



GROW AMERICA

COST-BENEFIT ANALYSIS (DRAFT)

SUBSTANTIATION OF NEED FOR CITY OF GLEN COVE IDA FINANCIAL ASSISTANCE

Prepared For:

City of Glen Cove Industrial Development Agency
9 Glen Street | Glen Cove, NY 1154247

Regarding:

145 Glen Cove Owner (OZ), LLC | The Villas at Glen Cove

New Construction of a 162-Unit Residential Project Across Six (6) Buildings at 145 Glen Cove Avenue in Glen Cove, New York

Headquarters

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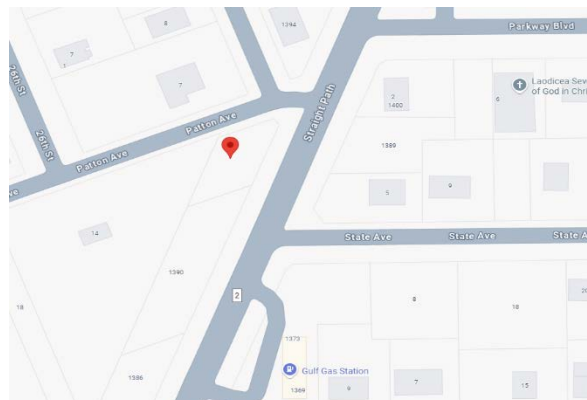


I. ASSIGNMENT

Grow America (formerly National Development Council or NDC) has a limited engagement with the City of Glen Cove Industrial Development Agency (the IDA) to review applications for tax assistance. Grow America is a national economic development organization that provides development finance advisory services to municipalities throughout the country. Grow America routinely analyzes financial structures of proposed developments and determines the appropriateness of direct financial assistance or incentives. The purpose of this memo is to describe Grow America's understanding and findings of the above-referenced project.

II. PROJECT SUMMARY

145 Glen Cove Owner (OZ), LLC (the Applicant and/or Developer) has applied for financial assistance for a proposed mixed-income, transit-oriented development in the City of Glen Cove, County of Nassau, New York. The entity is a subsidiary of CIM Group, a vertically integrated real estate and infrastructure owner, operator, lender, and developer. CIM Group owns 189 real estate assets across the Americas and Europe, representing approximately \$13.7 billion in total asset value, and has a long-term track record of owning, developing, and operating properties in communities now designated as Qualified Opportunity Zones (QOZs). The application requests a sales tax exemption on building materials and equipment, mortgage recording tax exemption, and property tax abatement in the form of a payment in-lieu of taxes (PILOT).



Site Location on Map



Aerial Photo of Site

The subject property comprises a total site area of approximately 4.89± acres and is configured as two non-contiguous parcels consisting of ten individual tax lots. The northern parcel is located at the northeast corner of Glen Cove Avenue and Craft Avenue, and the southern parcel is situated along the east side of Glen Cove Avenue, with frontage on the south side of Craft Avenue and the north side of Young Avenue.

The Applicant proposes to develop the site with a 162-unit rental apartment complex comprised of six buildings ranging from two to four stories in height. The proposed development will include approximately 220,486± SF of above-grade gross building area and approximately 145,277± SF of net rentable area. The unit mix will consist of 18 small one-bedroom units, 53 large one-bedroom units, 76 two-bedroom units, and 15 three-bedroom units. Of the total units, 128 will be market-rate, including 12 small one-bedroom, 43 large one-bedroom, 60 two-bedroom, and 13 three-bedroom units. The remaining 34 units will be non-

market and evenly divided between 17 affordable units and 17 workforce units. The affordable units will be restricted at 80% of Area Median Income (AMI), while the workforce units will be restricted at 130% of AMI. A detailed rent roll is provided in **Section V** of this report.

The proposed development will include a comprehensive suite of indoor and outdoor amenities designed to enhance the quality of life of residents. Indoor amenities, all located within Building A, will total approximately 13,974± GSF. These amenities will include Amazon lockers and a refrigerated package room, a wine cellar, movie room, multipurpose room, yoga room, spa room, fitness center, indoor pool, separate men's and women's sauna rooms, business and conference facilities, a mini-golf room, tenant laundry facilities, laundry and dry-cleaning drop-off, and dedicated tenant storage. Outdoor amenities, also associated with Building A, will total approximately 17,415± GSF and will include bocce and horseshoe courts, picnic areas, and a rooftop lounge.

