

NOTICE OF PUBLIC HEARING ON
PROPOSED ISSUANCE OF BONDS

NOTICE IS HEREBY GIVEN that a public hearing will be held by the Orange County Industrial Development Agency (the "Agency") on the 5th day of June, 1998, at 10:00 AM, local time, at the Rhinebeck Room, Glen Arden, Inc., 6 Harriman Drive, in the Village of Goshen, Orange County, New York, Room 301, in connection with the following matter:

Glen Arden, Inc. (the "Company"), a New York not-for-profit corporation, having offices at 6 Harriman Drive, Goshen, New York 10924, has submitted an application to the Agency to have the Agency issue its life care community revenue bonds in a principal amount not to exceed \$30,000,000 for the purpose of financing a certain project (the "Project") consisting of (1) the refunding of the Agency's Life Care Community Revenue Bonds (The Glen Arden, Inc. Project), Series 1994, issued on December 28, 1994 in the original aggregate principal amount of \$48,510,000 (the "Series 1994 Bonds"), and (B)(i) the construction of certain additional improvements to the Facility (as hereinafter defined) consisting of the conversion of the four existing two-bedroom independent living units into eight one-bedroom independent living units and (ii) the acquisition and installation in and around the Facility of certain items of machinery, equipment, furniture and other tangible personal property (collectively, the "Series 1998 Improvements"). The proceeds of the Series 1994 Bonds were applied to pay for the acquisition, construction and equipping of a life care community located on an approximately 41 acre parcel of land at the intersection of Harriman Drive with New York State Route 17, in the Village of Goshen, Orange County, New York (collectively, the "Land"), and consisting of (i) an approximately 245,000 square foot building containing approximately 163 independent living units, a health care center containing approximately 40 skilled nursing beds, common areas, including, without limitation, dining rooms, kitchens, activity areas, lobbies and other facilities, (ii) an approximately 3,000 square foot building to be used for administrative offices and an information center, (iii) parking facilities, and (iv) other related and appurtenant facilities (collectively, the "Improvements") and certain machinery, equipment, furniture, fixtures and other items of tangible personal property to be installed in and around the Improvements (collectively, the "Equipment"; the Land, the Improvements and the Equipment shall be collectively referred to as the "Facility").

Pursuant to Section 859-b of the New York General Municipal Law, the Company has submitted to the Agency along with its application, copies of the following materials: (i) its completed application to the New York State Life Care Community Council (now known as the Continuing Care Retirement Community Council)(the "Council") for a certificate of authority under Article 46 of the Public Health Law of the State of New York ("Article 46") with respect to the Facility; and (ii) the documentation establishing the Council's approval of such application; (the aforementioned materials, along with the Company's application to the Agency shall be hereinafter collectively referred to as the "Application Materials"). Copies of the Application Materials shall be made available for public inspection during regular business hours at the following locations within Orange County: the office of Clerk of the Orange County Legislature, Orange County Government Office Center, 252-272 North Main Street,

in the Village of Goshen, New York and the offices of Henry J. Holley, Esq., counsel to the Agency, 76 East Main Street, Port Jervis, New York.

The Agency is considering whether to undertake the Project and to provide financial assistance with respect to the Project in the form of: (A) the issuance by the Agency of up to \$30,000,000 aggregate principal amount of its life care community revenue bonds (the "Bonds"), to finance (i) all or a portion of the cost of refunding the Series 1994 Bonds and acquiring, constructing and installing the Series 1998 Improvements; (ii) certain incidental costs incurred by the Issuer and the Company in connection therewith, and (iii) the funding of a debt service reserve fund securing the Bonds; (B) the grant by the Agency of a mortgage on the Facility to secure the Bonds, which mortgage would be exempt from all mortgage recording taxes imposed by New York State and all political subdivisions thereof; and (C) the continued retention of fee title to the Facility by the Agency for a period of time not to exceed the term of a certain Agreement For Payments In Lieu of Taxes, dated November 15, 1994, previously entered into by the Company with each of the municipalities and school districts having taxing jurisdiction over the Facility (collectively, the "Affected Taxing Jurisdictions"), whereby the Company will make payments in lieu of real property taxes in such amounts as were approved by each of such Affected Tax Jurisdictions.

