

43 E. Galena Blvd., Aurora, IL 60505

CLRED Revisions

12.6.2022

Attachment A

PROJECT FACTS			
Site Area	Total SQFT		10,414
	Floors		3
Lower Level: Basement			2,826
Main Level: Restaurant			3,128
2nd Level: Event Space			4,460
Total Tenants	1		
GROSS BUILDING AREA			10,414
TOTAL NET LEASEABLE			10,414
Overall Efficiency			100%

Lower Level: Basement	\$ 5.00	\$ 0.42	sq.ft./mth	\$ 1,178
Main Level: Restaurant	\$ 28.00	\$ 2.33	sq.ft./mth	\$ 7,300
2nd Level: Event Space	\$ 28.00	\$ 2.33	sq.ft./mth	\$ 10,400
Parking Spaces	0			

PROJECT COSTS			
Acquisition Cost	\$ 9.60	sq.ft.	\$ 100,000
Const. Hard Costs (1st and 2nd Floor)	\$ 415	sq.ft.	\$ 3,149,020
Hard Cost Contingency	10%	of hd cost	\$ 314,000
Pre-Dev Consultants and Surveying	1%	of hd cost	\$ 20,000
Architectural & Engineering Fee	9%	of hd cost	\$ 290,000
Permit Fees	1%	of hd cost	\$ 25,000
Title Work	0%	of hd cost	\$ 10,000
Construction Management Fee	5%	of hd cost	\$ 150,000
Construction Insurance	1%	of hd cost	\$ 16,000
Utilities	0%	of hd cost	\$ 3,600
HTC Cost	4%	of hd cost	\$ 137,500
Developer Fee	8%	of hd cost	\$ 250,000
TRBC FF&E and Start Up Costs (not included in Total Development Costs)			\$ 1,100,000
Permanent Financing Loan Fee			\$ -
Construction Financing & Carrying (Const. Interest)			\$ 62,000
FFE			\$ -
Kitchen Equipment			\$ -
Low Voltage			\$ -
Soft Cost Contingency			\$ 25,000
Total Soft Cost			\$ 739,100
Soft Cost -to-Total Cost		16%	
TOTAL PROJECT COST w/o DEV FEE and LAND		\$ 404 /sq.ft.	\$ 4,202,120
TOTAL PROJECT COST (Over Gross Building Area)		\$ 437 /sq.ft.	\$ 4,552,120

ANNUAL OPERATING PRO FORMA			
Gross Lower Level Income	\$ 5.00		\$ 14,130
Gross Main Level Income	\$ 28.00		\$ 87,584
Gross 2nd Level Event Space Income	\$ 28.00		\$ 124,880
TOTAL GROSS INCOME		\$ 226,594	
(-) Vacancy	0%		
(-) Fire Insurance	NNN		\$ (20,000)
(-) Water and Sewer	NNN		\$ -
(-) HTC Preferred Return		*Calculated in 46 G-R	
(-) Taxes - Commercial		*Calculated in 45 G-R	
(-) Trash	NNN		\$ -
(-) Common Area Utilities (Electricity)	NNN		\$ -
(-) Repairs and Maintenance	3.5%		\$ (7,931)
(-) Replacement Reserves	3%		\$ (6,798)
(-) Admin Fees			\$ -
(-) Management	5%		\$ (11,330)
Total Expenses		20% /Gross Rev	\$ (46,058)
NET OPERATING INCOME w/o HTC or Taxes			\$ 180,536

PERMANENT FINANCING ASSUMPTIONS			
Loan Amount	DCR	LTC	
\$1,715,000	\$ 1,404,166		
Interest Rate	6.25%	6.25%	
Amortization (Years)	20		
Debt-Coverage Ratio	1.20		
Project Value		\$ 2,005,952	
Loan-to-Value		70.0%	
NOI-to-Cost			
NOI (Not Include HTC and Taxes)	\$ 180,536	\$ 180,536	
CAP Rate		9.00%	
Supportable Mortgage	\$ 1,715,000		
Supportable Debt Service	(150,000)		

CAPITAL STACK - ANNUAL CASH FLOW CALC.			
TOTAL DEVELOPMENT COST		\$ 4,552,120	
(-) 1st Position Loan		\$ (1,090,000)	
(-) 2nd Position Loan - City Loan		\$ (625,000)	
(-) Equity in Land		\$ (100,000)	
(-) Equity (HTC and ILHTC)		\$ (1,587,078)	
(-) Pre-Development Grant (City of Aurora)		\$ (900,000)	
(-) Deferred Dev Fee (deferred until phase 2)		\$ (125,000)	
(-) Additional Owner Equity		\$ (125,000)	
TOTAL DEVELOPMENT FUNDING		\$ (4,552,078)	
NET GAP		\$ 42	

TOTAL DEVELOPER EQUITY	
IL HTC	\$ 904,821
FHTC	\$ 682,256
HTC Buyout	\$ 117,444
Phase II Buildout	\$ 699,773
Total	\$ 2,404,295

	HTC	FEDERAL	STATE
Total QRE	\$ 4,202,120	\$ 4,202,120	
HTC	0.2	0.25	
	\$ 840,424	\$ 1,050,530	
	0.99	0.99	
	\$ 832,020	\$ 1,040,025	
Pricing	0.82	0.87	
Total HTC Invest	\$ 682,256	\$ 904,821	

HTC Pref. Rtn	4.00%	\$ (63,483.11)
HTC Buyout	7.40%	\$ (117,443.75)

