

ATTN: Project Manager: \_\_\_\_\_

Date: \_\_\_\_\_



EXHIBIT 5C  
LCRA 11/28/18

*For any project seeking assistance through the following agencies, a completed application form must be provided. Applications will be reviewed by EDC staff to determine the best course of action. Those agencies include: Tax Increment Financing Commission, Land Clearance for Redevelopment Authority, Port Authority, and Planned Industrial Expansion Authority, Chapter 353.*

### **REDEVELOPMENT PROJECT APPLICATION**

➤ Application may be submitted electronically

Email completed application to Carrie Habib at [chabib@edckc.com](mailto:chabib@edckc.com). 816-221-0636

*If more space is required for response to any question, please attach additional sheet(s).*

#### **1. APPLICANT INFORMATION**

Applicant/Organization Name: \_\_\_\_\_

Business Address: \_\_\_\_\_

Contact Person: \_\_\_\_\_

E-Mail Address: \_\_\_\_\_

Phone: \_\_\_\_\_ Fax: \_\_\_\_\_

Address (if different than business address) \_\_\_\_\_

Attorney for Applicant: \_\_\_\_\_

Attorney's Address: \_\_\_\_\_

Attorney's Phone: \_\_\_\_\_

#### **2. LOCATION OF THE PROJECT**

General Boundaries:

County: \_\_\_\_\_ Council District: \_\_\_\_\_

Total Acreage: \_\_\_\_\_

Is the project located in any incentive areas? \_\_\_\_\_ Mark Twain (Ch. 353); CBD URA; Downtown Library TIF

What is the current zoning of the project area? \_\_\_\_\_

What is the proposed zoning for the project area? \_\_\_\_\_

If a zoning change is pending, cite application number and present status. If application has not been made, briefly describe what change will be needed and plans for submitting application:

\_\_\_\_\_  
\_\_\_\_\_

Land Use Plan \_\_\_\_\_ Need for Modification \_\_\_\_\_

### 3. THE PROJECT

Provide a detailed narrative description of the proposed project, including information as the size of the project, amount of land (property) to be purchased, whether the project is a rehabilitation of existing structure(s), expansion, or the construction of a new facility, residences, etc. Describe what products or services are to be manufactured or provided through this project.

➤ ☐ New Construction      ☐ Rehab/Expansion      ☐ Residential      ☐ Commercial      ☐ Industrial

➤ ☐ Single Family/Duplex      ☐ Multifamily      ☐ Retail      ☐ Mixed Use      ☐ Office

Square footage: \_\_\_\_\_

No. of dwelling units \_\_\_\_\_ No. of hotel rooms \_\_\_\_\_ No. of parking spaces \_\_\_\_\_

List any nationally or locally historical properties and/or districts within the Project Area.  
*(Contact the City Landmarks Commission at (816) 513-2902 for information regarding local and national historical properties and/or districts)*

Please describe any environmental sustainability features of your project including level of LEED certification (if applicable) and/or any energy efficiency/alternative energy features. (Please note if you are interested in receiving free information from EDC staff on how available energy efficiency programs can reduce your overall project costs.)

#### NUMBER OF JOBS

<input type="checkbox"/> Created	_____	Average Salary:	\$ _____
<input type="checkbox"/> Retained	_____	Average Salary:	\$ _____
<input type="checkbox"/> Relocated	_____	Average Salary:	\$ _____
<input type="checkbox"/> Construction jobs	_____	Average Salary:	\$ _____

Projected personal property investment: \_\_\_\_\_

Will there be the use of federal or state incentives for this project? Which incentives and how much is being sought?

State the need for an incentive (i.e., competitive pressures of the location, need for remediation of blight in proximity to the Project, addition of jobs to a high unemployment area, etc.)

#### 4. PROJECT COSTS

Identify the costs reasonably necessary for the acquisition of the site and/or construction of the proposed Project together with any machinery and equipment in connection therewith, including any utilities hook-up, access roads, or appurtenant structures.

Acquisition Price: \_\_\_\_\_

Total Development Budget: \_\_\_\_\_

Current Assessed Value: \_\_\_\_\_

Projected Assessed Value: \_\_\_\_\_

**5. CONTROL OF PROPERTY**

If the Applicant owns the project site, indicate:

Date of Purchase \_\_\_\_\_

Sales Price \_\_\_\_\_

If the Applicant has a contract or option to purchase the project site, indicate:

Sales Price \_\_\_\_\_

Date purchase/option contract signed \_\_\_\_\_

Closing/expiration date \_\_\_\_\_

If the Applicant will lease the project site, indicate:

Legal Name of Owner \_\_\_\_\_

Owner's Address \_\_\_\_\_

Owner of land upon completion of the Project \_\_\_\_\_

**6. LAND ACQUISITION**

For each Project Area, please provide the following:

- A map showing all parcels to be acquired
- Addresses and parcel numbers of all parcels to be acquired
- Current owners of all parcels to be acquired

Is the use of Eminent Domain anticipated? \_\_\_\_\_

**7. SOURCES OF FUNDS:**

State amount and sources of financing for each Project costs listed above. Please provide commitment letters for any sources received listing terms and conditions.

<u>SOURCE</u>	<u>AMOUNT</u>
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____

## 8. DEVELOPMENT TEAM

Identify members of the development team and provide evidence of experience with other development projects.

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## 9. FINANCIAL INFORMATION

- A. Budget – include a detailed breakdown of all hard and soft costs
- B. Complete list of sources and uses of funds (indicate if you have received tax credits and secured other financing)
- C. 10 year operating pro forma
  - One that shows the project without any incentive assistance
  - One that shows the project with requested incentive

The Pro forma should also include assumptions such as estimated lease rates, revenue assumptions, and expense assumptions.

- D. If seeking TIF assistance, provide projections for PILOTS and EATS.
- E. If seeking TIF or Chapter 100 assistance, provide a personal property depreciation and replacement schedule.
- F. Financing Term Sheet

## 10. BOND FINANCING

Bond Financing is handled on a case-by-case basis.