The residential units will feature high-quality interior finishes, including hardwood LVT plank flooring, stainless steel appliances, stone countertops, hardwood cabinetry, in-unit washers and dryers, and individual Mitsubishi split heating and cooling systems in each apartment. The development will also provide a total of 352 spaces of structured parking to accommodate residents and visitors. All utility costs, including electric, gas, heat, water, and other related utilities, will be the responsibility of the tenant.

The Applicant has requested a 20-year property tax abatement through a PILOT agreement. After reviewing the application, Grow America recommends a 20-year PILOT, inclusive of two construction years. The PILOT would provide a 100% property tax abatement during the two construction years (PILOT Years 1 and 2) and the first two operating years (PILOT Years 3 and 4), followed by an even annual phase-down of the abatement from Operating Years 3 through 18 (PILOT Years 5 through 20). A detailed breakdown of the proposed PILOT schedule can be found in **Appendix I** of this report.

III. SOURCES & USES

The proposed sources and uses are presented on the following page. The Developer anticipates securing an approximately \$80 million construction loan with favorable terms, including a 10-year interest-only period.

SOURCES & USES				
USES OF FUNDS	\$	Per Unit	Per SF	%
Acquisition	\$22,776,198	\$129,410	\$103	15%
Demolition	\$826,569	\$4,696	\$4	1%
Site Work + Infrastructure	\$18,365,113	\$104,347	\$83	12%
Construction & Renovation Hard Costs	\$85,190,648	\$484,038	\$386	56%
Architectural & Engineering	\$4,194,800	\$23,834	\$19	3%
Legal Fees	\$641,000	\$3,642	\$3	0%
Finance Costs	\$8,312,332	\$47,229	\$38	5%
Other Soft Costs & Professional Fees	\$11,231,197	\$63,814	\$51	7%
Total	\$151,537,857	\$861,011	\$687	100%
SOURCES OF FUNDS	\$	Per Unit	Per SF	%
Private Loan*	\$80,000,000	\$454,545	\$363	53%
Equity	\$71,537,857	\$406,465	\$324	47%
Total	\$151,537,857	\$861,011	\$687	100%
<i>*Developer anticipates the same \$ amount for construction & permanent loan</i>				

The total development budget is \$151,537,857, equating to approximately \$687 per GSF and \$861,011 per unit. These costs are extremely high for a mostly market-rate residential project currently proposed or under construction in Nassau County. When asked to address this issue, the Applicant responded as follows:

Since 2020, construction costs on Long Island have risen sharply due to a mix of global disruptions, local market dynamics, and project-specific changes. In addition, prior ownership completed the previous application, which may not have fully appreciated or factored in the full scope of project costs, whereas CIM's application does.

Material prices were the first major driver: pandemic-related supply chain breakdowns caused severe shortages of lumber, steel, and concrete, with lumber prices spiking nearly 400% above pre-pandemic levels. Even after supply chains stabilized, costs remained high—approximately 40% above 2020 levels—further fueled by tariffs introduced in 2023 that increased steel, aluminum, and timber costs by up to 50%.

Labor shortages compounded the problem. An aging workforce and fewer new entrants into skilled trades created gaps, pushing wages up 8–12%. Many workers left the industry during COVID, and additional safety protocols increased operational expenses.

Regulatory pressures also played a role. Stricter energy-efficiency codes and sustainability mandates increased upfront costs, while permitting and compliance requirements added to soft costs. Broader economic factors amplified these challenges: inflation peaked in 2022, driving annual construction cost increases of 5–7%, and higher interest rates raised financing expenses.

Despite these headwinds, strong housing demand in Nassau and Suffolk counties has kept development activity high, sustaining upward pressure on prices.

Grow America notes that even if project costs are ultimately lower, its findings and recommendations regarding the PILOT would not change.

