

THE
MARKLE
BUILDING

THE HAZLETON DEVELOPMENT Co., INC.



The Markle Banking & Trust Company vault.

You may contact the developer today to discuss your project.

Office: 570.579.0009

George F. Hayden: 570.233.0700

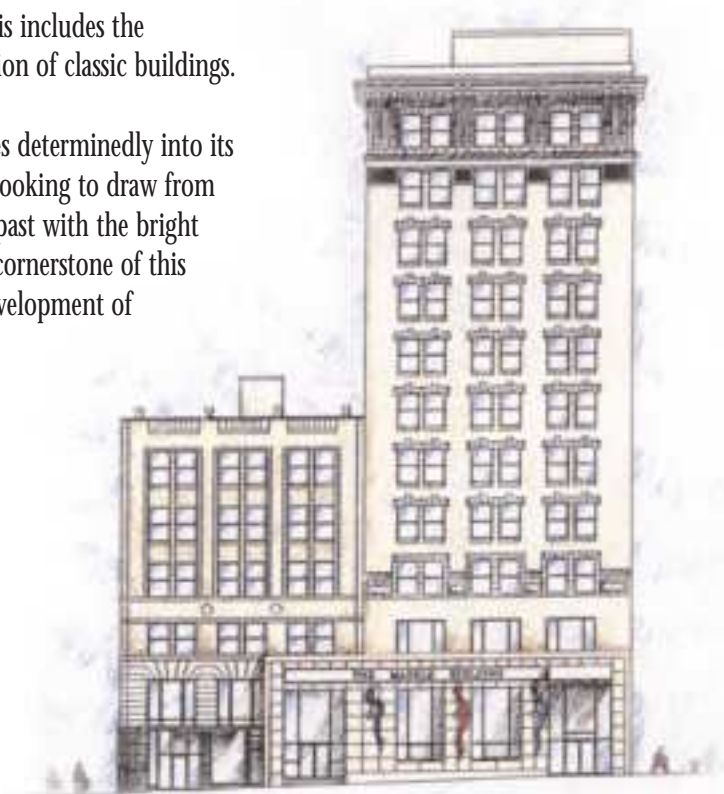
George K. Leitner: 570.233.0701

A FUTURE OF UNLIMITED POTENTIAL

The City of Hazleton is reflecting a growing trend that has been gaining momentum in cities all over the country. Years of prosperity have sparked a renewed interest and sense of rediscovery when it comes to communities and their downtowns. People are realizing there is something special about the energy created by a re-invigorated urban center.

An important aspect of many urban renovation projects is the effort to preserve the rich architectural history of America's cities. This includes the redevelopment and revitalization of classic buildings.

As the City of Hazleton moves determinedly into its own era of rebirth, it, too, is looking to draw from tradition and meld its proud past with the bright expectations for its future. A cornerstone of this bold push forward is the redevelopment of the **Markle Building**.



A DYNAMIC PRESENT...

Today, more than 25,000 people live in Hazleton, while approximately 250,000 families and 850,000 people of working age live within a 30-mile radius known as the Greater Hazleton Area.

They benefit from the quality of life and wealth of opportunity that make the Greater Hazleton Area so attractive to people and businesses from all around the world.

Commitments to the arts, education, recreation and health care, plus the lowest crime rate in the state and an affordable cost of living make Hazleton a wonderful place to call home. And, since the Greater Hazleton Area is located at the foothills of the Pocono Mountains, the region is also a popular vacation destination that offers year-round recreation for young and old alike.



A PROUD HERITAGE...



Located in Northeastern Pennsylvania, the story of Hazleton begins with its incorporation as a borough by two acts of the state legislature, the first winning approval on April 31, 1851, and a supplemental act being authorized on April 22, 1856.

Over the next three decades, the borough's population grew slowly but steadily until the 1880's, when waves of eastern European immigrants poured in to take jobs created by the booming coal industry.

The history of the City of Hazleton officially began when it was finally chartered on December 4, 1891.



THE MARKLE BANKING & TRUST COMPANY...

The First Skyscraper in Hazleton

On the southwest corner of Wyoming and West Broad Streets, in the center of downtown, stands the tallest building in Hazleton. Known officially as the Markle Banking & Trust Company Building, locals refer to it as the Markle Building.

Long associated with the Markle family, prominent in area mining and financial activities, this wonderfully preserved 11-story skyscraper was built in 1910, with renovations occurring in 1923 and 1928.

