

521 CAMPBELL MIXED-USE

521 CAMPBELL STREET, KANSAS CITY, MISSOURI 64106

PROPERTY TAX ABATMENT APPLICATION



KANSAS CITY, MISSOURI - SEPTEMBER 2024

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7.	10 year Operating Pro-forma with Tax Incentive
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Project Overview

521 Campbell Mixed-Use is a renovation project of 11,600 sq.ft. floor area located at the corner of Campbell Street and E Missouri Avenue, Kansas City, Missouri. The building comprises 2,763 sq.ft. retail spaces on the ground floor and eleven (11) apartments, including one studio unit on the ground floor and ten units on the upper floors. The retail area is initially divided into two (2) leasing spaces. The expected tenants are restaurant/retail businesses, or other service providers serving the surrounding neighborhoods. The building provides access from the front entrance on Campbell Street as well as the rear entrances on E Missouri Avenue and in the parking lot.

The apartments are designed to be renovated as modern compact spaces and safe access from the parking lot just off Campbell Street. There are two 2 bed-2 bath apartments, eight 1 bed-1 bath apartments, and one studio. The expected tenants are students and young professionals.

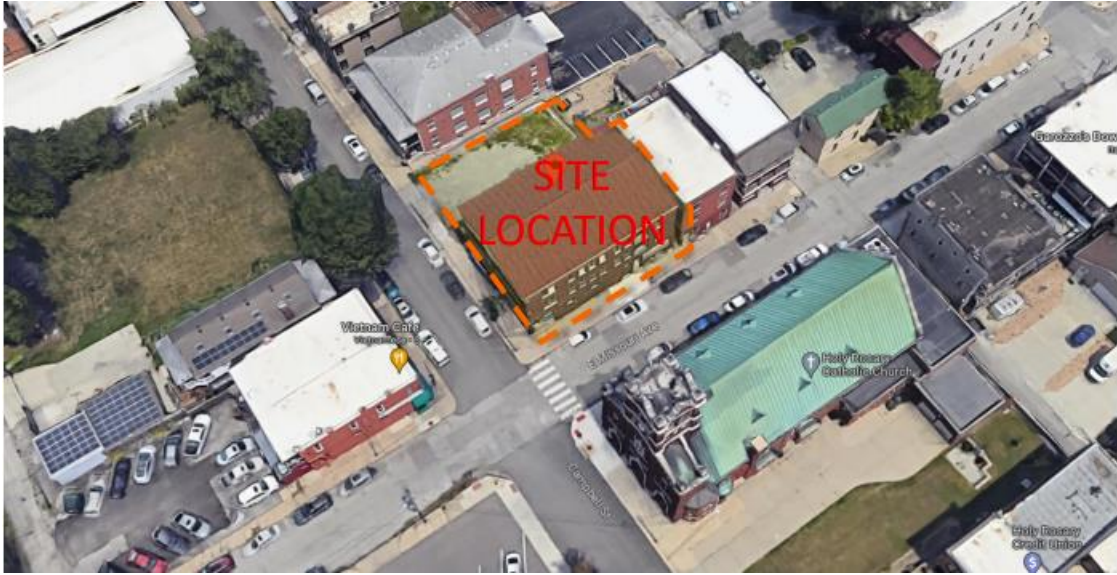
The project will bring improvements to the current blighted area, providing opportunities to local businesses to enhance their brand images, and contributing to the diversity of the apartment rental market.

Project Financing

The total project investment is approximately \$1,900,000. The investor will contribute around 30% of the total cost, which includes 15% from the value of the existing building and 15% in cash as an initial investment. The remaining 70% will be financed through a bank loan.

Location and Zoning

This site has recently been rezoned from District R-1.5 to District DR-3 per the City Ordinance No. 240604. The new zone DR allows to have a mixed use of commercial and residential in this existing building. The total area of the lot is 7,678 SF (0.177 acres).



ATTN: Project Manager: _____

Date: _____



ECONOMIC DEVELOPMENT CORPORATION

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, Planned Industrial Expansion Authority, and Chapter 353.

UNIVERSAL REDEVELOPMENT PROJECT APPLICATION

➤ Application may be submitted electronically

Email completed application to Susan Tumey at stumey@edckc.com. 816-221-2106

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

1. APPLICANT INFORMATION

Applicant/Organization Name: Michael Tran (owner)

Business Address: 521 Campbell Street, Kansas City, Missouri 64106

Contact Person: Thong Thai

E-Mail Address: thong@baarchitecture.com

Phone: 816-753-6100 Fax: n/a

Address (if different than business address) _____

600 Broadway Blvd, Suite 290, Kansas City, Missouri 64105

Attorney for Applicant: n/a

Attorney's Address: n/a

Attorney's Phone: n/a

2. LOCATION OF THE PROJECT

General
Boundaries:

The 521 Campbell Mixed-Use project is a renovation project of 3 story existing building located at 521 Campbell Street, Kansas City, MO 64106, the corner of Campbell St. and E Missouri Ave.