IV. SUMMARIZED BENEFITS PACKAGE

The IDA commissioned a Real Property Assessment Analysis from Standard Valuation Services (SVS) to substantiate the development’s program and estimate “as complete” taxes. SVS completed this report on January 21, 2026, and estimates “as complete” taxes will be \$1,800,872, equivalent to \$11,116 per residential unit. Grow America used this estimate in its analysis. The Tax Benefit Summary below includes the PILOT as recommended as part of this analysis, the estimated sales tax exemption on building materials and equipment, and mortgage recording tax exemption.

IDA TAX BENEFITS				
IDA RELATED PROPERTY TAXES		SALES TAX EXEMPTION		
Current Taxes	\$135,419	\$769 per unit	Construction Cost	\$104,382,330
As Complete Full Taxes	\$1,800,872	\$10,232 per unit	Value of Building Materials*	50% \$62,629,398
Multiplier (As-Complete Taxes Over Current Taxes)	13.3 x		Sales Tax	8.625%
PILOT Schedule	17-Year Phase-In		Total Value of Sales Tax Exemption	\$5,401,786
PILOT Over Term	\$15,625,745		<i>*As input in the IDA Application</i>	
Savings Over Term	(\$14,989,079)			
Increment Over Savings	\$636,666			
Average PILOT Paid Over Term	\$868,097			
Multiplier (Average PILOT Over Current Taxes)	6.4 x			
MORTGAGE RECORDING TAX		FINANCIAL ASSISTANCE SUMMARY		
Mortgage*	\$80,000,000	Real State Tax Savings Over PILOT Terms	\$14,989,079	
Mortgage Recording Tax	1.05%	Mortgage Recording Tax Savings	\$600,000	
Transit District Exclusion	-0.30%	Sales Tax Exemption	\$5,401,786	
Mortgage Recording Tax Savings	0.75%	IDA Financial Incentive Package	\$20,990,865	
Value of Exemption	\$600,000			
		Total Project Cost	\$151,537,857	
		IDA Financial Package as a % of Cost	14%	
		Private Investment to Public Investment Ratio	\$7.22: \$1.00	

** \$ amount estimated by Developer*

The Developer has submitted a request for a 20-year PILOT for the subject property. Grow America has reviewed the development program, as detailed in **Section V**, and presents a 20-year PILOT, inclusive of two construction years. The PILOT would provide a 100% property tax abatement during the two construction years (PILOT Years 1 and 2) and the first two operating years (PILOT Years 3 and 4), followed by an even annual phase-down of the abatement from Operating Years 3 through 18 (PILOT Years 5 through 20). A detailed breakdown of the proposed PILOT schedule can be found in **Appendix I** of this report.

With the PILOT and the abatement schedule, the tax increment is significant. Over \$15.6 million in real estate tax revenue is realized over the 20-year term. **The average annual PILOT (\$868,097) paid over the term is a 6.4X multiplier above the \$135,419 in current real estate taxes across all properties.** The PILOT

paid over the term is 51% of estimated full taxes, meaning that the project realizes a 49% savings during the term.

V. SUMMARY OF GROW AMERICA ANALYSIS

Grow America based its analysis on the revenue assumptions provided by the Applicant. For consistency with other reviews, Grow America created its pro forma with the following assumptions:

- Adjusting controllable operating expenses in Year 1 from \$8,100 per unit to \$7,000 per unit
- Increasing market gross income by 3.5% annually
- Increasing workforce gross income by 2.0% annually
- Increasing operating expenses by 3.0% annually