A Testament to Its Era

Listed on the National Register of Historic Places, the Markle Building is a magnificent example of an early twentieth century high-rise bank and office building. The integrity of both its interior and exterior is excellent and reflects its Neo-Classical Revival influences.

Constructed of reinforced concrete, the building is faced in limestone at its base and in off-white brick at its upper levels. The building's overall form and classical detailing were meant to communicate professionalism, solidity and longevity.





MARKLE BANK AND WEST BROAD STREET, HAZLETON, PA.

It is interesting to note that in 1910, the building's construction was deemed quite modern for its time and was hailed for being the only building in the state of Pennsylvania that used no lumber in its construction. Instead, it relied on the use of thoroughly "modern" materials such as concrete, steel and other metals.

Alfred Bossom, the architect in charge of enlarging the original bank interior in 1928, indicated the amount of respect that existed for the building when he wrote, "...anything of a perishable nature should under no circumstances be used, for such material(s)...indicate poor taste...and (do) not inspire confidence."

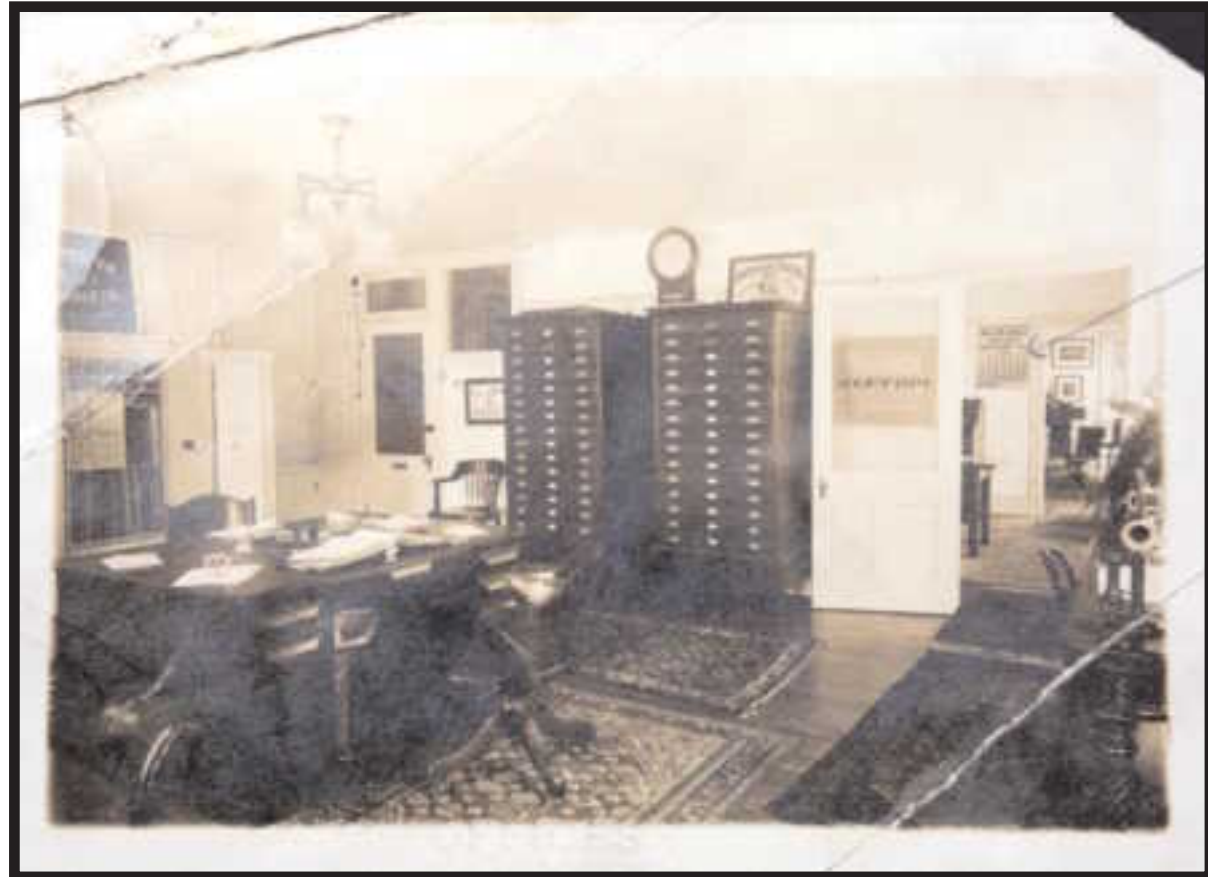
THE MARKLE BANKING & TRUST COMPANY...

