

Cost-Benefit Analysis for Uniware Houseware Corp.1 Newport Realty, LLC

Prepared by Hempstead IDA using InformAnalytics

Executive Summary

INVESTOR
Uniware Houseware Corp

TOTAL JOBS
**41 Ongoing;
2 Temporary**

TOTAL INVESTED
\$15.0 Million

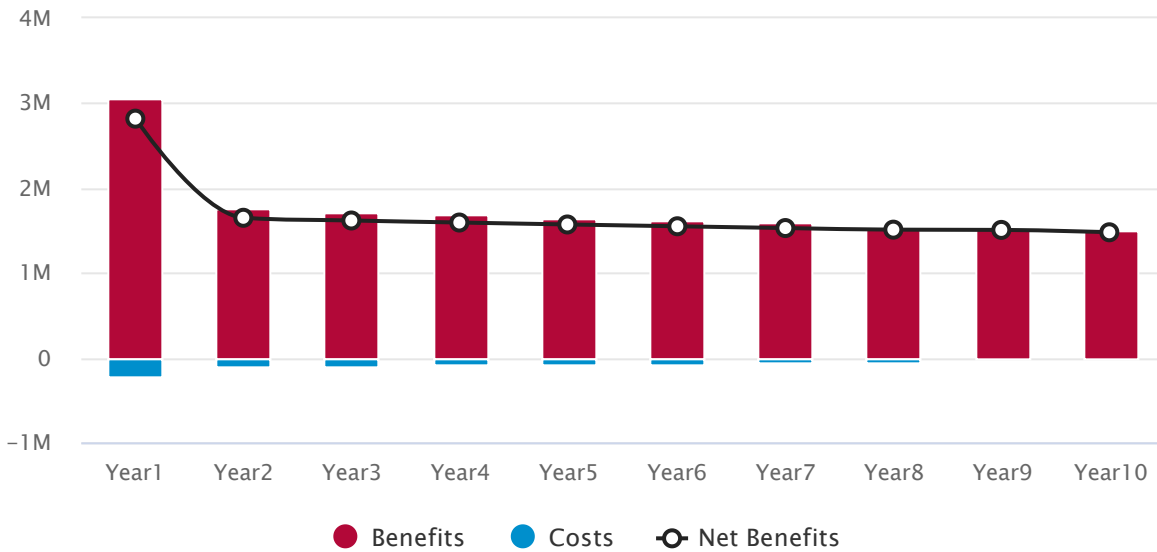
LOCATION
**1 Newport Plaza
Freeport, New York 11520**

TIMELINE
10 Years

F1 FIGURE 1

Discounted* Net Benefits for Uniware Houseware Corp.1 Newport Realty, LLC by Year

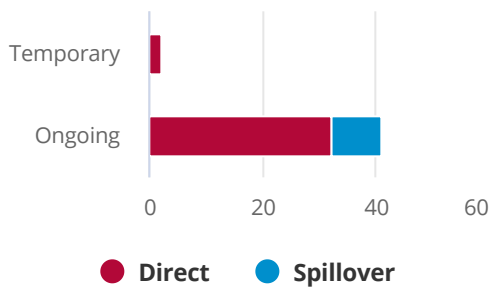
Total Net Benefits: \$16,807,000



Discounted at 2%

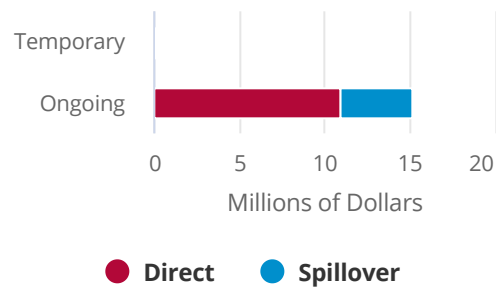
F2 FIGURE 2

Total Jobs



F3 FIGURE 3

Total Payroll



Proposed Investment

Uniware Houseware Corp proposes to invest \$15.0 million at 1 Newport Plaza Freeport, New York 11520 over 10 years.