a. RENT ROLL

RENT ROLL (DEVELOPER)							
Unit Description	%	Units	NSF	Total NSF	Mo Rent	Rent/SF	Annual Rent
Market							
One Bedroom (Small)	7%	12	555	6,666	\$3,000	\$5.40	\$432,000
One Bedroom (Large)	27%	43	775	33,332	\$3,200	\$4.13	\$1,651,200
Two Bedroom	37%	60	1,033	61,955	\$3,900	\$3.78	\$2,808,000
Three Bedroom	8%	13	1,183	15,375	\$4,300	\$3.64	\$670,800
Total / Average	79%	128	917	117,328	\$3,600	\$3.95	\$5,562,000
Workforce (130% AMI)							
One Bedroom (Small)	2%	3	541	1,622	\$3,000	\$5.55	\$108,000
One Bedroom (Large)	3%	5	739	3,693	\$3,200	\$4.33	\$192,000
Two Bedroom	5%	8	956	7,645	\$3,900	\$4.08	\$374,400
Three Bedroom	1%	1	1,147	1,147	\$4,300	\$3.75	\$51,600
Total / Average	10%	17	830	14,107	\$3,600	\$4.29	\$726,000
Affordable (80% AMI)							
One Bedroom (Small)	2%	3	525	1,575	\$2,475	\$4.71	\$89,100
One Bedroom (Large)	3%	5	720	3,601	\$2,475	\$3.44	\$148,500
Two Bedroom	5%	8	944	7,555	\$2,970	\$3.15	\$285,120
Three Bedroom	1%	1	1,111	1,111	\$3,430	\$3.09	\$41,160
Total / Average	10%	17	814	13,842	\$2,838	\$3.39	\$563,880
Total / Average	100%	162	897	145,277		\$3.93	\$6,851,880
INCOME SUMMARY				PROGRAM			
Market Gross Income	\$5,562,000	\$3,621 avg. per unit monthly		One Bedroom (Small)	18	11%	
Workforce (130% AMI) Gross Income	\$726,000	\$3,559 avg. per unit monthly		One Bedroom (Large)	53	33%	
Affordable (80% AMI) Gross Income	\$563,880	\$2,764 avg. per unit monthly		Two Bedroom	76	47%	
Parking Gross Income	\$400,000			Three Bedroom	15	9%	
Other Gross Income	\$130,000			Total Units	162	100%	
Total Income	\$7,381,880			Building Gross Square Feet	353,394		
				Residential Net SF	145,277		
				Parking	324 Spaces		
				Acreage	4.89		

The unit mix and proposed rents are summarized above. Market-rate residential rents average \$3,600 per unit per month. The affordable and workforce units are planned to remain affordable to households

earning less than 80% and 130% of the AMI, respectively. Of note is that the units priced at 130% of area median income are consistent with the pro forma market rate units.

b. PRO FORMA ANALYSIS

The following table demonstrates the project's financial performance with the PILOT program during the first stabilized operational year (Year 3). Under a full tax scenario, equivalent to \$10,308 per unit, cash flow is negative, and the project fails to generate adequate returns for both the lender and investors.

STABILIZED OPERATING PRO FORMA (OPERATING YEAR 3)							
	Units	(1) WITHOUT PILOT		(2) WITH 3RD OPERATING YEAR PILOT		(3) WITH AVG. PILOT OVER TERM	
		\$	Comment	\$	Comment	\$	Comment
Market Gross Income	128	\$6,510,635	\$4,239 per unit per month				
Workforce (130% AMI) Gross Income	18	\$825,370	\$3,821 per unit per month				
Affordable (80% AMI) Gross Income	18	\$641,060	\$2,968 per unit per month				
Parking Income		\$493,855					
Utility Reimbursements		\$202,410					
Gross Income		\$8,673,330					
Vacancy & Credit Loss		(\$506,238)	5.84% vacancy				
Effective Gross Income		\$8,167,091		\$8,167,091		\$8,167,091	
Operating Expenses Excl Taxes		(\$1,517,194)	\$8,620 per unit annually	(\$1,517,194)	\$8,620 per unit annually	(\$1,517,194)	\$8,620 per unit annually
RE Taxes / PILOT		(\$1,800,872)	\$10,232 per unit annually	(\$233,387)	\$1,326 per unit annually	(\$868,097)	\$4,932 per unit annually
Total Expenses		(\$3,318,066)	\$18,853 per unit annually	(\$1,750,581)	\$9,946 per unit annually	(\$2,385,291)	\$13,553 per unit annually
Net Operating Income		\$4,849,025		\$6,416,510		\$5,781,800	
Debt Service (Perm Mortgage)		(\$5,200,000)		(\$5,200,000)		(\$5,200,000)	
Cash Flow		(\$350,975)		\$1,216,510		\$581,800	