We are requesting a sales tax exemption on construction materials purchased

## 11. REQUIRED ATTACHMENTS

- **Attachment A** A map showing the boundaries of the project.
- **Attachment B** A development schedule for the project, including the phasing of development and the locations and improvements to be accomplished in each phase.
- **Attachment C** Design plans for the project (including site plans & elevations), if available.
- **Attachment D** Letter(s) of Support from one or more of the following: councilpersons, mayor, county official, state representative, state senator, local taxing entities, and/or neighborhood organization(s).

**13. BANKRUPCY DISCLOSURE:**

Has the applicant or any parent, subsidiary or business entity otherwise affiliated with the applicant, ever filed a petition for bankruptcy or appointed a receiver? If Yes, the applicant must obtain and file a "**Statement of Bankruptcy/Receivership.**"

☒ No      ☐ Yes

**FEES WILL BE CALCULATED AND COLLECTED AT A FUTURE DATE.**

**12. CERTIFICATION OF APPLICANT:**

The undersigned hereby represents and certifies that to the best of their knowledge and belief this project application contains no information or data that is false, incorrect or misleading.

NAME: Philip M Aftuck

SIGNATURE: 

TITLE: Senior Associate, Investments

APPLICATION MAY BE EMAILED TO: chabib@edckc.com or

MAIL COMPLETED APPLICATION TO: **Economic Development Corporation**  
**Attn: Carrie Habib**  
**1100 Walnut, Suite 1700**  
**Kansas City, Missouri 64106**

**FOR INTERNAL USE ONLY**

Assistance Project will be evaluated for which financial analysis:

☐ TIF

☐ PIEA/Chapter 353

☐ LCRA

☐ Chapter 100

Comments:

Advance KC Project Inquiry Meeting Date: \_\_\_\_\_ Score Card Value: \_\_\_\_\_  
Financial Analysis Review Committee: \_\_\_\_\_

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## *Mark Twain Building*

*106 W. 11<sup>th</sup> Street Kansas City, Missouri*

### *Redevelopment Application to the Economic Development Corporation of Kansas City*

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Please find enclosed an application on behalf of The Bernstein Companies for a property tax abatement from the Land Clearance for Redevelopment Authority (LCRA) for ten-years at 90% of the additional value created through the redevelopment of the blighted historic Mark Twain Tower located in downtown Kansas City, Missouri. Additionally, we are requesting a sale-tax exemption on all construction materials purchased for the renovation.

Our request for an abatement from the LCRA is critical to the successful repositioning of the Mark Twain Tower because of the following reasons:

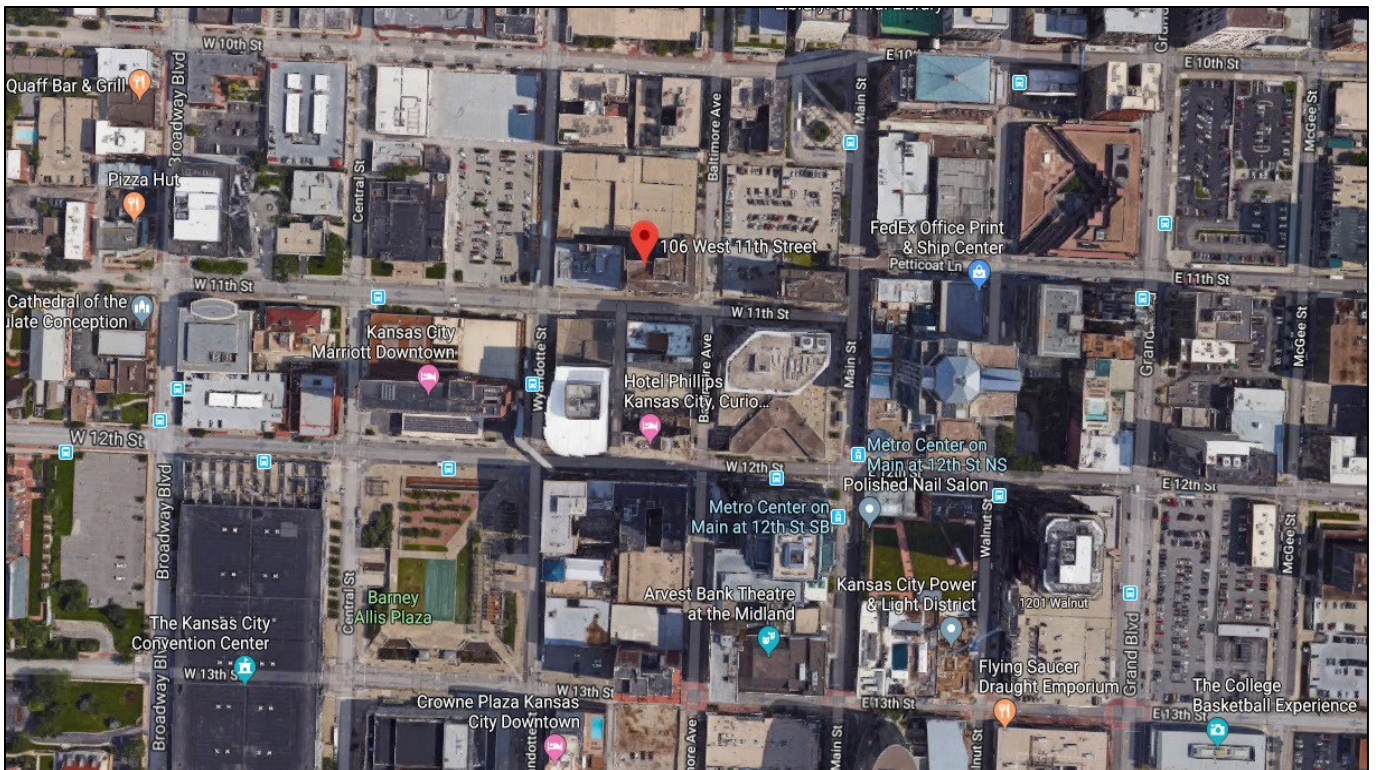
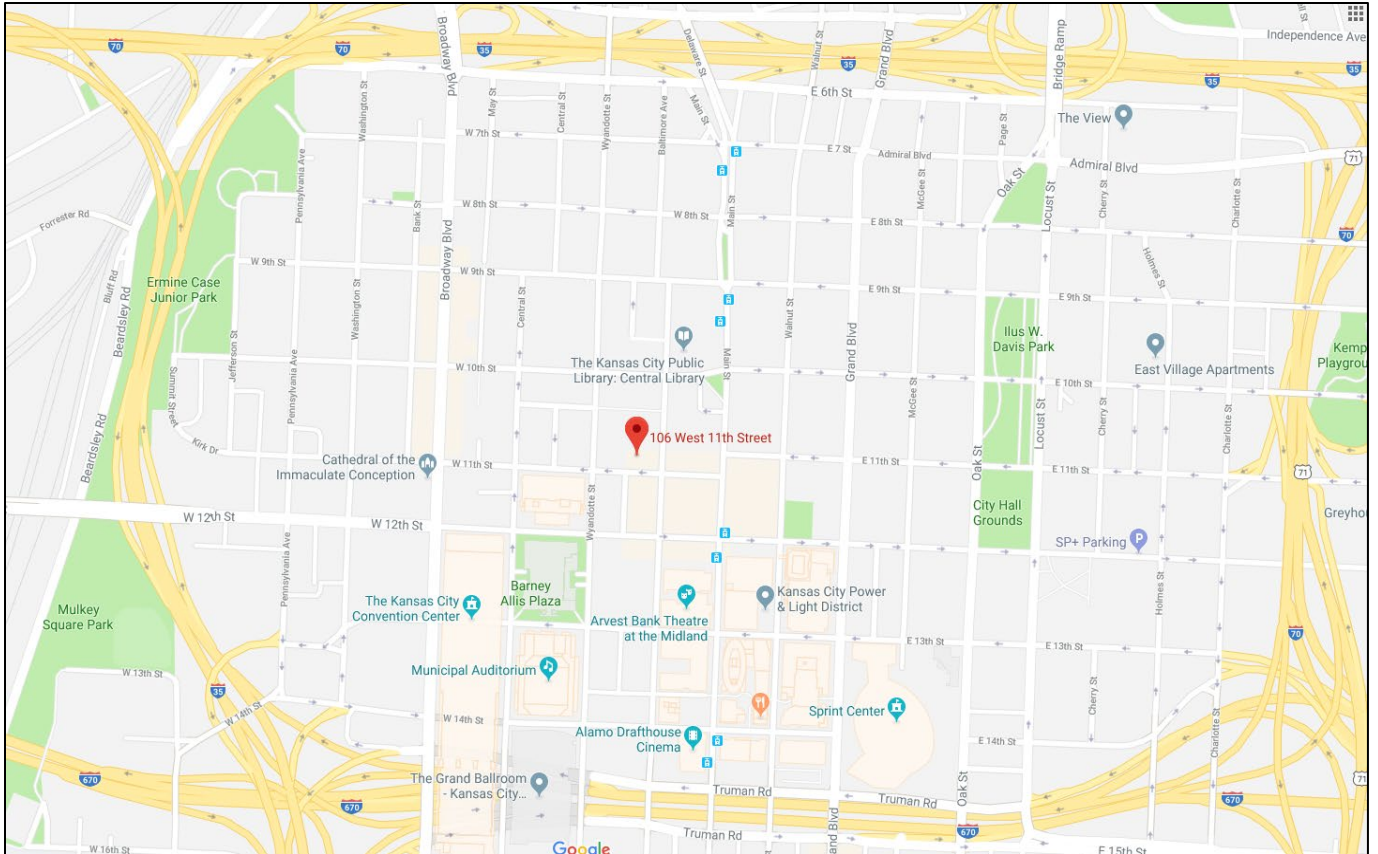
- Difficulty associated with renovating a historic structure;
- Flattening market rental rates;
- Pipeline of supply flooding the market;
- Rising interest rates increasing borrowing costs;
- Shortage of qualified labor skilled in historic high-rise construction; and
- Failed attempts by previous owners to successfully renovate the Mark Twain Building.