If the issuance of such Bonds is approved by the Agency, (i) it is intended that interest on such Bonds will be excluded from gross income for Federal income tax purposes, pursuant to Section 103(a) of the Internal Revenue Code of 1986, as amended, (ii) the Facility will be leased or sold by the Agency to the Company pursuant to a sale agreement (the "Agreement") requiring that the Company or its designee make payments equal to debt service on the Bonds and make certain other payments, and (iii) the Bonds will be special obligations of the Agency payable solely of certain of the proceeds of the Agreement and certain other assets of the Agency pledged to the repayment of the Bonds. THE BONDS SHALL NOT BE A DEBT OF THE STATE OF NEW YORK OR ORANGE COUNTY, NEW YORK, AND NEITHER THE STATE OF NEW YORK NOR ORANGE COUNTY, NEW YORK SHALL BE LIABLE THEREON.

The Agency will at said time and place provide a reasonable opportunity to all interested persons to present their views, either orally or in writing, on the location and nature of the Facility, the proposed plan of financing for the Facility by the issuance from time to time of the Bonds, or the proposed tax benefits to be afforded the Company in connection with the Project.

This public hearing is being conducted in accordance with Section 147(f) of the Code and subdivision 2 of Section 859-a of the New York General Municipal Law.

DATED: April 30, 1998

ORANGE COUNTY INDUSTRIAL
DEVELOPMENT AGENCY

Daniel J. Leo, Chairman

The Times Herald
RECORD

40 Mulberry St., Middletown, N.Y. 10940

State of New York }
County of Orange }

ss:

Linda Gaudreau

being duly sworn deposes and says that ORANGE COUNTY PUBLICATIONS Division of Ottaway Newspapers-Radio, Inc. is a corporation organized under the laws of the State of New York and is, and at all the times hereinafter mentioned, was the printer and publisher of The Times Herald-Record, a daily newspaper published in the English language in the City of Middletown, County of Orange, State of New York, that deponent is the

Principal Clerk

of said The Times Herald-Record acquainted with the facts hereinafter stated, and duly authorized by said Corporation to make this affidavit; that the

advertisement

a true printed copy of which is hereunto annexed, has been duly and regularly published in the manner required by law in said The Times Herald-Record in each of its issues published upon each of the following dates, to wit: In its issues of