FINANCIAL RETURN SUMMARY				
	(1) WITHOUT PILOT	(2) WITH 3RD OPERATING YEAR PILOT	(3) WITH AVG. PILOT OVER TERM	Typical in Market
Debt Coverage Ratio	0.93	1.23	1.11	>1.20
Cash on Cash Return	-0.5%	1.7%	0.8%	>6.5%
Yield to Cost Return	3.2%	4.2%	3.8%	>6.5%
Leveraged Pre-Tax IRR Over Term*	-16%	0%	0%	>12%

*This analysis does not include potential financial benefits associated with the property's location in a federally designated Opportunity Zone. Qualified investments in designated Opportunity Zones enable additional tax benefits such as deferral, reduction, and exemption on capital gains taxes. These benefits could increase internal rates of return by an estimated 200 to 300 basis points.

The Applicant's operating expenses (excluding PILOT payments) are approximately \$14,000 per unit in the stabilized year (Year 3). Grow America typically observes operating expenses (exclusive of taxes) ranging from \$7,000 to \$10,000 per unit for market-rate developments in Nassau County. Accordingly, Grow America adjusted controllable operating expenses to \$6,000 per unit in Year 1. When factoring in insurance and management fees, operating expenses excluding real estate taxes and PILOT payments

total approximately \$8,620 per unit in the stabilized year, which is more consistent with the market norms between \$7,000 and \$10,000 per unit.

It should be noted that this analysis does not incorporate any financial benefits associated with the property's location within a federally designated Opportunity Zone. Qualified investments in Opportunity Zones may be eligible for additional tax incentives, including the deferral, reduction, and potential exemption of capital gains taxes. These benefits are not reflected in the financial analysis and, if realized, could increase internal rates of return (IRR) by an estimated 200 to 300 basis points.

Grow America recommends the 20-year PILOT schedule shown in **Appendix I**. The proposed schedule offers a 100% property tax abatement during the two construction years (PILOT Years 1 and 2) and the first two operating years (PILOT Years 3 and 4), followed by an even annual phase-down of the abatement from Operating Years 3 through 18 (PILOT Years 5 through 20).

In Year 3, the development achieves a debt coverage ratio (DCR) of 1.23, meaning there is a 23% cushion of net operating income over project debt service. This represents a tight cushion for a predominantly market-rate residential project, as most lenders require DCRs of at least 1.25:1. Additionally, returns from the project with the proposed PILOT schedule are constrained, with stabilized Yield-to-Cost (YTC) at 4.2% and Cash-on-Cash at 1.7%. The leveraged pre-tax Internal Rate of Return (IRR) is projected at 0% measured over the PILOT term. Under the 20-year PILOT, the developer's return metrics, including cash-on-cash return, yield on cost, and internal rate of return (IRR), are marginal and below typical market expectations. The project's financial challenges stem from high per-unit development costs, operating expenses, and as-complete taxes. While the IDA has limited ability to address the first two factors, it can help mitigate the impact of the as-complete tax burden.

VI. BENEFIT SUMMARY

The analysis on the following page shows a comparison of the private and public benefit. The public benefit factors the PILOT increment over 20 years and approximate value of the 18 housing units affordable to individuals earning below 80% of the AMI. Grow America values the affordable housing component by calculating the difference between the average market-rate rents and the average 80% AMI workforce rents to determine the rent delta. This delta is multiplied by the number of workforce units and by 12 months to estimate the annual income loss. The annual income loss is then divided by the market cap rate to estimate the reduction in valuation, representing the "value of the affordable units."

The project benefit factors savings realized from the PILOT, exemption on the sales tax on building materials and equipment, and mortgage recording tax exemption.

