

Applicant's Accountant: Name: Stuart Nathanson

Phone #: [REDACTED]

Fax #: [REDACTED]

Firm and Address: ERE Accountants & Advisors, 440 Park Avenue South, 5th Floor, New York, NY 10016-8012

II. PROJECT INFORMATION

1. Please briefly describe the proposed project; if machinery and equipment is to be acquired, please list the type: Acquisition of 50,221 SF industrial building on 78,919 SF property, conversion of building to new commercial bakery facility, and relocation of company from existing Bronx facility to new facility. Purchase of spiral cooler, spiral freezer, tunnel oven and slurry mixer.

2. Please give best estimates for all anticipated costs and proposed sources of financing involved in the project:

Uses of Funds		Sources of Funds	
Land & Building (Acquisition)	5,250,000	Bonds	5,900,000
New Construction		Loans (Please identify Sources)	400,000 (Bank)
Renovations/Building Improvements	500,000	Company Funds	1,351,782
Machinery/Equipment	1,000,000	Officer Equity/Loans	
Fees/Other Soft Costs	501,782	Other Sources (Please identify)	
Other (explain)	400,000 (Refinance existing mortgage)		
Total Project Costs	7,651,782	Total Project Sources	7,651,782

Please explain costs, loans and other sources of funding on a separate sheet.

3. Please provide the following information relating to the proposed project site.

Street Address & Borough	Block Lot & Section Number	Square Footage of Land	Square Footage Of Building	Currently Owned or Leased	Number of Floors including Basement	Zoning
1261 Seabury Avenue, Bronx 10462	Block 3843 Lot 45	78,919	50,221	To be acquired	1	M1-1

SWEET SAMS BAKING COMPANY LLC
 ACQUISITION OF NEW FACILITY
 BRONX, NEW YORK

PRELIMINARY SOURCES AND USES - LETTER OF CREDIT

USES	COST	SOURCES EXEMPT	TAXABLE BOND DEBT	OTHER	EQUITY	TOTAL
LAND (AS PART OF LAND/BLG)	1,575,000 (1)	1,450,000	0		125,000	1,575,000
BUILDING (AS PART OF LAND / BLG)	3,675,000	3,200,000			475,000	3,675,000
LAND/BUILDING TOTAL	5,250,000	4,650,000	0	0	600,000	5,250,000
RENOVATION	500,000 (2)	500,000			0	500,000
MACHINERY	1,000,000 (3)	635,350			364,650	1,000,000
REFINANCE EXISTING MTGE	400,000			400,000		400,000
COST OF ISSUANCE (UNQUALIFIED)	159,650 (4)	114,650			45,000	159,650
CONSTRUCTION FEES/EXPENSES	122,500				122,500	122,500
CLOSING COSTS (UNQUALIFIED)	209,632 (5)				209,632	209,632
OTHER FEES/EXPENSES	10,000		0		10,000	10,000
TOTAL	7,651,782	5,900,000	0	400,000	1,351,782	7,651,782
RESERVE	0		0	0	0	0
TOTAL USES	7,651,782	5,900,000	0	400,000	1,351,782	7,651,782

NOTES:

- (1) Land Cost Funded from Exempt Bonds Must Equal Less than 25% of Bond Proceeds = 24.58%
- (2) Renovation cost financed from bond proceeds must be equal to or greater than 15% = 15.6%
- (3) To Be Determined *for building cost*
- (4) Cannot exceed 2% of bond proceeds = 1.9%
- (5) Cost of Issuance and Unqualified Costs cannot total more than 5% of bond proceeds = 1.9%
- (6) Qualified Costs =