Hempstead IDA staff summarize the proposed with the following: The applicant intends to acquire and renovate an approx. 114,000 square foot facility located at 1 Newport Plaza, within the Village of Freeport. The company is a distributor of wholesale cookware, tableware, home goods, kitchenware and misc. housewares. This move to the Freeport facility will meet the growing expansion needs of the company and will increase their current warehouse capacity by almost an additional 40,000 square feet from their current location within the Town of Islip.

T1 TABLE 1

Proposed Investments

Description	Amount
CONSTRUCTION SPENDING	
The applicant intends to acquire and renovate an approx. 114,000 square foot facility located at 1 Newport Plaza.	\$275,000
OTHER SPENDING	
Land/Building Acquisition	\$14,480,000
Legal Fees	\$50,000
Financial Charges	\$55,000
Other	\$140,000
Total Investments	\$15,000,000
Discounted Total (2%)	\$15,000,000

May not sum to total due to rounding.

F4 FIGURE 4

Location of Investment



Cost-Benefit Analysis

A cost-benefit analysis of this proposed investment was conducted using InformAnalytics, an economic impact model developed by CGR. The report estimates the impact that a potential project will have on the local economy based on information provided by Hempstead IDA. The report calculates the costs and benefits for specified local taxing districts over the first 10 years, with future returns discounted at a 2% rate.

T2 TABLE 2

Estimated Costs or Incentives

Hempstead IDA is considering the following incentive package for Uniware Houseware Corp.

Description	Nominal Value	Discounted Value*
Property Tax Exemption	\$742,000	\$695,000
Sales Tax Exemption	\$9,000	\$9,000
Mortgage Recording Tax Exemption	\$114,000	\$114,000
Total Costs	\$865,000	\$818,000

May not sum to total due to rounding.

* Discounted at 2%

T3 TABLE 3

State & Regional Impact (Life of Project)

The following table estimates the total benefits from the project over its lifetime.

Description	Direct	Spillover	Total
REGIONAL BENEFITS	\$12,843,000	\$4,827,000	\$17,670,000
To Private Individuals	\$12,001,000	\$4,763,000	\$16,765,000
Temporary Payroll	\$114,000	\$32,000	\$146,000
Ongoing Payroll	\$11,888,000	\$4,731,000	\$16,619,000
To the Public	\$841,000	\$64,000	\$905,000
Temporary Sales Tax Revenue	\$2,000	\$427	\$2,000
Ongoing Sales Tax Revenue	\$159,000	\$63,000	\$222,000
Purchases Sales Tax Revenue	\$681,000	N/A	\$681,000
STATE BENEFITS	\$1,159,000	\$293,000	\$1,452,000
To the Public	\$1,159,000	\$293,000	\$1,452,000
Temporary Income Tax Revenue	\$6,000	\$2,000	\$8,000
Ongoing Income Tax Revenue	\$426,000	\$237,000	\$662,000
Temporary Sales Tax Revenue	\$1,000	\$369	\$2,000
Ongoing Sales Tax Revenue	\$137,000	\$55,000	\$192,000
Purchases Sales Tax Revenue	\$589,000	N/A	\$589,000
Total Benefits to State & Region	\$14,002,000	\$5,120,000	\$19,122,000
Discounted Total Benefits (2%)	\$12,935,000	\$4,690,000	\$17,626,000

May not sum to total due to rounding.

T4 TABLE 4

Benefit to Cost Ratio

The following benefit to cost ratios were calculated using the discounted totals.

Description	Benefit*	Cost*	Ratio
Region	\$16,245,000	\$700,000	23:1
State	\$1,380,000	\$119,000	12:1
Grand Total	\$17,626,000	\$818,000	22:1

May not sum to total due to rounding.

* Discounted at 2%

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