The Crown Jewel of Downtown Hazleton

In its heyday, the Markle Building included the bank, various professional offices and even a private restaurant located on the top floor. Bank employees ate their lunch there by day, and at night it was open to the public.

The building was home to 43 firms as late as 1994. By 1998, however, the building was closed due to code updates and safety concerns.

Having changed owners several times since then, the future of the Markle Building appeared rather bleak. That is, until the spring of 2001....



Many businesses had offices in the Markle Building.



A parade passes in front of the Markle Building, which featured an outdoor clock that unfortunately has since been lost to time.

THE HAZLETON DEVELOPMENT COMPANY

On June 5, 2001, George F. Hayden founded The Hazleton Development Company, Inc., in order to purchase the Markle Building from an out-of-town interest.

Hayden, president, is a local businessman whose interest in restoring the building to its former glory extends to the positive impact its revitalization will have on the Hazleton community as a whole.

George F. Hayden

Hayden is Vice-President of George J. Hayden, Inc., a prominent local electrical and communications firm employing approximately 150 people with corporate offices located in Hazleton. Hayden's community involvement includes Chairman of Partners in Education, Habitat for Humanity board member, Associated Builders and Contractors board member, Electrical Committee at the Career Center, CAN DO Development Committee, Apprenticeship and Training Council, Luzerne County Community College and Penn State University committees, Downtown Revitalization Committee, as well as numerous other community activities.



THE MARKLE BUILDING... A NEW CHAPTER BEGINS

General Description

The Markle Building, at 2-12 West Broad Street, is situated in the heart of downtown Hazleton. The city is currently experiencing a revival and is a recent recipient of a federal grant to rebuild its downtown.

The structure stands 12 stories high (approximately 90,000 sq. ft.) and, at 175 ft, is the tallest building in the city. Facing north, the structure is three bays wide and seven bays deep, and includes a later six-story addition on the east side. This addition extends the full length of the lot but drops to two stories at the rear.

The original building and its addition fill the lot and is bordered at the rear (south) by West Mine Street.



Empty stores adjacent to the building have been razed, with the resultant space intended for use as a temporary parking lot for the Markle Building. A 400-car parking garage is also available to the rear.

Right now, 80% of the street level office/store space on Broad Street is already occupied; the remaining 20% is represented by the areas that are being demolished.