2/17/04

SWEET SAMS BAKING COMPANY LLC							
ACQUISITION OF NEW FACILITY							
BRONX, NEW YORK							
PRELIMINARY ESTIMATE FEES & EXPENSES - LETTER OF CREDIT							
Project Cost	7,150,000	(NIC FEES)					
Total Est. Financing	5,900,000						
Tax-Exempt Bond - (Series A)	5,900,000						
Taxable Bond - (Series B)	-						
Tax-Exempt Bond-Refunding	-						
Secondary Financing	-						
	Series A/B	Category Total	Qualified	Unqualified	Cost of Issuance	Other	
	03/30/04						
CLOSING							
Title/Mortgage Ins.	20,650				20,650		
Insurance		20,650					
BANK							
Commitment Fee - Primary	59,145			59,145			
Commitment Fee - Secondary	-						
LC Fee (Partial)	14,788			14,788			
Legal - Primary	25,000			25,000			
Legal/Fees - Secondary	-						
Appraisal	10,000				10,000		
		108,932					
COMPANY							
Legal	25,000				25,000		
Other Prof Fees	7,500				7,500		
Mis Expenses	2,500				2,500		
		35,000					
AGENCY							
IDA Fee	54,500			54,500			
Bond Counsel	30,000				30,000		
Agency Counsel	5,000				5,000		
IDA Annual Fee	750			750			
Trustee Counsel	3,000			3,000			
Trustee Initiation	2,800			2,800			
Trustee Annual	2,100			2,100			
Mis Expenses	2,500			2,500			
		100,450					
UNDERWRITER							
Fee	59,000				59,000		
Remarketing Fee	14,750			14,750			
Counsel	20,000			20,000			
Rating Agency	5,000			5,000			
Printing	3,500			3,500			
Expenses	2,000			2,000			
		104,250					
OTHER							
Surveys	5,000					5,000	
Environmental	5,000					5,000	
		10,000					
ESTIMATED CLOSING COSTS							
		379,282					
OTHER FEES AND EXPENSES							
		0					
TOTAL COST SERIES A/B							
		379,282	0	209,632	159,650	10,000	379,282
CONSTRUCTION/PROJECT EXPENSE							
Architectural/Engineering	35,000						
Project	25,000						
Soil Testing	10,000						
Fees/Expenses	25,000						
Surveys	5,000						
Inspections	7,500						
Insurance (Construction)	5,000						
Construction Yr. Interest	-						
Environmental	10,000						
		122,500					
TOTAL PROJECT COST							
		501,782					
2/17/2004							

4. Please provide the following information regarding all present and proposed tenant(s) and sub-tenants(s) at the proposed project site, their percentage of occupancy, and affiliation

Name Contact & Phone	Affiliation with Applicant	Square Feet & Floors (Percent of Occupancy)	Lease Expiration	Tenant Business
Not Applicable				

5. Provide street address, borough or town, for premises which you currently own or lease, even if you don't occupy same. Do you plan to terminate/sell/vacate/remain at such premises? With respect to currently leased premises, provide the name and address of the landlord and the expiration date of the lease term. Please provide additional details on an attached sheet.

Property Location	Borough/Town	Own/Lease	Landlord	Lease Expiration	Planned Disposition
1049 Zerega Avenue	Bronx	Lease	Grogan Realty, LLC	n/a	Rent

6. Is there a relationship, by virtue of common control or through related persons, directly or indirectly, between the Applicant and the present owner of the project site?

Yes No If yes, please provide all details on attached sheet.

7. Will a real estate holding company, limited liability company, or partnership be formed to own the project or premises?

Yes No

If yes, please provide the name and the address of same, the kind of entity (corporation, partnership, etc.), and its officers, partners, shareholders, members, and their respective percentage ownership, etc.
 Grogan Realty, 100% owned by David Grogan, will own the property to be acquired.

III. DUE DILIGENCE

1. List name(s), address(es), and phone and fax numbers of any other entity in which, directly or indirectly, Applicant or any of its shareholders, partners, directors, or officers individually or collectively hold 5% or more of the stock or ownership interest (an "Affiliate"). Please include real estate holding companies if applicable.

Entity Name	Address	Phone /Fax Number	Percent Interest
Grogan Realty, LLC	1049 Zerega Avenue, Bronx, NY 10462	[REDACTED]	100%

2. Has the Applicant or any of its Affiliates ever received, or is currently receiving, financial assistance or any other kind of discretionary benefit from any governmental entity or agency, including the New York City Industrial Development Agency?

Yes No If yes, please provide all details on attached sheet.

3. Has the Applicant, or any existing or proposed tenant of the proposed project facility, or any person related to any of the foregoing, received or benefited from with 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?

Yes No If yes, please provide all details on attached sheet.

4. Has the Applicant, or any stockholder, partner officer or director, or any entity with which any of the foregoing individuals have been associated, ever been adjudicated bankrupt or placed in receivership, or otherwise been the subject of a bankruptcy or similar proceedings (prior or current)?