PILOT VS SAVINGS	
Full IDA Taxes (PILOT) Over Term	\$15,625,745
Estimated Value of Affordable Housing	\$3,496,463
IDA Fees	\$1,154,534
Total Public Benefit	\$20,276,741
Real Estate Tax Savings Over Term	\$14,989,079
Sales Tax Exemption	\$5,401,786
Mortgage Recording Tax Exemption	\$600,000
Total Project Savings	\$20,990,865

ESTIMATED VALUE OF AFFORDABLE HOUSING	
Average Market Rate Rents	\$3,621
Average 80% Affordable Rents	\$2,764
Delta	\$857
# of 80% AMI Units	17
Loss of Annual Income	\$174,823
Cap Rate	5.00%
Value of 80% AMI Affordable Units	\$3,496,463

APPENDIX I: PILOT SCHEDULE

PILOT SCHEDULE								
Villas at Glen Cove								
Land Taxes		\$135,419					Starting Abatement	100%
Current Taxes		\$135,419					Phase-In Period	17
Improvement Taxes		\$1,665,453					Decrease	5.9%
"As Improved" (Full) Taxes		\$1,800,872						
Proposed Units / GSF		162	353,394					
Estimated Full Taxes Per Unit / GSF		\$11,116	\$5.10					
Annual Escalator		0.00%				5.00% discount		
Year	PILOT Year	Base Taxes	Improvement Taxes	"As Improved" Full Taxes	Abatement	Savings	PILOT	Increment
2026	Construction (1)	\$135,419	\$0	\$135,419	100.0%	\$0	\$135,419	\$0
2027	Construction (2)	\$135,419	\$0	\$135,419	100.0%	\$0	\$135,419	\$0
2028	3	\$135,419	\$1,665,453	\$1,800,872	100.0%	(\$1,665,453)	\$135,419	\$0
2029	4	\$135,419	\$1,665,453	\$1,800,872	100.0%	(\$1,665,453)	\$135,419	\$0
2030	5	\$135,419	\$1,665,453	\$1,800,872	94.1%	(\$1,567,485)	\$233,387	\$97,968
2031	6	\$135,419	\$1,665,453	\$1,800,872	88.2%	(\$1,469,518)	\$331,354	\$195,936
2032	7	\$135,419	\$1,665,453	\$1,800,872	82.4%	(\$1,371,550)	\$429,322	\$293,904
2033	8	\$135,419	\$1,665,453	\$1,800,872	76.5%	(\$1,273,582)	\$527,290	\$391,871
2034	9	\$135,419	\$1,665,453	\$1,800,872	70.6%	(\$1,175,614)	\$625,258	\$489,839
2035	10	\$135,419	\$1,665,453	\$1,800,872	64.7%	(\$1,077,646)	\$723,226	\$587,807
2036	11	\$135,419	\$1,665,453	\$1,800,872	58.8%	(\$979,678)	\$821,194	\$685,775
2037	12	\$135,419	\$1,665,453	\$1,800,872	52.9%	(\$881,711)	\$919,161	\$783,743
2038	13	\$135,419	\$1,665,453	\$1,800,872	47.1%	(\$783,743)	\$1,017,129	\$881,711
2039	14	\$135,419	\$1,665,453	\$1,800,872	41.2%	(\$685,775)	\$1,115,097	\$979,678
2040	15	\$135,419	\$1,665,453	\$1,800,872	35.3%	(\$587,807)	\$1,213,065	\$1,077,646
2041	16	\$135,419	\$1,665,453	\$1,800,872	29.4%	(\$489,839)	\$1,311,033	\$1,175,614
2042	17	\$135,419	\$1,665,453	\$1,800,872	23.5%	(\$391,871)	\$1,409,001	\$1,273,582
2043	18	\$135,419	\$1,665,453	\$1,800,872	17.6%	(\$293,904)	\$1,506,968	\$1,371,550
2044	19	\$135,419	\$1,665,453	\$1,800,872	11.8%	(\$195,936)	\$1,604,936	\$1,469,518
2045	20	\$135,419	\$1,665,453	\$1,800,872	5.9%	(\$97,968)	\$1,702,904	\$1,567,485
TOTAL		\$2,302,119	\$28,312,705	\$30,614,824		(\$14,989,079)	\$15,625,745	\$13,323,626
						49% of full taxes	51% of full taxes	
							\$868,097 annual avg.	
						NPV of Savings:	\$11,219,147 NPV	\$5,359 per unit annually
								6.4 multiplier