Distinctions of the Markle Building

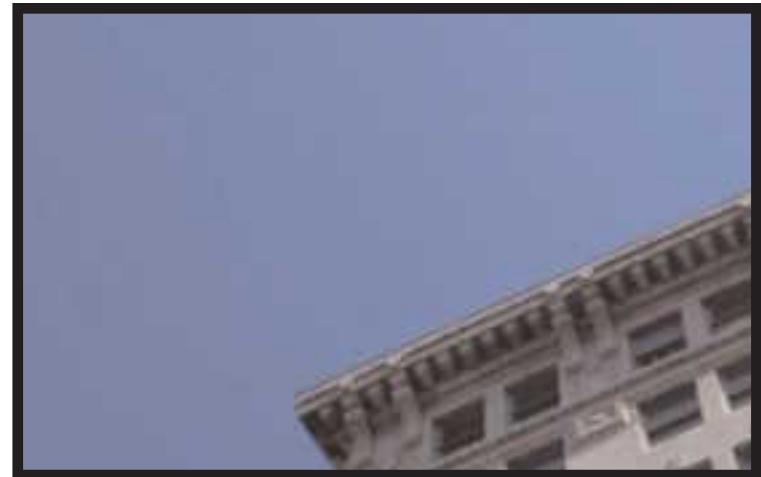
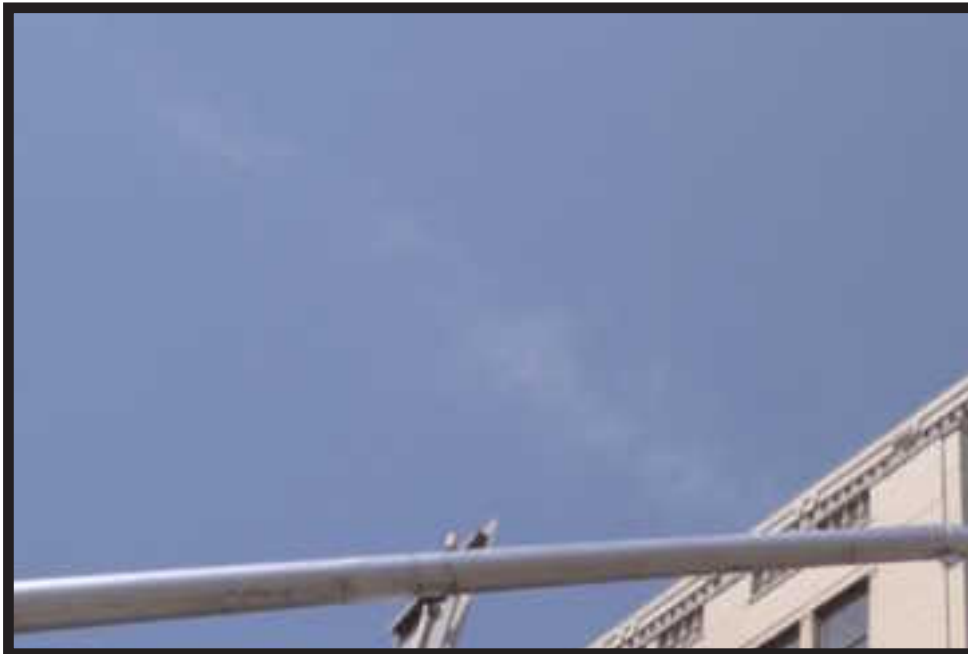
- Listed in the National Historic Registry.
- Conveniently located in downtown Hazleton across the street from The Hazleton Downtown Athletic Club and near a number of family-operated businesses and quaint neighborhood eateries.
- Located just a short drive from the intersection of Interstates 80 and 81.
- Soon-to-be newly renovated interior.
- Class A office space.
- Close to two international airports (Wilkes-Barre/Scranton is 20 minutes away to the North; Lehigh Valley is about 50 minutes away to the South).

Plans for Upgrade and Renovation

- The building, in general, is structurally sound and none of the interior walls are load bearing (and thus, can be moved according to tenants' wishes).
- The heating system will be upgraded.
- Central air conditioning will be installed (air handler/chiller units).
- Although the building is historically registered, existing windows are relatively standard and can be easily replaced with complying modern windows.

- A low cost of living.
- One of the lowest crime rates in the country.
- A community commitment to education, the arts, sports, health care and recreation.
- Within commuting distance of Harrisburg, Scranton, Wilkes-Barre.
- Within 2 – 2.5 hours from Philadelphia and New York City.
- Within a few more hours from major cities, such as Pittsburgh, Pa, Baltimore, Md, Washington, D.C. and Richmond, Va.
- Located within a 300 mile radius of nearly half the population and total production of the entire nation!

- Two operating elevators that run from the basement to the 11th floor will be brought up to current standards and renovated along with the lobby entrance. A freight elevator located at the rear of the building will also be made operational.
- The entire building will be wired with state-of-the-art fiber optic and CAT- 5 wiring systems to provide the area's most cutting-edge high-tech facility.
- Electric service will be individually metered and consist of 2,500 amps of 3-phase, 480/277 volts power and 120/208 power (if applicable).



THE MARKLE BUILDING... FLOOR BY FLOOR



This original bank vault on the first floor exhibits fine craftsmanship.

FLOOR I: RESTAURANT, FOOD COURT, OR RETAIL

Main floor area is 12,000 sq. ft. (which may be divided into three areas)

Mezzanine: Part of the Restaurant/Food Court or Retail/Conference/Meeting Rooms 7,500 sq. ft.

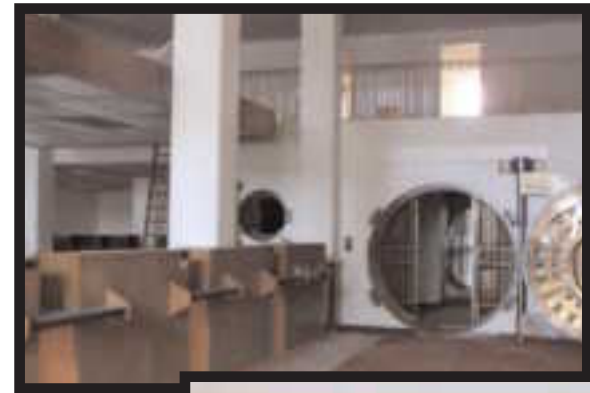
What used to be the main floor of the bank is a two-story space with a mezzanine that provides a grand view of the lower half of the first floor.