Yes No If yes, please provide all details on attached sheet.

5. Have any of the Applicant's stockholders, partners, officers or directors ever been convicted of any criminal proceedings?

Yes No If yes, please provide all details on attached sheet.

6. Is the Applicant, or any stockholder, partner, officer or director of Applicant, a plaintiff or defendant in any civil or criminal proceedings?

Yes No If yes, please provide all details on attached sheet.

7. If you responded yes to the previous two questions, in what litigation is Applicant, or any of the individuals and entities currently involved, either as plaintiffs or as named defendants? Provide all details on attached sheet.

8. Does the Applicant have any contingent liabilities? (e.g., pending claims; federal, state or local tax liabilities; judgment liens; other liens, etc.)

Yes No If yes, please provide all details on attached sheet.

9. Has the Applicant filed all required tax returns with appropriate governmental jurisdictions entities?

Yes No If no, please provide all details on attached sheet.

Please provide the following information:

10. Company Principals (please attach a brief résumé)

Name	Title	Address	Social Security Number	Date of Birth
David A. Grogan	President	[REDACTED]	[REDACTED]	[REDACTED]

11. Major Customers

Company Name	Address	Phone/Fax	Contact Person	Percent of Sales
Starbucks Coffee	330 5th Ave New York, NY 10001	[REDACTED]	Steve Thompson Regional Manager	35%
Host Marriott	Dulles Airport 44844 Autopilot Dulles, VA 20166	[REDACTED]	Cody Dudley	5%
New World Restaurant Group (Einstein Bagels)	1687 Cole Blvd Golden, CO 80401	[REDACTED]	Lara James	4%

12. Major Suppliers

Company Name	Address	Phone/Fax	Contact Person
Pillsbury	54 Center Rd Woodbridge, CT 06525	[REDACTED]	Robert Reed Zone Manager
Newberg Egg	17 Novogrodsky Rd Woodridge, NY 12789	[REDACTED]	Moses Newstat
R.C. Fuller	191 Forest Ave Locust Valley, NY 11560	[REDACTED]	Wayne Skudera

13. Unions

Union	Address	Phone/Fax	Contact Person	Contract Expiration
None				

14. Banks

Bank Name	Contact Person	Phone/Fax	Type of Account
Citibank	Ruth Cochrane	[REDACTED]	Regular Checking and Business

IV. CERTIFICATION

I, the undersigned, request on behalf of Sweet Sams Baking Company, LLC ____ ("Applicant") that this Application, including financial data and any tax returns submitted herewith, be submitted for review by the Board of Directors of the New York City Industrial Development Agency ("IDA"). I hereby certify that the information contained herein and in the attachments hereto, are, to the best of my knowledge and belief, accurate, true and correct. I understand that any intentional misstatements or misleading information contained herein, or the omission of relevant information, could be cause for rescission of IDA approval and IDA benefits. Further, I fully understand and accept the fees associated with the IDA program, including but not limited to the IDA Closing Fee; I fully understand and accept the benefit package I am to receive under the IDA program; and I acknowledge receipt from the IDA of a memorandum explaining legal, insurance and various real estate related requirements, all of which will be necessary for the contemplated project.

On behalf of Applicant, I hereby acknowledge and agree that Applicant shall be, and is responsible for, and shall promptly pay all costs incurred by the IDA, in connection with document negotiations, closing and, where applicable, bond issuance and sale, whether or not closing occurs and whether or not bond issuance and sale occur in applicable instances. The aforesaid costs, and Applicant's obligation hereunder to pay for same, shall include, but not be limited to, attorney's fees. Applicant's obligations hereunder are absolute and shall in no event be contingent upon closing.

On behalf of myself, all other principals of Applicant, and Applicant, I hereby authorize the IDA and the New York City Department of Investigation (DOI) to initiate their background clearance procedure with respect to myself, all other principals of Applicant, and Applicant. I, all other principals of Applicant, and Applicant agree to give the DOI permission to secure all necessary personal data from all relevant sources, public and private, and I, all other principals of Applicant, and Applicant further agree to cooperate in all phases of the DOI background and clearance procedure. I, all other principals of Applicant, and the Applicant agree to hold the IDA and the City of New York harmless with respect to any claims for injury, damage, loss or expense which may arise should the above mentioned background clearance procedure not be completed satisfactorily.