#### **Attachments**

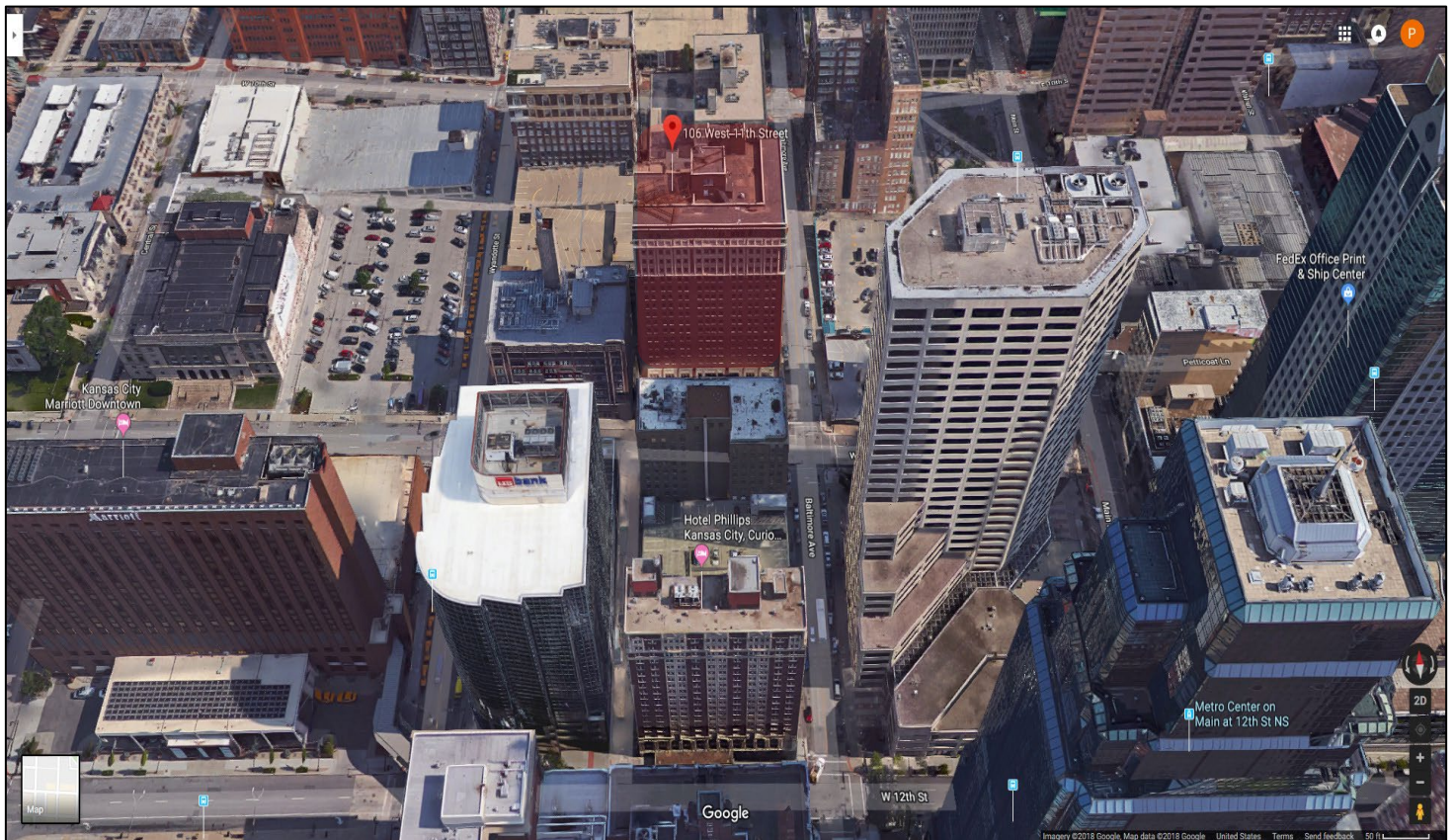
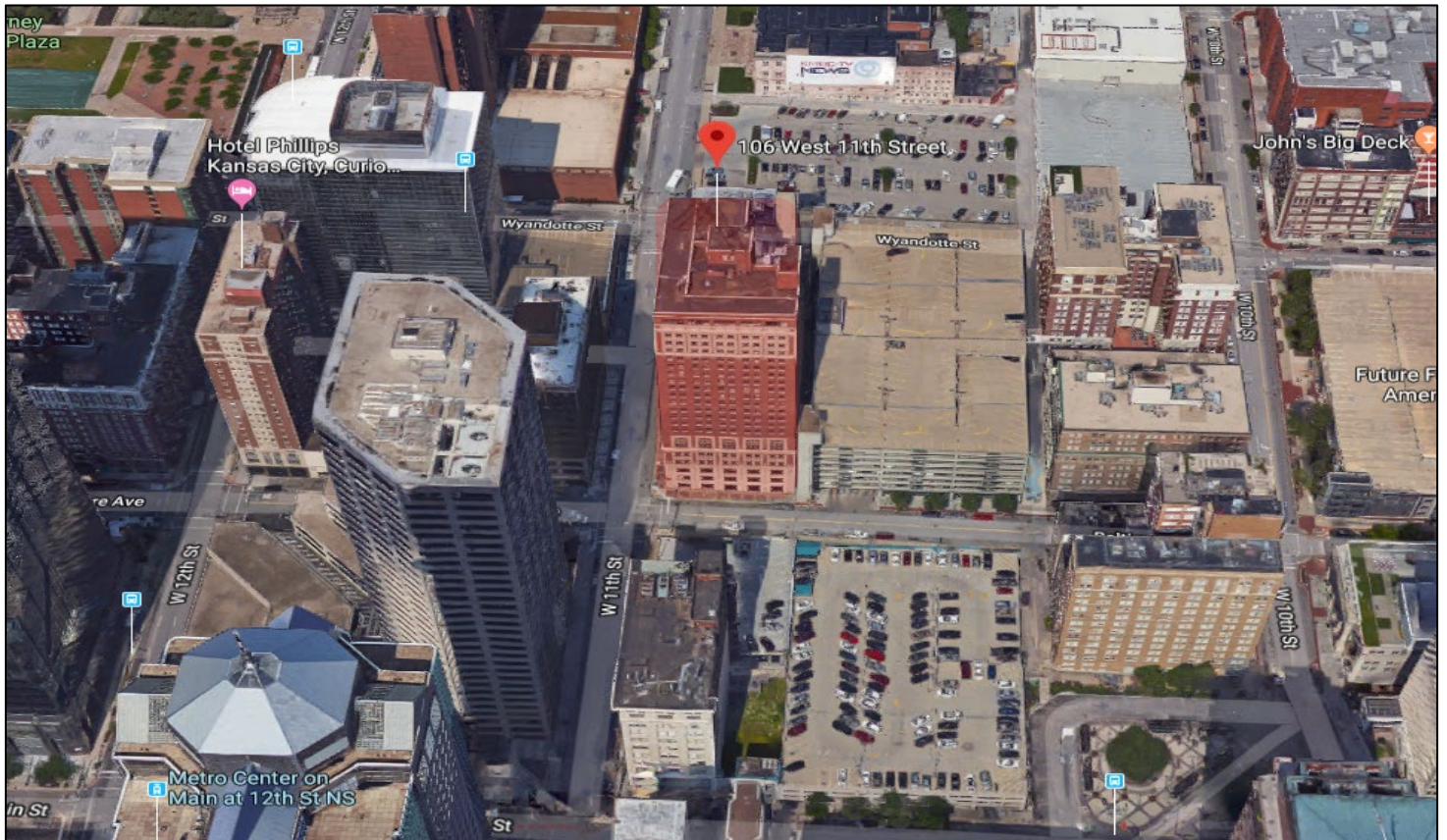
- A) Map
- B) Development Schedule
- C) Design Plans
- D) Development Information & Principal Bios
- E) Letters of Support – forthcoming
- F) Financial Information