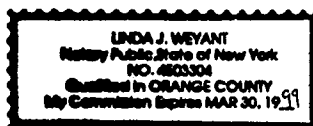
5/5/98

Principal Clerk

Sworn in before me this 5th

day of May 1998

Notary Public, Orange County



NOTICE OF PUBLIC HEARING ON PROPOSED ISSUANCE OF BONDS
NOTICE IS HEREBY GIVEN that a public hearing will be held by the Orange County Industrial Development Agency (the "Agency") on the 5th day of June, 1998, at 10:00 AM, local time, at the Rhinebeck Room, Glen Arden, Inc., 6 Harriman Drive, in the Village of Goshen, Orange County, New York, Room 301, in connection with the following matter:
Glen Arden, Inc. (the "Company"), a New York not-for-profit corporation, having offices at 6 Harriman Drive, Goshen, New York 10924, has submitted an application to the Agency to have the Agency issue its life care community revenue bonds in a principal amount not to exceed \$30,000,000 for the purpose of financing a certain project (the "Project") consisting of (i) the refunding of the Agency's Life Care Community Revenue Bonds (the Glen Arden, Inc. Project), Series 1994, issued on December 28, 1994 in the original aggregate principal amount of \$45,510,000 (the "Series 1994 Bonds"), and (ii) the construction of certain additional improvements to the Facility (as hereinafter defined) consisting of the conversion of the four existing two-bedroom independent living units into eight one-bedroom independent living units and (iii) the acquisition and installation in and around the Facility of certain items of machinery, equipment, furniture and other tangible personal property (collectively, the "Series 1998 Improvements"). The proceeds of the Series 1994 Bonds were applied to pay for the acquisition, construction and equipping of a life care community located on an approximately 41 acre parcel of land at the intersection of Harriman Drive with New York State Route 17, in the Village of Goshen, Orange County, New York (collectively, the "Land"), and consisting of (i) an approximately 245,000 square foot building containing approximately 163 independent living units, a health care center containing approximately 40 skilled nursing beds, common areas, including, without limitation, dining rooms, kitchens, activity areas, lobbies and other facilities, (ii) an approximately 3,000 square foot building to be used for administrative offices and an information center, (iii) parking facilities, and (iv) other related and appurtenant facilities (collectively, the "Improvements") and certain machinery, equipment, furniture, fixtures and other items of tangible personal property to be installed in and around the Improvements (collectively, the "Equipment"; the Land, the Improvements and the Equipment shall be collectively referred to as the "Facility").
Pursuant to Section 859-b of the New York General Municipal Law, the Company has submitted to the Agency along with its application, copies of the following materials: (i) its completed application to the New York State Life Care Community Council (now known as the Continuing Care Retirement Community Council) (the "Council") for a certificate of Authority under Article 46 of the Public Health Law of the State of New York ("Article 46") with respect to the Facility; and (ii) the documentation establishing the Council's approval of such application; (the aforementioned materials, along with the Company's application to the Agency shall be hereinafter collectively referred to as the "Application Materials"). Copies of the Application Materials shall be made available for public inspection during regular business hours at the following locations within Orange County: the office of Clerk of the Orange County Legislature, Orange County Government Office Center, 252-272 North Main Street, in the Village of Goshen, New York and the offices of Henry J. Holley, Esq., counsel to the Agency, 76 East Main Street, Port Jervis, New York.
The Agency is considering whether to undertake the Project and to provide financial assistance with respect to the Project in the form of: (A) the issuance by the Agency of up to \$30,000,000 aggregate principal amount of its life care community revenue bonds (the "Bonds"), to finance (i) all or a portion of the cost of refunding the Series 1994 Bonds and acquiring, constructing and installing the Series 1998 Improvements; (ii) certain incidental costs incurred by the Issuer and the Company in connection therewith, and (iii) the funding of a debt service reserve fund securing the bonds; (B) the grant by the Agency of a mortgage on the Facility to secure the bonds, which mortgage would be exempt from all mortgage recording taxes imposed by New York State and all political subdivisions thereof; and (C) the continued retention of fee title to the Facility by the Agency for a period of time not to exceed the term of a certain Agreement For Payments in Lieu of Taxes, dated November 15, 1994, previously entered into by the company with each of the municipalities and school districts having taxing jurisdiction over the Facility (collectively, the "Affected Taxing Jurisdictions"), whereby the Company will make payments in lieu of real prop-

erty taxes in such amounts as were approved by each of such Affected Tax Jurisdictions.

If the issuance of such Bonds is approved by the Agency, (i) it is intended that interest on such Bonds will be excluded from gross income for Federal income tax purposes, pursuant to Section 103(a) of the Internal Revenue Code of 1986, as amended, (ii) the Facility will be leased or sold by the Agency to the Company pursuant to a sale agreement (the "Agreement") requiring that the Company or its designee make payments equal to debt service on the Bonds and make certain other payments, and (iii) the bonds will be special obligations of the Agency payable solely of certain of the proceeds of the Agreement and certain other assets of the Agency pledged to the repayment of the Bonds. THE BONDS SHALL NOT BE A DEBT OF THE STATE OF NEW YORK OR ORANGE COUNTY, NEW YORK, AND NEITHER THE STATE OF NEW YORK NOR ORANGE COUNTY, NEW YORK SHALL BE LIABLE THEREON.

The Agency will at said time and place provide a reasonable opportunity to all interested persons to present their views, either orally or in writing, on the location and nature of the Facility, the proposed plan of financing for the Facility by the issuance from time to time of the Bonds, or the proposed tax benefits to be afforded the Company in connection with the Project.

This public hearing is being conducted in accordance with Section 147(6) of the Code and subdivision 2 of Section 859-a of the New York General Municipal Law.

DATED: April 30, 1998
ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY
Daniel J. Leo, Chairman

STATE OF NEW YORK

SS:

COUNTY OF ORANGE

GAIL SICINA, being duly sworn, deposes and says:

That on the 1st day of May, 1998, I caused to be posted on the Bulletin Board of the Orange County Legislature's Office at the County Government Center, Main Street, Goshen, New York 10924, a Notice of Public Hearing for June 5, 1998 at 10:00 A.M. at the Rhinebeck Room Glen Arden, Inc., 6 Harriman Drive, Room 301, Goshen, New York, a copy of said Notice is attached hereto.

Gail Sicina
Gail Sicina, Clerk

Sworn to before me this

1st day of May, 1998.

