

II. PROJECT INFORMANON

1. Please briefly describe the proposed project; If machinery and equipment is to be acquired, please list the type:

A special purpose entity affiliated with Rockrose Development Corporation, 621 West 48 L.L.C., will construct a 7-story (including the basement), 575,000 square foot facility. FedEx will lease 218,000 of this building and operate a sorting facility.

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

<u>Uses of Funds</u>		<u>Sources of Funds</u>	
Land & Building (Acquisition)	14,628,871	Bonds	_____
New Construction	58,694,727	Loans (Please Identify Sources)	_____
Renovations/Building Improvements	_____	Company funds	17,434,533 FedEx
Machinery/Equipment	17,434,533	Officer Equity/Loans	_____
Fees/Other Soft Costs	_____	Other Sources (Please Identify)	\$73,323,598 Own
Other (explain)	_____		
Total Project Costs	90,758,131	Total Project Sources	90,758,131

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
621 W48th Street, Manhattan	Block 1096 Lots 1, 14, 15, 21, 24	80,350 sf	575,000 sf	to be built	6 + basement	M1-5
	38		218,000 sf	to be leased	p/o floors 1,2	
				by FedEx	p/o basement	

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

Name Contact & Phone	Affiliation with Applicant	Square Foot & Floors (Percent of Occupancy)	Lease Expiration	Tenant Business
See Attachment 1				

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
See Attachment 2					

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 FedEx will have no interest in the property beyond its leasehold interest.

If Yes, Please provide the name and address of same, the kind of entity (corporation, partnership, etc.), and its officers, partners, shareholders, members, and their respective percentage ownership, etc.

III. DUE DILIGENCE

1. List name(s), addresses), 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 ownership Interest (an "Affiliate"). Please include real estate holding companies If applicable.

Entity Name	Address	Phone/Fax Number	Percent Interest
See Attachment 3			

2. Has 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 ? See Attachment 4

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 within the past six months, or is contemplating to receive or benefit from within the next six months, tax-exempt financing anywhere within the United States?

YES NO If yes, please provide all details on attached sheet.

4. Has 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)?

To the best of the Applicant's knowledge.

YES NO If yes, please provide all details an attached sheet.

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

To the best of the Applicant's knowledge.

YES NO If yes, please provide all details on attached sheet.

6. Is 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.

To the Applicant's knowledge, no executive officer or director of the Applicant is a plaintiff or defendant in any criminal or any significant civil proceedings, other than proceedings in which they have been named as defendants in their capacities as officers and directors of the Applicant. Please see page 31 of the 2000 Annual Report.

7. If You responded yes to the previous two questions, in what litigation is Applicant, or any of the individuals entities currently involved, either as plaintiffs or as named defendants? Provide all details on attached sheet. See Attachment 5

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

YES NO Please refer to 2000 Annual Report.
If yes, please provide all details on attached sheet.

9. Has 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 Principal (please attach a brief resume)

Name	Title	Address	Social Security Number	Date of Birth
See Attachment 6				

11. Major Customers

Company Name	Address	Phone/Fax	Contact Person	Percent of Sales
FedEx is contractually obligated				
not to disclose its customer				
names.				

12. Major Suppliers

Company Name	Address	Phone/Fax	Contact Person
R&R Uniform	3370 Miac Cove, Memphis	901-360-9194	
Staples National Advantage	1004 Rollingwood Dr., Grennsboro, NC	336-852-6461	
IBM	860 Pridgelake Blvd., Memphis	901-766-7374	

13. Unions

Union	Address	Phone/Fax	Contact Person	Contact Expiration
Fedex Pilots Association	1669 Kirby Parkway, Memphis	901-752-8749	Michael Weiland	5/31/2004

14. Banks

Bank Name	Contact person	Phone/Fax	Type of Account
First Tennessee Bank	Larry Sistrunk	901-523-4767	Various business

IV. CERTIFICATION

I, the undersigned, request on behalf of Federal Express Corporation ('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: 12/14/00

Certification By: Graham R. Smith

~~Signature of Chief Executive Officer~~
Vice President of Properties & Facilities

Graham R. Smith

Printed Name

Attested By: Andrew M. Paalborg

~~Chief Financial Officer/Secretary~~
Assistant Secretary

Andrew M. Paalborg

Printed Name

Approved
Legal Department
R. J. Kwok 001214