## Attachment A – Map







## **Attachment B – Development Schedule**

Construction Begins: November 2018

Construction Ends: November 2020

## **Attachment C – Design Plans**

Plans are being drafted at this time are are fourthcoming



## **Attachment D – Developer Information & Principal Bios**

### **The Bernstein Companies**

The Bernstein Companies is one of Washington, D.C.'s oldest real estate investment, ownership, management and development organizations. Its dynamic and storied history is characterized by adaptability and a keen sense of the industry's direction. Today, The Bernstein Companies is focused on strategic acquisitions, ground-up developments, and investments, as well as the management of its hotel and commercial properties. The company builds upon the theme of developing and holding assets long-term, as evidenced by the pipeline of projects that include the construction of over 300 residential units, hotel and mixed-use development and conversions, and over 400,000 square feet of office development.

The firm's motto, Long History, Long Horizon, demonstrates its dedication to investing in projects and surrounding communities that will have a lasting impact, rather than purchasing only to sell and make a profit. As a comprehensive real estate firm with a unique platform, the company is positioned to recognize the synergies between the development, asset and property management, financing and tax credit opportunities inherent in its hotel, office, apartment and condominium projects. This diversified and disciplined investment philosophy has helped the company weather the numerous economic cycles, from the Depression, the double-digit interest rate spike and the savings and loans crisis, to more recently the 2008 financial crisis.

This nimble entrepreneurial firm has delivered/managed over 3,000 Residential & Condominium Units, 20 Hotels and 5,000,000 square-feet of commercial office over the past 85 years. A few are highlighted below.

- Founded in 1933, Leo A. Bernstein began buying homes, offering real estate, lending and financing services and managing properties
- Pioneered condominium conversions and delivered Washingtonians their dream of homeownership after the passage of the condominium law in the mid-60s
- Developed the iconic Franklin Tower at 1401 I St. NW in 1967, operated the building for nearly 25 years, then executed a gut renovation to modernize and deliver a trophy building and attract a tenant base of major Fortune 500 companies
- Invested over \$200 million in hotels, office, industrial and retail properties throughout the mid-Atlantic region through a series of opportunity funds with an institutional investor, developing and repositioning over 3 million sf of assets. This launched TBC's Consortium Capital division and the subsequent formation of the Consortium Atlantic REIT.
- Led the gentrification of the area North of Massachusetts Avenue in Washington, DC (referred to as "NoMa") with the adaptive reuse of a 19th century former printing plant into a new broadcast, recording facility and corporate headquarters of SiriusXM in 1999.
- Completed over \$1.5 billion in historic and new-market tax credit transactions and facilitated over \$3 billion in real property transactions
- Active portfolio and development pipeline with over 2,500,000 sf office, 1,048 hotel keys and 1,185 residential units

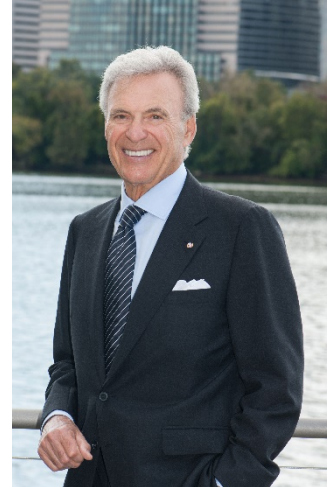
## Principal Bios

### **Stuart Bernstein** **CHAIRMAN EMERITUS**

For over 50 years, Stuart Bernstein has been a recognized leader in real estate development and investment in the Mid-Atlantic region, with the focus of his business efforts centered in the Washington, DC area. In 2001, he was appointed by President George W. Bush to represent the United States as Ambassador to the Kingdom of Denmark where he served with distinction until January 2005.

A graduate of American University, Stuart was a member of the Board of Trustees of that institution for twenty years. In 1991, President George H.W. Bush appointed Stuart as a Commissioner of the International Cultural and Trade Center. The following year, in recognition of his achievements, President George H. W. Bush appointed him as a Trustee of the John F. Kennedy Center for the Performing Arts. He also served as a member of the National Finance Committee for the G.W. Bush Presidential Center which opened in Dallas on April 2013.

Currently, Stuart serves on the Board of Trustees of the Council of American Ambassadors, he is a member of the Council of the Woodrow Wilson Center, a member of the International Council of CSIS, a Society of Fellows member of the Aspen Institute and on the Board of the US Diplomacy Center Foundation.



**Adam K. Bernstein****PRESIDENT AND CHIEF EXECUTIVE OFFICER**

Adam K. Bernstein is the President and CEO of The Bernstein Companies (TBC) a third-generation, 80-year-old Washington, D.C.-based real estate firm. As President of The Bernstein Companies, he is a recognized leader in real estate development, investment and management in the Mid-Atlantic region.



Since becoming President in 1997 Mr. Bernstein has led the strategic growth of The Bernstein Companies into a diversified organization with expertise across asset classes where TBC invests in and operates office, hotel and multi-family properties. The Bernstein Companies have had direct ownership interest in transactions totaling over \$2 billion, both through institutional investment funds and TBC's own private portfolio. In addition, the company has built a structured financed group that focuses on tax credit syndication and project finance for community development projects nationwide.

Mr. Bernstein has been responsible for forging many successful ventures with investors and has built an institutional yet nimble organization that prides itself on its investing and operating track record. Adam brings his deep value philosophy to the Company's investments through his daily involvement in the portfolio and his direction of the Company's senior executives and managers.

Mr. Bernstein is an Independent Director on the Boards of PennantPark Investment Corporation and PennantPark Floating Rate Capital, Ltd., two NASDAQ traded business development companies that focus on investment in middle-market companies by providing creative financing solutions. Adam also stays active in the civic endeavors through his board participation with the Bernstein Family Foundation, Most Valuable Kids, and Team Turnaround, a non-profit that helps promote equity in education in underserved communities.