Vicki Ann Mitchell
Notary Public

VICKI ANN MITCHELL
Notary Public, State of New York
No. 4513480
Qualified in Orange County
My Commission Expires June 30, 1999

STATE OF NEW YORK

SS:

COUNTY OF ORANGE

SHIRLEY OWEN, being sworn says: I am not a party to the action, am over 18 years of age and reside at RR 4, Milford, Pa. 18337.

On the 8th day of May, 1998 I served a true copy of the annexed Notice of Public Hearing on Proposed Issuance of Bonds re Orange County Industrial Development Agency with Glen Arden, Inc. in the following manner:

By mailing the same in a sealed envelope with postage prepaid thereon in a post office or official depository of the U.S. Postal Service within the State of New York, addressed to the last known address of the addressees as indicated below:

Goshen Central School District
Att: School District Clerk
229 Main Street
Goshen, New York 10924

Cecelia Walker, Clerk
Town of Goshen
41 Webster Ave, P.O. Box 217
Goshen, New York 10924

Ronald J. Bally Sr. Clerk
Village of Goshen
276 Main Street
Goshen, N.Y. 10924

Glen Arden Inc.
Att: Todd Whitney
6 Harriman Drive
Goshen, N.Y. 10924

Joseph Rampe, County Executive
Orange County Government Center
255-75 Main Street
Goshen, New York 10924

Sworn to before me this
8th day of May, 1998.

Henry J. Holley
Notary Public

HENRY J. HOLLEY
Notary Public, State of New York
Qualified in Orange County
No. 1838800
Commission Expires July 30, 1999

Shirley Owen
Shirley Owen

ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

MINUTES

JUNE 5, 1998

A public hearing was held in accordance with Section 147(f) of the Code and subdivision 2 of Section 859-a of the New York General Municipal Law by the Orange County Industrial Development Agency on the 5th day of June, 1998 at 10:00 A.M. local time at the Rhinebeck Room, Glen Arden, Inc., 6 Harriman Drive in the Village of Goshen, Orange County, New York.

Henry Holley said that this was held for the purpose of entertaining any questions by the public pursuant to notice for a renewal of bonds for the Agency's Life Care Community Revenue bond issue for Glen Arden, Inc. in the amount of \$48,510. Mr. Holley said that he was Administrative Director of the Agency, our Chairman, Daniel J. Leo is unable to make it today because of a previous commitment, and he was being asked to conduct this public hearing. He stated that he also communicated with John Steinberg, Jr., our Vice-Chairman and he was unable to make it today, and at the hearing this morning at 10 A.M. in the Rhinebeck Room is Todd Whitney of Glen Arden, Inc., and the Recording Secretary of the Agency, Stephen Patterson, and himself, Henry Holley., Administrative Director.

Mr. Holley read the notice of the public hearing. (See Page 3 and Page 4).

Mr. Holley said, for the record, he would note on the first day of May, 1998, the Clerk of the Legislature of Orange County posted the notice of the hearing for the Rhinebeck Room on the bulletin board maintained by the Orange County Legislature and that affidavit is signed by Gail Sicina, the Clerk of the Legislature, the notice was also published in the Times Herald Record on May 5, 1998, affidavits of publication have been furnished and the notices were also mailed on May 8, 1998 to the Town of Goshen, the Clerk of the Village of Goshen, to Glen Arden, Inc. to the attention of Todd Whitney, and to Joseph Rampe, the County Executive of Orange County, all of those persons were served by mail pursuant to the affidavit of Shirley Owen.

Mr. Holley stated, for the record, we have jurisdiction to proceed with this matter and entertain any comments by any persons who may be interested. He said he would make a note that the only persons present at this time, and no one else has entered or left, that voiced any opinion on this matter, nor has any written comments been received by himself of the Agency to his knowledge, the only persons present are Mr. Todd Whitney

and Mr. Stephen Patterson, Recording Secretary of the Agency and himself, Henry Holley, Administrative Director. Mr. Holley said it was now 10:15 A.M. and that we would wait five minutes to see if anyone is going to appear to be heard on this matter. He asked Todd Whitney if he had anything to say on this matter and was told no by Mr. Whitney.

Mr. Holley said it was now 10:20 A.M. and no one has appeared to be heard at the public hearing, not having received any written statements, either pro or con, at this point will conclude the hearing at 10:20 A.M.

Stephen C. Patterson
Recording Secretary