

NOTICE OF PUBLIC HEARING
ON PROPOSED PROJECT
AND FINANCIAL ASSISTANCE
RELATING THERETO

Notice is hereby given by the Ulster County Capital Resource Corporation (the "Issuer") that a public hearing pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), and, as required by the Issuer's certificate of incorporation, Section 859-a of the General Municipal Law of the State of New York will be held by the Issuer on the 11th day of December, 2017 at 7:00 o'clock p.m., local time, at New Paltz Middle School, Room 2, 196 Main Street, in the Town of New Paltz, Ulster County, New York in connection with the following matters:

Woodland Pond, Inc., d/b/a Woodland Pond at New Paltz (the "Company"), a New York not-for-profit corporation has submitted an application (the "Application") to the Issuer, a copy of which Application is on file at the office of the Issuer, which Application requested that the Issuer consider undertaking a project (the "Project") for the benefit of the Company, said Project consisting of the following: (A) the refinancing, in whole, of the Civic Facility Revenue Bonds (Kingston Regional Senior Living Corp. - Woodland Pond at New Paltz Project), Series 2007A in the original principal amount of \$64,650,000 (the "Series 2007 Bonds") issued by the Ulster County Industrial Development Agency; (B) the refinancing, in whole, of the following outstanding revenue bonds issued by the Issuer: (1) Tax-Exempt Revenue Refunding Bonds (Health Alliance Senior Living Corp. - Woodland Pond at New Paltz Project), Series 2014A in the original principal amount of \$6,335,000 (the "Series 2014A Bonds"), and (2) Tax-Exempt Revenue Refunding Bonds (Health Alliance Senior Living Corp. - Woodland Pond at New Paltz Project), Series 2014B in the original principal amount of \$8,285,000 (the "Series 2014B Bonds," and together with the Series 2014A Bonds and the Series 2007 Bonds, the "Prior Bonds"), the proceeds of which Prior Bonds provided financing for a project (the "Prior Project") described as follows: (i) the acquisition of an interest in certain real estate containing approximately 83 acres located to the west of North Putt Corners Road between Shivertown Road and Erman Lane in the Village of New Paltz, Ulster County, New York (the "Land"); (ii) the construction on the Land of one approximately 354,000 square foot building and twelve separate cottages each containing approximately 3,500 square feet of space (collectively, the "Facility"); and (iii) the acquisition and installation thereon and therein of certain machinery and equipment located therein and thereon (the "Equipment") (the Land, the Facility and the Equipment hereinafter collectively referred to as the "Project Facility"), all of the foregoing to constitute a continuing care retirement community under Article 46 of the New York Public Health Law to be owned by and operated by the Company; (C) the financing of all or a portion of the costs of the Project by the issuance of tax-exempt/taxable revenue bonds of the Issuer in one or more issues or series in an aggregate principal amount sufficient to pay the cost of undertaking the Project, together with necessary incidental costs in connection therewith, in an amount presently estimated to be approximately \$76,500,000 and in any event not to exceed \$80,000,000 (the "Obligations"); (D) paying a portion of the costs incidental to the issuance of the Obligations, including issuance costs of the Obligations and any reserve funds as may be necessary to secure the Obligations; and (E) the making of a loan (the "Loan") of the proceeds of the Obligations to the Company or such other person as may be designated by the Company and agreed upon by the Issuer.

The Issuer is considering whether (A) to undertake the Project; (B) to finance the Project by issuing, from time to time, the Obligations; (C) to use the proceeds of the Obligations to pay the cost of undertaking the Project, together with necessary incidental costs in connection therewith; and (D) to provide certain exemptions from taxation with respect to the Project, including (1) exemption from mortgage recording taxes with respect to any documents, if any, recorded by the Issuer with respect to the Project in the office of the County Clerk of Ulster County, New York or elsewhere, and (2) exemption from deed transfer taxes on any real estate transfers with respect to the Project, if any.

If issuance of the Obligations is approved, interest on the Obligations will not be excludable from gross income for federal income tax purposes unless (A) pursuant to Section 147(f) of the Code and the regulations of the United States Treasury Department thereunder (the "Treasury Regulations"), the issuance of the Obligations is approved by the County Executive of Ulster County, New York after the Issuer has held a public hearing on the nature and location of the Project Facility and the issuance of the Obligations; and (B) pursuant to Section 145(a) of the Code, all property which is to be provided by the net proceeds of the Obligations is to be owned by a Section 501(c)(3) organization or a governmental unit and at least ninety-five percent (95%) of the net proceeds of the Obligations are used with respect to (1) governmental units and/or (2) the activities of Section 501(c)(3) organizations which do not constitute "unrelated trades or businesses" (as defined in Section 513(a) of the Code) with respect to such Section 501(c)(3) organizations.

If the Issuer determines to proceed with the Project and the issuance of the Obligations, (A) the proceeds of the Obligations will be loaned by the Issuer to the Company or its designee pursuant to a loan agreement (the "Agreement") requiring that the Company or its designee make payments equal to debt service on the Obligations and make certain other payments to the Issuer; and (B) the Obligations will be a special obligation of the Issuer payable solely out of certain of the proceeds of the Agreement and certain other assets of the Issuer pledged to the repayment of the Obligations. THE OBLIGATIONS SHALL NOT BE A DEBT OF THE STATE OF NEW YORK OR ULSTER COUNTY, NEW YORK, AND NEITHER THE STATE OF NEW YORK NOR ULSTER COUNTY, NEW YORK SHALL BE LIABLE THEREON.

The Issuer has not yet made a determination pursuant to Article 8 of the Environmental Conservation Law (the "SEQR Act") regarding the potential environmental impact of the Project.

The Issuer will at said time and place hear all persons with views on the location and nature of the proposed Project, the financial assistance being contemplated by the Issuer in connection with the proposed Project or the proposed plan of financing the proposed Project by the issuance from time to time of the Obligations. A copy of the Application filed by the Company with the Issuer with respect to the Project is available for public inspection during business hours at the offices of the Issuer. A transcript or summary report of the hearing will be made available to the directors of the Issuer and to the County Executive of Ulster County, New York. Approval of the issuance of the Obligations by Ulster County, New York, acting through its elected County Executive, is necessary in order for the interest on the Obligations to qualify for exemption from federal income taxation.

Additional information can be obtained from, and written comments may be addressed to: Suzanne Holt, Director, Office of Economic Development, Ulster County Capital Resource Corporation, P. O. Box 4265, Kingston, New York 12402; Telephone: (845) 340-3556.

Dated: November 22, 2017

ULSTER COUNTY CAPITAL RESOURCE
CORPORATION

By: s/ John Morrow
Chairman