Adam earned his Bachelor of Science degree from The Wharton School in 1985 and remains actively involved in the university. Adam formerly served as the President of the Mid-Atlantic Regional Advisory Board and was appointed to the Board of Overseers of the School of Arts and Sciences in 2013. Through these roles, Adam has contributed to the strong ties the university holds with the Washington, D.C. region.

**Marc Duber****EXECUTIVE VICE PRESIDENT AND CHIEF OPERATING OFFICER**

Marc N. Duber, as Executive Vice President and Chief Operating Officer of The Bernstein Companies (TBC), has been at the forefront of real estate management, development and repositioning since joining TBC in 1979. As Managing Director of TBC's Hotel and Property Management Divisions, Marc is responsible for the oversight of the firm's privately-owned hotel portfolio, its multi-family portfolio and its commercial real estate portfolio which currently includes over two million square feet. There is also nearly two million square feet of approved development projects currently in the pipeline including the Marriott International Global Headquarters and adjacent hotel.



Marc actively participates in all phases of the investment process, from evaluating potential acquisitions to oversight of asset management and strategic repositioning efforts. TBC emphasizes a long-term approach to real estate ownership, a philosophy it has had since inception. Marc's hands-on approach in all of TBC's divisions helps to yield high profit margins while ensuring positive experiences for investors, partners, tenants and hotel guests.

Marc supports many philanthropies; he is a 1981 graduate of American University and was appointed to the university's Board of Trustees in May 2007. He heads its Real Estate Committee and was recently appointed Vice-Chairman. Marc is a former Chairman of the Board at Washington Hospital Center, the largest and most comprehensive hospital serving the Washington area. He now serves on the Board and chairs the Finance Committee of MedStar Health, Inc. the parent corporation of Washington Hospital Center. Marc currently serves on the Executive Board of Georgetown Heritage and is a member of Cornell University's Parents Committee. In the past he served as a member of the Development Committee of the Landon School in Bethesda, Maryland, and on the boards of the Jewish Community Center of Greater Washington and the B'Nai Tzedek Congregation.



**Joe Galli**  
**EXECUTIVE VICE PRESIDENT**

Joseph S. Galli, as Executive Vice President and Chief Investment Officer, has been with The Bernstein Companies (TBC) since 1989 and has played an integral part in TBC's growth and diversification into a fully integrated real estate company involved in direct investment, joint-venture participation, development, and financing of commercial real estate, on a local and national scale.

Mr. Galli helped to launch the company's series of equity funds, providing critical knowledge, keen intellect, and unique foresight to the investment decisions and repositioning of assets acquired by these new ventures. Joe is also a Managing Director of TBC's structured finance group where its tax credit syndication transactions are credited with creating nearly 4,000 jobs and providing \$2.9 billion of private additional investment to disadvantaged communities. This portfolio extends over a range of categories encompassing Historic, New Market and Renewable Energy Tax Credits.

Mr. Galli is a 1985 graduate of The Wharton School, University of Pennsylvania a, and he has spearheaded fundraising and lobbying efforts to combat Autism on behalf of "Cure Autism Now" and "Autism Speaks." He is currently Chairman of the Government Relations Committee for the Washington D.C. chapter of Autism Speaks.



**Anoop Davé****SR. VICE PRESIDENT - INVESTMENTS**

Anoop Davé is responsible for all aspects of the investment process, including sourcing, transaction structuring, financing, reporting, and post-closing execution. Mr. Davé employs a value investment approach based on the Graham and Dodd model to invest in public, private, and structured real estate transactions. He has worked in both investment and execution roles in 40+ deals, with aggregate deal values of over \$1.5 billion dollars.



Prior to joining The Bernstein Companies Mr. Davé was a Managing Director at New York-based Kushner Companies. He also served as Managing Director at PMC Property Group, and Vice President at Square Mile Capital. Mr. Davé is currently on the Advisory Board of the American Land Fund II, a \$116 Million unlevered land acquisition and development fund.

Mr. Davé graduated magna cum laude from The Wharton School at University of Pennsylvania and was recipient of the Herbert Brown Foundation Award in Real Estate from the Wharton School. He is the editor of the widely used textbook Real Estate Finance and Investments: Risks and Opportunities authored by Dr. Peter Linneman.

**Mark Twain Tower - Kansas City, MO**

Acquisition/Purchase Price	\$	9,300,000.00
Costs Associated with Previous Owners	\$	650,000.00
Misc Closing Cost	\$	345,000.00
<b>Balance</b>	<b>\$</b>	<b>10,295,000.00</b>
Predevelopment Costs	\$	2,256,000.00
<b>Amount Needed</b>	<b>\$</b>	<b>12,551,000.00</b>
Loan Costs	\$	810,396.00
<b>Total Acquisition &amp; Pre-Development</b>	<b>\$</b>	<b>13,361,396.00</b>

**Construction Period**

Nov 2018 - Nov 2020

Construction Hard Costs	\$	30,558,869.00
Carry Cost during Construction	\$	1,858,640.00
Developer Fee	\$	950,000.00
Interest Carry & Fees	\$	2,842,230.00
<b>Total Construction Period Costs</b>	<b>\$</b>	<b>36,209,739.00</b>

<b>Total Project Cost</b>	<b>\$</b>	<b>49,571,135.00</b>
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**Sources**

Debt	\$	32,415,839.00
Historic Tax Credit Equity - Bridge Loan	\$	10,157,146.00
Equity	\$	6,998,150.00
<b>Total Sources</b>	<b>\$</b>	<b>49,571,135.00</b>

**Uses**

Acquisition & Predevelopment	\$	13,361,396.00
Construction / Hard Costs	\$	32,417,509.00
Developer Fee	\$	950,000.00
Interest Carry	\$	2,842,230.00
<b>Total Uses</b>	<b>\$</b>	<b>49,571,135.00</b>