The middle of the room incorporates original structural piers that extend to the mezzanine level ceiling. The original bank vault, with its massive yet beautifully ornate door, remains at the western rear of the room and makes for a fascinating interior design element.

The mezzanine stairway is located behind the vault wall to the west. The railing is steel with a bronze wave motif that serves as a fine example of early twentieth century ornamentation.

This front room is truly magnificent and would provide a wonderful expanse for a single restaurant. It is, of course, large enough to accommodate a variety of smaller eateries as well, making it the perfect space for a food court.

Plenty of room also exists at rear of the mezzanine level that can be used for retail purposes or for conference/meeting rooms.



THE MARKLE BUILDING... FLOOR BY FLOOR

FLOORS 2-5: OFFICE SPACE (32,000 SQ. FT.)

These floors offer a great amount of room and flexibility and will be transformed into state-of-the-art , Class “A” office space. All wiring will be high-tech and suitable for white collar and technology firms.

Medical offices, law firms, as well as other businesses will be ideal candidates as tenants and will benefit greatly from KOZ tax credits (discussed under Section: “Financial Investment Incentives”).



A remodeled hallway with drop ceiling.



FLOORS 6-II: HOTEL SPACE (27,000 SQ. FT.)

The “tower” portion of the building is intended for conversion into an elegant hotel, holding eight to nine suites (one- and two-bedroom units) per floor. Designed to serve the “extended-stay” market, these suites will be perfect for the short-term traveler as well as families requiring more space than a standard hotel room. The addition of the hotel to downtown Hazleton further illustrates the growth the entire area is experiencing.

The sixth floor allows for access to an outdoor deck that would make a perfect setting for banquets or cocktails.

The Hotel’s renovated lobby will most likely be located at the westernmost bay of the original building and will house two remodeled elevators and an adjacent stairwell.



Original slate stairs and brass railings.



THE MARKLE BUILDING... FLOOR BY FLOOR

PENTHOUSE – IITH FLOOR: (4,400 SQ. FT.)

The Markle Building is capped by a spacious penthouse. Although intended for use as part of the proposed hotel, this space can also be adapted for private residential use or a restaurant with a breathtaking view.



The view from the 11th floor.



ROOF – CELLULAR OR SATELLITE ANTENNA

Since this building is by far the tallest structure in downtown Hazleton, its roof is ideal for placement of a cellular/satellite antenna.

Results of a site survey of the roof place it at:

Elevation: 1825 ft. (above sea level)

Longitude: W 75° 58 min. 27.75 sec.

Latitude: N 40° 57 min. 13.76 sec.



THE MARKLE BUILDING... FLOOR BY FLOOR

BASEMENT (16,415 SQ. FT.)

The large basement area can serve as a laundry service for the hotel (and the public).

The space also provides plenty of room for file storage rental by local businesses.



THE 1923 ADDITION

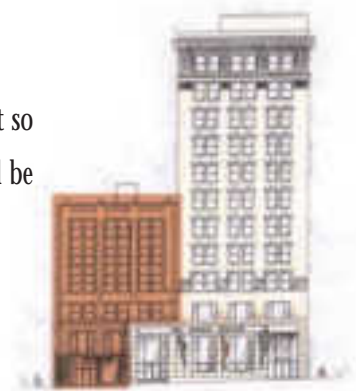


An indoor squash court may be seen atop the addition's rear second floor.

In 1923, a six story addition was added to the east side of the building. It extends the full length of the lot, dipping to two stories at the rear. Its floor measurements were included in the preceding sections dealing with the Main Floor and Floors 2-5.

While the upper stories are intended for office space, there are two first floor storefront spaces that are flexible enough for a variety of retail purposes — from a gallery to a book store to an arcade or café.

The addition was built so additional floors could be added at a later time.



FINANCIAL INVESTMENT INCENTIVES

KEYSTONE OPPORTUNITY EXPANSION ZONES (TAX-FREE FOR UP TO 12 YEARS)

Greater Hazleton already has so much to offer business owners and developers, but one more advantage has brought tremendous results - the Keystone Opportunity Zone (KOZ) and the new Keystone Opportunity Expansion Zone (KOEZ) programs.

KOZs and KOEZs are select parcels of real estate that provide greatly reduced or no tax burden for property owners, residents and businesses for up to 12 years.