ASSUMPTIONS	YR 0	7.6%	7.8%	8.0%	8.3%	8.5%	8.8%	9.0%	9.3%	9.6%	
Gross Revenue (Rent)	1.03	0	226,594	233,392	240,394	247,605	255,034	262,685	270,565	278,682	287,042
Gross Revenue (Rent) Phase II Cap Investmen	1.03	0									
TRBC Performance Payments	0	0		60,000	72,000	86,400	103,680	124,416	149,299	179,159	214,991
Vacancy	0%	0		0	0	0	0	0	0	0	0
Net Rental Revenue			226,594	293,392	312,394	334,005	358,714	387,101	419,864	457,841	502,033
Operating Expenses (3% escalator)	1.03		(46,058)	(47,440)	(48,863)	(50,329)	(51,839)	(53,394)	(54,996)	(56,646)	(58,345)
Taxes	1.03		(15,000)	(30,900)	(31,827)	(32,782)	(33,765)	(34,778)	(35,822)	(36,896)	(38,003)
HTC Preferred Return (4%)			(63,483)	(63,483)	(63,483)	(63,483)	(63,483)				
NOI			102,053	151,569	168,220	187,411	209,626	298,928	329,047	364,299	405,685
1st Mortgage - Phase One			(96,300)	(96,300)	(96,300)	(96,300)	(96,300)				
1st Mortgage - Phase Two							(76,200)	(76,200)	(76,200)	(76,200)	(76,200)
City Mortgage*					(15,000)	(35,000)	(48,000)	(70,000)	(90,000)	(120,000)	(120,000)
Total Debt Service			(96,300)	(96,300)	(111,300)	(131,300)	(144,300)	(242,500)	(262,500)	(292,500)	(292,500)
NET CASH FLOW			5,753	55,269	56,920	56,111	65,326	56,428	66,547	71,799	113,185
HTC Put Payment							(117,444)				
Phased Cap Investment											
NCF to CLREG			5,753	55,269	56,920	56,111	(52,118)	56,428	66,547	71,799	113,185
Combined DSCR			1.06	1.57	1.51	1.43	1.45	1.23	1.25	1.25	1.39
PROJECT APPRECIATION at 5%	1.05		\$ 2,005,952	\$ 2,106,250	\$ 2,211,562	\$ 2,322,140	\$ 2,438,247	\$ 2,560,160	\$ 2,688,168	\$ 2,822,576	\$ 2,963,705
NET REFI/SALES PROCEEDS											\$ 2,756,246
LOAN BALANCE(\$)											
TOTAL EQUITY											\$ 2,756,246

* Projection of repayment at 20% annual TRBC revenue increases. Actual schedule may vary. Loan terms would include a minimum annual repayment from Year 4 forward equal to the annual P&I payment for a 20 year term loan at 5% interest.

TRBC Revenue	Combined Avg. \$/sq.ft.	% of TRBC Rev.	Annual Rent	Difference from Base
\$ 2,500,000	18		\$ 188,828	\$ (37,766)
\$ 3,000,000	22	7.6%	\$ 226,594	\$ -
\$ 3,500,000	25		\$ 264,360	\$ 37,766
\$ 4,000,000	29		\$ 302,125	\$ 75,531
\$ 4,500,000	33		\$ 339,891	\$ 113,297
\$ 5,000,000	36		\$ 377,657	\$ 151,063

Phase II: Basement Buildout YR 6	
Basement Size	2,826 sq.ft.
Project Cost	
Const. Hard Cost	\$ 525 \$ 1,483,953
Soft Cost	\$ 70 \$ 197,820
TOTAL COST	\$ 595 \$ 1,681,773
Revenue	
Rent	\$ 35 \$ 98,910
Expenses	\$ 1 \$ (5,000)
NOI	\$ 93,910

BASEMENT FINANCING ASSUMPTIONS			
	DCR	LTC	
Loan Amount	\$856,536	\$ 1,095,617	
Interest Rate	6.25%	6.25%	
Term (Year)	20		
Debt-Coverage Ratio	1.25		
Project Value		\$ 1,565,167	
Loan-to-Value		70%	
NOI-to-Cost			
NOI	\$ 93,910	\$ 93,910	
CAP Rate		6%	
Supportable Mortgage	\$857,000		
Supportable Debt Service	\$ (75,000)		

TRBC Performance Payments	Growth Rate	YR 1	YR 2	YR 3	YR 4	YR 5	YR 6	YR 7	YR 8	YR 9
Projected Annual TRBC Rev. at 20% growth	1.2	3,000,000	3,600,000	4,320,000	5,184,000	6,220,800	7,464,960	8,957,952	10,749,542	12,899,451
TRBC Rev at 6% growth	1.06	3,000,000	3,180,000	3,370,800	3,573,048	3,787,431	4,014,677	4,255,557	4,510,891	4,781,544
Increased Revenue			600,000	720,000	864,000	1,036,800	1,244,160	1,492,992	1,791,590	2,149,908
CLRED % TRBC's Increased Rev	10%		\$ 60,000	\$ 72,000	\$ 86,400	\$ 103,680	\$ 124,416	\$ 149,299	\$ 179,159	\$ 214,991

CASH FLOW CALC. (ANNUAL) Phase 2	
TOTAL BUILDOUT COST	\$ 1,681,773
(-) 1st Position Loan	\$ (857,000)
(-) Deferred Dev Fee PMT	\$ (125,000)
(-) Equity	\$ 699,773

Liquor Tax Rev	17,500	21,000.0	25,200.0	30,240.0	36,288.0	43,545.6	52,254.7	62,705.7	75,246.8
TOTAL									\$ 363,981