**Mark Twain Building - WITHOUT Tax Abatement**

Total Building SF	253,192	NOI at Stabilization w/abatement	2,038,359	2018 Tax		Development Cost	
Total Rentable SF	150,680	Cap Rate Used for Value	6.00%	Market Value	\$ 4,752,000	Hard Costs (incl. purchase)	34,334,648
Total Commercial SF	18,000	Est Market Value using Cap Rate	33,972,652	Assessed Value	\$ 1,520,640	Soft Cost	8,583,662
Total Amenity/Other SF	84,512	Levy Rate Per 2017 Schedule	7.9600	Assessment Rate	19%	Total Cost	42,918,310
Rent PSF	\$1.945	Permanent Loan		Value at Stabilization	42,918,310	Sources	
Avg Unit SF	735	Coverage Ratio	1.25	Contribution to Mkt Value	25,750,986 60%	Construction Loan	27,996,902
Avg Rent	\$ 1,430	Stabilization NOI +1	1,678,587	Mkt Value at Stabilization	30,502,986	Equity	6,202,475
Commercial Rent PSF	\$13.50	Rate	5.75%			Historic Tax Credit (net of cost)	8,718,933
		Amortization	25 years				42,918,310

		Year	Construction 0	Lease Up 1	Stabilization 2	3	4	5	6	7	8	9	10
<b>INCOME</b>													
Gross Potential Rent	1.50% Growth		-	1,758,436	3,516,871	3,569,624	3,623,169	3,677,516	3,732,679	3,788,669	3,845,499	3,903,182	3,961,729
Vacancy/Bad Debt/Concessions	8.00%		-	(140,675)	(281,350)	(285,570)	(289,853)	(294,201)	(298,614)	(303,094)	(307,640)	(312,255)	(316,938)
<b>Total Rent Income</b>			-	1,617,762	3,235,524	3,284,057	3,333,319	3,383,320	3,434,071	3,485,583	3,537,867	3,590,936	3,644,801
Gross Commercial Rent - NNN	\$13.50 PSF 1.50% Growth			243,000	246,645	250,345	254,100	257,911	261,780	265,707	269,692	273,738	277,844
Vacancy				60%	30%	20%	20%	20%	20%	20%	20%	20%	20%
<b>Total Commercial Rent</b>				97,200	172,652	200,276	203,280	206,329	209,424	212,565	215,754	218,990	222,275
<b>Effective Gross Income</b>			-	1,714,962	3,408,175	3,484,333	3,536,599	3,589,649	3,643,495	3,698,148	3,753,621	3,809,926	3,867,076
<b>EXPENSES</b>													
Operating Expense	2.00% Growth			737,000	1,101,543	1,123,574	1,146,045	1,168,966	1,192,346	1,216,192	1,240,516	1,265,327	1,290,633
Reserves	3.0% of GPR			52,753	105,506	107,089	108,695	110,325	111,980	113,660	115,365	117,095	118,852
Real-Estate Taxes (2yr reset)	2.00% Growth			461,327	461,327	470,554	470,554	479,965	479,965	489,564	489,564	499,355	499,355
Management Fee	3.00%			51,449	102,245	104,530	106,098	107,689	109,305	110,944	112,609	114,298	116,012
<b>Total Expense</b>			-	1,302,529	1,770,622	1,805,746	1,831,392	1,866,946	1,893,596	1,930,361	1,958,054	1,996,075	2,024,853
<b>Net Operating Income NOI</b>			-	412,433	1,637,553	1,678,587	1,705,207	1,722,703	1,749,899	1,767,787	1,795,567	1,813,851	1,842,223

<b>Debt Service</b>													
<b>Construction Debt</b>	5.75% rate												
Payment			1,609,822										
Principal			(27,996,902)										
<b>Permanent Debt</b>													
Payment				1,453,340	1,453,340	1,453,340	1,453,340	1,453,340	1,453,340	1,453,340	1,453,340	1,453,340	1,453,340
Principal				19,251,378									
<b>Debt Service Coverage Ratio</b>				0.28	1.13	1.15	1.17	1.19	1.20	1.22	1.24	1.25	1.27
<b>Net Cash Flow</b>			(\$1,609,822)	(\$1,040,907)	\$184,214	\$225,247	\$251,867	\$269,363	\$296,559	\$314,447	\$342,227	\$360,511	\$388,883

<b>Historic Tax Credit Investor Requirements</b>													
Annual Priority Return/Put				158,434	158,434	158,434	158,434	422,490	-	-	-	-	-
Tax/Audit	2.00% Growth			10,000	10,200	10,404	10,612	10,824	-	-	-	-	-
Asset Management Fee				5,000	5,000	5,000	5,000	5,000	-	-	-	-	-
<b>Total HTC Cost</b>				173,434	173,634	173,838	174,046	438,314	-	-	-	-	-
<b>Net Cash Flow after HTC Fees &amp; Debt Pmts</b>			(\$7,812,297)	(\$1,214,341)	\$10,580	\$51,409	\$77,821	(\$168,951)	\$296,559	\$314,447	\$342,227	\$360,511	\$388,883

<b>Sale of the Mark Twain Tower</b>													
Value	6.25% Cap												29,475,573
Cost of Sale	5.00%												(1,473,779)
Remaining Principal Debt													(14,515,009)
<b>Net Profit from Sale</b>													\$ 13,486,786

<b>Levered Total Net Flow of Funds</b>	6.09%	(\$7,812,297)	(\$1,214,341)	\$10,580	\$51,409	\$77,821	(\$168,951)	\$296,559	\$314,447	\$342,227	\$360,511	\$13,875,669
<b>Unlevered Total Net Flow of Funds</b>	3.50%	(\$34,199,377)	\$412,433	\$1,637,553	\$1,678,587	\$1,705,207	\$1,722,703	\$1,749,899	\$1,767,787	\$1,795,567	\$1,813,851	\$29,844,017