On behalf of Applicant and its existing and future affiliates, I authorize any private or governmental entity, including but not limited to The New York State Department of Labor ("DOL"), to release to the IDA and/or to the New York City Economic Development Corporation ("EDC"), and/or to the successors and assigns of either (collectively, the "Information Recipients"), any and all employment information under its control and pertinent to Applicant and its existing and future affiliates and the employees of same. In addition, upon the IDA's request, Applicant shall provide to the IDA any employment information in Applicant's possession or in the possession of any of Applicant's existing and future affiliates, which is pertinent to Applicant and Applicant's existing and future affiliates and the employees of same. Information released or provided to Information Recipients by the DOL, or by any other governmental entity, or by any private entity, or by Applicant itself (collectively, "Employment Information"), may be disclosed by the Information Recipients in connection with the administration of the programs of the IDA, and/or EDC, and/or the successors and assigns of either, and/or the City of New York, and/or as may be necessary to comply with law; and, without limiting the foregoing, the Employment Information may be included in (x) reports prepared by the Information Recipients pursuant to New York City Local Law 69 of 1993, (y) other reports required of the IDA, and (z) any other reports required by law. If the IDA approves this Application and the IDA Board of Directors approves the financing project which is the subject of this Application, this authorization shall remain in effect through the term of the financial assistance documents which the Applicant and the IDA will enter into at closing. If the IDA does not approve this Application, and/or the IDA Board of Directors does not approve the project which is the subject of this Application, this authorization shall remain in effect through the earlier to occur of the aforesaid decisions not to approve.

I, all other principals of Applicant, and Applicant, understand that the IDA may be requested to disclose the information contained in this Application and the attachments hereto, under applicable disclosure laws, or at the request of investigative law enforcement or other governmental bodies. On behalf of myself, all other principals of Applicant, and Applicant, I authorize the IDA to disclose any such information, under such law or where so requested, and I, all other principals of Applicant and the Applicant release the IDA from any liability to the Applicant, all other principals, and/or myself for such disclosure. I also authorize the IDA at its discretion to transmit this Application, including any financial data or tax returns submitted herewith, to the IDA's financial advisors.

On behalf of Applicant, I acknowledge and agree that the IDA reserves the right to require Applicant to submit at Applicant's sole expense, such other documentation as the IDA may require in addition to the documentation required hereunder, and that all such documentation, whether requested hereunder or hereafter, shall be provided at Applicant's sole cost and expenses, and shall be in form and substance satisfactory to the IDA.

Approval of this Application may only be granted by the IDA's Board of Directors through the Board's adoption of an inducement or authorizing resolution for the project described in this Application. Additionally, it is understood and agreed that the \$2,500 Application fee accompanying this Application is non-refundable, regardless of whether or not this Application is so approved. Applicant acknowledges and accepts that: the \$2,500 Application fee will accrue toward payment of the IDA Closing Fee should closing occur; and if and when the IDA's Board of Directors approves this Application, the Agency may additionally require Applicant to pay at such time an amount equal to 1/10 of a percent of the bond/project amount (as applicable), which payment shall also accrue toward payment of the IDA Closing Fee should closing occur.

Date: Feb 13, 2004

Certification By: x David Grogan
Signature of Chief Executive Officer

David Grogan
Printed Name

Attested By: _____
Chief Financial Officer/Secretary

Printed Name

STATE OF NEW YORK
COUNTY OF NEW YORK

ON THIS 13th DAY OF February, 2004
BEFORE ME PERSONALLY CAME

David Grogan

TO ME KNOWN TO BE THE INDIVIDUAL(S) DESCRIBED IN
AND WHO EXECUTED THE FOREGOING INSTRUMENT, AND
ACKNOWLEDGED THAT HE/SHE/THEY EXECUTED THE SAME.

