date of the foregoing application, which amount is payable at closing.

[Signature]

Print Name SUDHAKAR VIDIYALA
Title PRESIDENT & CEO

NOTARY
Sworn to before me this 5 day of February, 2015

[Notary Seal]