**Mark Twain Building - WITH Tax Abatement**

Total Building SF	253,192	NOI +1 Year at Stabilization	2,088,619	<b>2018 Tax</b>		<b>Development Cost</b>	
Total Rentable SF	150,680	Cap Rate Used for Value	6.00%	Market Value	\$ 4,752,000	Hard Costs	34,334,648
Total Commercial SF	18,000	Est Market Value using Cap Rate	34,810,317	Assessed Value - Land	\$ 276,480	Soft Cost	8,583,662
Total Amenity/Other SF	84,512	Levy Rate Per 2017 Schedule	7.9600	Assessed Value - Improvements	\$ 1,244,160	Total Cost	42,918,310
				Total Assessed Value	\$ 1,520,640		
Rent PSF	\$1.945	<b>Permanent Loan</b>		Assessment Rate	19%	<b>Sources</b>	
Avg Unit SF	735	Coverage Ratio	1.25	Value at Stabilization	42,918,310	Construction Loan	27,996,902
Avg Rent	\$ 1,430	Stabilization NOI +1	2,088,619	Contribution to Mkt Value	25,750,986	Equity	6,202,475
Commercial Rent PSF	\$13.50	Rate	5.75%	<b>Mkt Value at Stabilization</b>	30,502,986	Historic Tax Credit (net)	8,718,933
		Amortization	30 years				42,918,310

		Construction	Lease Up	Stabilization								
	Year	0	1	2	3	4	5	6	7	8	9	10
<b>INCOME</b>												
Gross Potential Rent	1.50% Growth	-	1,758,436	3,516,871	3,569,624	3,623,169	3,677,516	3,732,679	3,788,669	3,845,499	3,903,182	3,961,729
Vacancy/Bad Debt/Concessions	8.00%	-	(140,675)	(281,350)	(285,570)	(289,853)	(294,201)	(298,614)	(303,094)	(307,640)	(312,255)	(316,938)
<b>Total Rent Income</b>		-	1,617,762	3,235,524	3,284,057	3,333,319	3,383,320	3,434,071	3,485,583	3,537,867	3,590,936	3,644,801
Gross Commercial Rent - NNN	\$13.50 PSF 1.50% Growth		243,000	246,645	250,345	254,100	257,911	261,780	265,707	269,692	273,738	277,844
Vacancy			60%	30%	20%	20%	20%	20%	20%	20%	20%	20%
<b>Total Commercial Rent</b>			97,200	172,652	200,276	203,280	206,329	209,424	212,565	215,754	218,990	222,275
<b>Effective Gross Income</b>		-	1,714,962	3,408,175	3,484,333	3,536,599	3,589,649	3,643,495	3,698,148	3,753,621	3,809,926	3,867,076
<b>EXPENSES</b>												
Operating Expense	1.50% Growth		737,000	1,101,543	1,123,574	1,146,045	1,168,966	1,192,346	1,216,192	1,240,516	1,265,327	1,290,633
Reserves	3.0% of GPR		52,753	105,506	107,089	108,695	110,325	111,980	113,660	115,365	117,095	118,852
PILOT (Land)			11,004	11,004	11,004	11,004	11,004	11,004	11,004	11,004	11,004	11,004
PILOT (Improvement)	2.00% Growth		49,518	49,518	49,518	49,518	49,518	49,518	49,518	49,518	49,518	49,518
Management Fee	3.00%		51,449	102,245	104,530	106,098	107,689	109,305	110,944	112,609	114,298	116,012
<b>Total Expense</b>		-	901,723	1,369,816	1,395,714	1,421,360	1,447,503	1,474,152	1,501,318	1,529,011	1,557,241	1,586,019
<b>Net Operating Income NOI</b>		-	813,238	2,038,359	2,088,619	2,115,239	2,142,146	2,169,342	2,196,829	2,224,610	2,252,685	2,281,057
<b>Debt Service</b>												
<b>Construction Debt</b>	5.75% rate											
Payment		1,609,822										
Principal		(27,996,902)										
<b>Permanent Debt</b>												
Payment			1,653,900	1,653,900	1,653,900	1,653,900	1,653,900	1,653,900	1,653,900	1,653,900	1,653,900	1,653,900
Principal			23,617,452									
<b>Debt Service Coverage Ratio</b>			0.49	1.23	1.26	1.28	1.30	1.31	1.33	1.35	1.36	1.38
<b>Net Cash Flow</b>		(\$1,609,822)	(\$840,662)	\$384,459	\$434,719	\$461,339	\$488,246	\$515,442	\$542,929	\$570,709	\$598,784	\$627,157
<b>Historic Tax Credit Investor Requirements</b>												
Annual Priority Return/Put			158,434	158,434	158,434	158,434	422,490	-	-	-	-	-
Tax/Audit	2.00% Growth		10,000	10,200	10,404	10,612	10,824	-	-	-	-	-
Asset Management Fee			5,000	5,000	5,000	5,000	5,000	-	-	-	-	-
<b>Total HTC Cost</b>			173,434	173,634	173,838	174,046	438,314	-	-	-	-	-
<b>Net Cash Flow after HTC Fees &amp; Debt Pmts</b>		(\$7,812,297)	(\$1,014,096)	\$210,825	\$260,881	\$287,293	\$49,931	\$515,442	\$542,929	\$570,709	\$598,784	\$627,157
<b>Sale of the Mark Twain Tower</b>												
Value	6.25% Cap											36,496,915
Cost of Sale	5.00%											(1,824,846)
Remaining Principal Debt												(19,537,245)
<b>Net Profit from Sale</b>												\$ 15,134,824
<b>Levered Total Net Flow of Funds</b>	9.55%	(\$7,812,297)	(\$1,014,096)	\$210,825	\$260,881	\$287,293	\$49,931	\$515,442	\$542,929	\$570,709	\$598,784	\$15,761,980
<b>Unlevered Total Net Flow of Funds</b>	6.77%	(\$34,199,377)	\$813,238	\$2,038,359	\$2,088,619	\$2,115,239	\$2,142,146	\$2,169,342	\$2,196,829	\$2,224,610	\$2,252,685	\$36,953,126