By eliminating state, local and other miscellaneous taxes within specific areas, communities within Pennsylvania are experiencing economic growth and investment, with Hazleton playing a very large role in the success of these initiatives. In fact, since the KOZ program began, Greater Hazleton has landed almost one-third of the KOZ jobs created statewide.

This program is so successful that Business Facilities, one of the nation's leading business and site selection magazines, gave it a Gold Award in its Eighth Annual Economic Achievement Awards in the category of Statewide Economic Development Strategy.

Because of the tremendous success of the KOZ initiative, the KOEZ program was added in 2000.

The city, county, township and school district have all suspended taxes for those who meet the KOZ (and KOEZ) program criteria.

This is just one more example of the commitment to revitalization that is taking place in the Greater Hazleton community.

THE MARKLE BUILDING ENJOYS KOEZ TAX-FREE STATUS

The Markle Building is the first renovation project in the state of Pennsylvania that will utilize the KOZ program as it was originally intended – by redeveloping an urban area through the revitalization of a vacant building.

The KOZ status means the following pertains to any businesses or tenants that locate within the Markle Building.

- Real Property Tax in the Keystone Opportunity Expansion Zone is exempt in accordance with the provisions and limitations hereinafter set forth within the boundaries of the Keystone Opportunity Expansion Zone, in accordance with the Act for a period commencing January 1, 2001, and ending December 31, 2013;
- The exemption shall be 100% of the real property taxation on the assessed evaluation of property within the Keystone Opportunity Expansion Zone;
- Luzerne County waives business gross receipts tax for operations conducted by a qualified business; earned income received by a resident and/or net profits of a qualified business received by a resident or nonresident of the Keystone Opportunity Expansion Zone attributable to business activity conducted within the Keystone Opportunity Expansion Zone.

FINANCIAL INVESTMENT INCENTIVES

PENNSYLVANIA ENTERPRISE ZONE ASSISTANCE (LOW INTEREST LOANS)

Enterprise Zone Assistance is designed to help revitalize areas throughout the Greater Hazleton area, allowing the community to benefit from a general improvement in quality of life.

This program provides loans for creating or expanding businesses within an Enterprise Zone of the City of Hazleton. Priority is provided to businesses who create quality employment opportunities that pay significantly above minimum wage and provide benefits. Emphasis is also placed on companies whose market ranges from regional to international.

Enterprise Zones are located throughout the Greater Hazleton area.

The Markle Building is located in an Enterprise Zone.

This means that any business or tenant that locates within the building is eligible to receive the financial assistance within the following guidelines and limitations:

- Enterprise Zone funding cannot exceed 30% of the total project cost.
- Terms range from one to seven years and interest rates are fixed at the time of approval. Interest rates range from 4% to 6% and payments are expected monthly unless otherwise arranged.

COMMUNITY DEVELOPMENT BLOCK GRANT (5 TO 10 YEAR LOANS)

CDBG's are provided through the U.S. Department of Housing and Urban Development (HUD). They are administered by the Office of Community and Economic Development. Assistance is provided through the Business Development Loan Program.

BUSINESS DEVELOPMENT LOAN PROGRAM

This program provides loans to businesses that create or retain jobs —primarily for those individuals who are classified as having a low or moderate income under federal guidelines. Funding can be provided for business start up, expansion or relocation.

Locations of Eligibility

Business Development Loans are available for the Markle Building.

Maximum Assistance and Terms

- Loan amounts are based on need and appropriate collateral.
- Although there is no specific maximum amount, businesses are expected to increase employment by one position per each \$35,000 in funding provided.
- Terms range from five (5) to ten (10) years.
- Interest rates are fixed at the time of approval.
- The interest rate varies depending on the particular needs of a business.
- Quarterly payments are expected unless otherwise arranged.

FINANCIAL INVESTMENT INCENTIVES

JOB CREATION TAX CREDIT (UP TO \$1,000 PER JOB CREATED)

By providing tax relief, this program aims to lessen unemployment and provide laborers with ways to gain new skills and training to prepare them for the job market of the 21st century.

Locations of Eligibility

- Job Creation Tax Credit is available to businesses in the Markle Building.

Maximum Assistance and Terms

- Credits available are up to \$1,000 per job created and sustained for three years.
- Jobs must be permanent, full-time positions paying at or above 150% of minimum wage and must create or utilize new technologies.
- Businesses must demonstrate that they will expand their work force by 20% or by 25 new positions (whichever is less).