Philip Gonzalez
Notary Public

PHILIP GONZALEZ
Notary Public, State Of New York
No. 01G06075398
Qualified in New York County
Commission Expires 06/03/2006

STANLEY NATKINS
575 EIGHTH AVENUE
NEW YORK, NEW YORK 10018-3011



February 18, 2004

Arti Bhatt, Project Manager
NYC Industrial Development Agency
110 William Street
New York, New York 10038

BY HAND

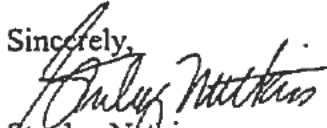
Re: Sweet Sams Baking Company LLC ("Sweet Sams")

Dear Ms Bhatt:

Enclosed please find an amended Core Application and Environmental Assessment Form for Sweet Sams Baking Co. As a result of significant timing and environmental issues, Sweet Sams has determined that the expansion project originally submitted to IDA on October 15, 2003 is not feasible to pursue. To achieve a more timely expansion of its production facilities, Sweet Sams has identified an existing 50,221 sq.ft. industrial building at 1261 Scabury Avenue in the Zerega Industrial Park and a few blocks from its existing facility, as suitable for a commercial bakery facility. At this time Sweet Sams is in final negotiations on a contract of sale to acquire the property. By the acquisition of an existing building Sweet Sams expects to have a new and expanded production facility at least twelve months sooner than projected for originally proposed project. At this time Sweet Sams is projecting a closing on the property and IDA financing in June 2004.

I trust with the submission of the amended Core Application and Environmental Assessment Form that the project can be scheduled at the March 2004 IDA meeting for review and approval of an Inducement Resolution.

Thank you for your assistance on this matter, and if there are any questions please call me.

Sincerely,

Stanley Natkins
For Sweet Sams Baking Co. LLC

cc. David Grogan, President,
Sweet Sams Baking Company LLC

NEW YORK CITY INDUSTRIAL DEVELOPMENT AGENCY
EMPLOYMENT QUESTIONNAIRE

The New York City Industrial Development Agency requires all Applicants to fill out this Employment Questionnaire. As used in this Questionnaire, "Company" means the Applicant; "Project Location" means the project location which Applicant has identified in its Application; and "Tenant" means any person or entity to whom or to which Applicant intends to lease part or all of the Project Location.

Name and Address of Company: Sweet Sams Baking Co. LLC, 1049 Zerega Avenue, Bronx, NY 10462

Tax I.D. Number: [Redacted]

Phone Number: [Redacted]

Contact Person: David A. Grogan

Project Location: 1261 Seabury Avenue, Bronx, NY 10462

Do you expect to conduct business at other locations in New York State? YES [] NO [X]

Expected Construction Completion Date (where applicable): January 2005

Contact Person(s): David A. Grogan

Phone Number: [Redacted]

D.O.L. Registration Number of your Tenant(s): Not Applicable

Complete the following information for the Project Location only. Do not include any subcontractors/subconsultants; include only employees and owners/principals on your payroll and on the payroll of your Tenants at the Project Location.

Table with 7 columns: Number of jobs to be retained by the Company, by your Tenant(s), and years (1st to 7th). Rows show projected employment for the Company and for tenants.

Total projected number of new jobs to be created over the next seven years by the Company and your Tenant(s):

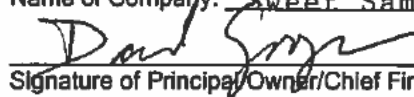
Company: 30 Tenant(s):

This section asks for more specific information about Applicant's operations. Please complete the following questions.

- 1. How many employees does Applicant employ in New York City at the time of the date of this Application? Full Time 72 Part Time
2. How many employees does Applicant employ outside of New York City but in New York State at the time of the date of this Application? Full Time none Part Time none
3. Does Applicant intend to employ new employees at the proposed site, and/or will Applicant transfer current employees from premises presently being used? Please provide details. Current employees will be retained and stay on site, and new employees will be hired when needs are determined.

I authorize any private or governmental entity, including but not limited to the New York State Department of Labor ("DOL"), to release to the New York City Industrial Development Agency (the "Agency" or "IDA") and/or to the New York City Economic Development Corporation ("EDC"), and/or to the successors and assigns of either (collectively, the "Information Recipients"), any and all employment information under DOL's control, that is pertinent to the Company and the Company's employees. In addition, upon the Agency's request, the Company shall provide to the Agency any employment information in the Company's possession that is pertinent to the Company and the Company's employees. Information released or provided to Information Recipients by DOL, or by any other governmental entity, or by any private entity, or by the Company itself, or any information previously released as provided by all or any of the foregoing parties (collectively, "Employment Information"), may be disclosed by the Information Recipients in connection with the administration of the programs of the Agency, and/or EDC, and/or the successors and assigns of either, and/or the City of New York, and/or as may be necessary to comply with law; and without limiting the foregoing, the Employment Information may be included in (x) reports prepared by the Information Recipients pursuant to New York City Local Law 69 of 1993, (y) other reports required of the Agency, and (z) any other reports required by law. This authorization shall remain in effect throughout the term of this Lease.