APPENDIX II: PRO FORMA

VILLAS AT GLEN COVE																					
Pro Forma (Duration of PILOT Term)																					
PILOT Year	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	
Operating Year	Construction	Construction	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	
Revenue		Escalator																			
Market Gross Income	3.5%		\$6,077,748	\$6,290,469	\$6,510,635	\$6,738,507	\$6,974,355	\$7,218,458	\$7,471,104	\$7,732,592	\$8,003,233	\$8,283,346	\$8,573,263	\$8,873,327	\$9,183,894	\$9,505,330	\$9,838,017	\$10,182,347	\$10,538,729	\$10,907,585	
Workforce (130% AMI) Gross Income	2.0%		\$793,320	\$809,186	\$825,370	\$841,877	\$858,715	\$875,889	\$893,407	\$911,275	\$929,501	\$948,091	\$967,052	\$986,393	\$1,006,121	\$1,026,244	\$1,046,769	\$1,067,704	\$1,089,058	\$1,110,839	
Affordable (80% AMI) Gross Income	2.0%		\$616,167	\$628,490	\$641,060	\$653,881	\$666,959	\$680,298	\$693,904	\$707,782	\$721,938	\$736,376	\$751,104	\$766,126	\$781,449	\$797,078	\$813,019	\$829,280	\$845,865	\$862,782	
Parking Income			\$461,019	\$477,154	\$493,855	\$511,140	\$529,030	\$547,546	\$566,710	\$586,545	\$604,141	\$622,265	\$640,933	\$660,161	\$679,966	\$700,365	\$721,376	\$743,017	\$765,308	\$788,267	
Utility Reimbursements			\$142,738	\$198,668	\$202,410	\$208,574	\$214,827	\$221,272	\$227,910	\$234,747	\$241,790	\$249,044	\$256,515	\$264,210	\$272,137	\$280,301	\$288,710	\$297,371	\$306,292	\$315,481	
Total Gross Revenue			\$8,090,991	\$8,403,968	\$8,673,330	\$8,953,979	\$9,243,886	\$9,543,462	\$9,853,034	\$10,172,941	\$10,500,602	\$10,839,122	\$11,188,868	\$11,550,218	\$11,923,566	\$12,309,317	\$12,707,890	\$13,119,719	\$13,545,252	\$13,984,954	
Vacancy & Credit Loss		Vacancy Rate																			
Vacancy	5.0%		(\$2,670,027)	(\$420,198)	(\$433,666)	(\$447,699)	(\$462,194)	(\$477,173)	(\$492,652)	(\$508,647)	(\$525,030)	(\$541,956)	(\$559,443)	(\$577,511)	(\$596,178)	(\$615,466)	(\$635,395)	(\$655,986)	(\$677,263)	(\$699,248)	
Concessions			(\$201,821)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Non-Revenue Units			(\$43,536)	(\$49,086)	(\$50,804)	(\$52,582)	(\$54,422)	(\$56,327)	(\$58,299)	(\$60,339)	(\$62,149)	(\$64,014)	(\$65,934)	(\$67,912)	(\$69,949)	(\$72,048)	(\$74,209)	(\$76,436)	(\$78,729)	(\$81,091)	
Bad Debt			(\$18,567)	(\$21,040)	(\$21,768)	(\$22,528)	(\$23,314)	(\$24,127)	(\$24,968)	(\$25,840)	(\$26,615)	(\$27,413)	(\$28,236)	(\$29,083)	(\$29,955)	(\$30,854)	(\$31,779)	(\$32,733)	(\$33,715)	(\$34,726)	
Effective Gross Income			\$5,157,040	\$7,913,644	\$8,167,091	\$8,431,171	\$8,703,955	\$8,985,835	\$9,277,116	\$9,578,116	\$9,886,808	\$10,205,739	\$10,535,255	\$10,875,713	\$11,227,484	\$11,590,950	\$11,966,507	\$12,354,565	\$12,755,546	\$13,169,890	
Operating Expenses		Escalator																			