Name of Company: Sweet Sams Baking Co. LLC


Signature of Principal Owner/Chief Financial Officer

2/19/04
Date

Attach to this Questionnaire (1) your most recent IA-5 form and (2) completed Employment Questionnaire(s) and IA-5 form(s) from your Tenant(s). Attach additional pages if necessary.

NYS-45 (1/00)

Quarterly Combined Withholding, Wage Report and Unemployment Insurance Return



Reference these numbers in all correspondence:

UI Employer Registration Number
Withholding Identification Number
Employer Legal Name
DAVID A. GROGAN

This return covers the period indicated below:

Jan 1 - Mar 31: 1
Apr 1 - Jun 30: 2
July 1 - Sep 30: 3
Oct 1 - Dec 31: X 4
03
Y Y

Due Date: 13104

If seasonal employer, check box

40011011

FOR OFFICE USE ONLY

Postmark
Received Date
UI SK AI SI WT SK

Number of Employees.
Enter the number of full-time and part-time covered employees who worked during or received pay for the week that includes the 12th day of each month.

a. First Month: 68
b. Second Month: 69
c. Third Month: 69

Part A - Unemployment Insurance (UI) Information

- 1. Total remuneration paid this quarter 961502.00
- 2. Remuneration paid this quarter to each employee in excess of \$8,500 since January 1 928430.00
- 3. Wages subject to contribution (subtract line 2 from line 1) 33072.00
- 4. UI contributions due
Your tax rate is 3.325% (multiply line 3 x 0.03325) 1099.64
- 5. Re-employment service fund (multiply line 3 x .00075) 24.80
- 6. UI previously underpaid with interest 1124.44
- 7. Total of lines 4, 5, and 6 1124.44
- 8. Enter UI previously overpaid
- 9. Total UI amounts due (if line 7 is greater than line 8, enter difference) 1124.44
- 10. Total UI overpaid (if line 8 is greater than line 7, enter difference and check box 11 below)
- 11. Apply to outstanding liabilities and/or refund

Part B - Withholding Tax (WT) Information

- 12. New York State tax withheld 117518.93
- 13. City of New York tax withheld 92058.69
- 14. City of Yonkers tax withheld
- 15. Total tax withheld (add lines 12, 13 and 14) 209577.62
- 16. WT credit from previous quarter's return (see instr)
- 17. NYS-1 payments made for quarter 209577.62
- 18. Total payments (add lines 16 and 17) 209577.62
- 19. Total WT amount due (if line 15 is greater than line 18, enter difference)
- 20. Total WT overpaid (if line 18 is greater than line 15, enter difference here and check 20a or 20b)
- 20a. Apply to outstanding liabilities and/or refund X OF
- 20b. Credit to next quarter withholding tax
- 21. Total payment due (add lines 9 and 19; make one remittance payable to NYS Employment Taxes) 1124.44

*** AN OVERPAYMENT OF EITHER TAX CANNOT BE USED TO OFFSET THE AMOUNT DUE ON THE OTHER TAX**

Complete Parts D and E on back of form, if required. This is a scannable form; please file the original.

Part C - Employee Wage and Withholding Information

Quarterly employee/payer wage reporting information (if more than 5 employees or if reporting other wages, DO NOT make entries in this section; complete Form NYS-45-ATT).			Annual wage and withholding totals (if this return is for the 4th quarter or the last return you will be filing for the calendar year, complete columns (d) and (e).)	
(a) Social security no.	(b) Last name, first name, middle initial	(c) UI total remuneration/gross wages paid this quarter	(d) Gross wages subject to withholding	(e) Total tax withheld

Totals (column (c) must equal remuneration on line 1, see instructions for exceptions)

Sign your return: I certify that the information on this return is to the best of my knowledge and belief true, correct and complete.

Taxpayer's signature | Signer's name (please print) | Title

Date | Telephone number