Controllable Expenses	3.0%	(\$6,000)	(\$972,000)	(\$1,001,160)	(\$1,031,195)	(\$1,062,131)	(\$1,093,995)	(\$1,126,814)	(\$1,160,619)	(\$1,195,437)	(\$1,231,301)	(\$1,268,240)	(\$1,306,287)	(\$1,345,475)	(\$1,385,840)	(\$1,427,415)	(\$1,470,237)	(\$1,514,344)	(\$1,559,775)	(\$1,606,568)	
Insurance	3.0%		(\$167,566)	(\$327,915)	(\$337,752)	(\$347,885)	(\$358,321)	(\$369,071)	(\$380,143)	(\$391,547)	(\$403,294)	(\$415,393)	(\$427,854)	(\$440,690)	(\$453,911)	(\$467,528)	(\$481,554)	(\$496,001)	(\$510,881)	(\$526,207)	
Management Fee	3.0%		(\$139,737)	(\$143,929)	(\$148,247)	(\$152,695)	(\$157,275)	(\$161,994)	(\$166,854)	(\$171,859)	(\$177,015)	(\$182,325)	(\$187,795)	(\$193,429)	(\$199,232)	(\$205,209)	(\$211,365)	(\$217,706)	(\$224,237)	(\$230,964)	
PILOT			(\$135,419)	(\$135,419)	(\$233,387)	(\$331,354)	(\$429,322)	(\$527,290)	(\$625,258)	(\$723,226)	(\$821,194)	(\$919,161)	(\$1,017,129)	(\$1,115,097)	(\$1,213,065)	(\$1,311,033)	(\$1,409,001)	(\$1,506,968)	(\$1,604,936)	(\$1,702,904)	
Total Operating Expenses			(\$1,414,722)	(\$1,608,423)	(\$1,750,581)	(\$1,894,064)	(\$2,038,914)	(\$2,185,169)	(\$2,332,873)	(\$2,482,070)	(\$2,632,803)	(\$2,785,119)	(\$2,939,066)	(\$3,094,691)	(\$3,252,047)	(\$3,411,184)	(\$3,572,157)	(\$3,735,019)	(\$3,899,829)	(\$4,066,643)	
Net Operating Income			\$3,742,318	\$6,305,221	\$6,416,510	\$6,537,106	\$6,665,042	\$6,800,666	\$6,944,242	\$7,096,046	\$7,254,005	\$7,420,620	\$7,596,189	\$7,781,021	\$7,975,436	\$8,179,765	\$8,394,350	\$8,619,545	\$8,855,718	\$9,103,247	
Debt Service (Perm Mortgage)			(\$2,000,000)	(\$2,000,000)	(\$2,000,000)	(\$2,000,000)	(\$2,000,000)	(\$2,000,000)	(\$2,000,000)	(\$2,000,000)	(\$2,000,000)	(\$2,000,000)	(\$2,000,000)	(\$2,000,000)	(\$2,000,000)	(\$2,000,000)	(\$2,000,000)	(\$2,000,000)	(\$2,000,000)	(\$2,000,000)	
Cash Flow			(\$1,457,682)	\$1,105,221	\$1,216,510	\$1,337,106	\$1,465,042	\$1,600,666	\$1,744,242	\$1,896,046	\$2,054,005	\$2,220,620	\$2,396,189	\$2,581,021	\$2,775,436	\$2,979,765	\$3,194,350	\$3,419,545	\$3,655,718	\$3,903,247	
Metrics																					
Debt Coverage Ratio			0.72	1.21	1.23	1.26	1.28	1.31	1.34	1.36	1.40	1.43	1.46	1.50	1.53	1.57	1.61	1.66	1.70	1.75	
Cash on Cash Rate of Return			-2.04%	1.54%	1.70%	1.87%	2.05%	2.24%	2.44%	2.65%	2.87%	3.10%	3.35%	3.61%	3.88%	4.17%	4.47%	4.78%	5.11%	5.46%	
Yield to Cost			2.47%	4.16%	4.23%	4.31%	4.40%	4.49%	4.58%	4.68%	4.79%	4.90%	5.01%	5.13%	5.26%	5.40%	5.54%	5.69%	5.84%	6.01%	
Valuation Cap Rate	5.00% cap rate										\$141,920,922										
Outstanding Loan Balance											(80,000,000)										
Net Sale Proceeds											61,920,922										
Equity																					
Benefit Stream		(\$71,537,857)	(1,457,682)	1,105,221	1,216,510	1,337,106	1,465,042	1,600,666	1,744,242	63,816,968											
Pre-Tax Levered IRR																					

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