County: Jackson County Council District: Fourth (4th)

Total Acreage: 0.177 acres

Is the project located in any incentive areas? Yes, it is

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:

We are going to combine the lots and rezone to UR coordinating with property tax abatement

Land Use Plan Mixed-Use Need for Modification n/a

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

The renovation project comprises 2,763 sq.ft. retail spaces on the ground floor and eleven (11) apartments, including one studio unit on the ground floor and ten units on the upper floors. The retail area is initially divided into two (2) leasing spaces. The expected tenants are restaurant/retail businesses, or other service providers serving the surrounding neighborhoods. The apartments are designed to be renovated as modern compact spaces and safe access from the parking lot just off Campbell Street.

Square footage: 11,623 sq.ft.

No. of dwelling units 11 No. of hotel rooms n/a No. of parking spaces 9

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)

National Register of Historic Places - Holy Rosary

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.) See also: www.kcpl.com/businessrebates.

We are not pursuing a LEED certificate but are intending to bring sustainable design features to this project such as specifying high R values for the building envelope insulation, using LED lighting and energy saving equipment, or using recyclable materials. We are interested in receiving information from EDC staff on how available energy efficiency programs can reduce our overall project costs

NUMBER OF JOBS

<input checked="" type="checkbox"/> Created	<u>10</u>	Average Salary:	<u>\$ 50,000</u>
<input type="checkbox"/> Retained	<u> </u>	Average Salary:	<u>\$</u>
<input type="checkbox"/> Relocated	<u> </u>	Average Salary:	<u>\$</u>
<input checked="" type="checkbox"/> Construction jobs	<u>15</u>	Average Salary:	<u>\$ 60,000</u>

Projected personal property investment: \$622,942 (equity + existing building value)

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

n/a

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.)

The property has been vacant for more than five years. The cost of renovating the historic building, combined with the current high interest rates, puts the project under significant competitive pressure from neighboring new developments. Revitalizing this site would improve the local environment and add jobs to the high-unemployment area.

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: \$1,614,708

Current Assessed Value: \$237,500
 Projected Assessed Value: \$1,914,708

5. CONTROL OF PROPERTY

If the Applicant owns the project site, indicate:

Date of Purchase May 1994
 Sales Price ~\$150,000

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? No

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>
Equity	\$ 326,166
Bank Loan	\$ 1,304,664
_____	\$
_____	\$
_____	\$

8. DEVELOPMENT TEAM

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

B+A Architecture is leading the development team, bringing over 40 years of construction expertise, particularly in multifamily and renovation projects. The team includes the local renowned structural engineering firm Bob D. Campbell, MEP engineering firm American Consulting Engineers, and the general contractor Measure Twice Restoration.

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.

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. BANKRUPTCY 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: Michael Tran
SIGNATURE: 
TITLE: Owner

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

MAIL COMPLETED APPLICATION TO: **Economic Development Corporation**
Attn: Susan Tumey
300 Wyandotte, Suite 400
Kansas City, Missouri 64105

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: _____

BUDGET – SOFT & HARD COSTS BREAKDOWN

1. Land & Existing Building cost		SQFT	
Land & Existing building Cost of Approximately	7,694	\$ 38.99	\$ 300,000.00
2. Building and Site Development cost			\$ 1,300,069.17
Retail/Commercial spaces and apartments	11,623		
Outdoor spaces	3,207		
3. Soft costs			
Architectural		2.35%	\$ 45,000.00
Structural		0.78%	\$ 15,000.00
MEP		0.89%	\$ 17,000.00
Civil		0.46%	\$ 8,800.00
Survey		0.21%	\$ 4,000.00
City Building Permit fee (0.42%)		0.28%	\$ 5,429.99
Special Inspection		0.78%	\$ 15,000.00
EDC tax incentive application fee (estimated)		0.10%	\$ 2,000.00
EDC application preparation fee		0.26%	\$ 5,000.00
Tax Abatement fee (0.003 of the total project cost)		0.20%	\$ 3,900.21
Development - Rezoning Fees		1.04%	\$ 20,000.00
Loan Fees		0.26%	\$ 5,000.00
Total Soft cost		7.63%	\$ 146,130.20
4. Financing costs			
Construction Interest (first 6 months, 9% construction loan rate)			\$ 58,503.11
Contingency, 8% of building cost			\$ 104,005.53
Appraisal Fees			\$ 6,000.00
Total Financing costs			\$ 168,508.65
Total Development Costs			\$ 1,914,708.01
Total Development Costs - Land cost			\$ 1,614,708.01
Average cost leasable space per square foot			\$ 215.23
Mortgage Amount			\$ 1,291,766.41
Equity			\$ 322,941.60
Loan Amortization @9%, 20 years, no commissions (monthly)		9%	\$11,622.36
Loan Amortization @9%, 20 years, no commissions/year	\$ 20		\$ 139,468.29
Taxes, Estimated, 1.437%			\$ 27,514.35
Insurance/year			\$ 20,000.00
Total PITI			\$ 186,982.65
Note: Commercial tax in Jackson county \$1.437 per \$100 assessed value.			

SOURCES AND USES OF FUNDS

Sources of Funds		
Loan (80%)		\$ 1,291,766
Equity		\$ 322,942
Land & Existing building		\$ 300,000
Total Sources of Funds		\$ 1,914,708
Uses of Funds		
Land & Existing building Cost		\$ 300,000.00
Construction and Site Development cost		\$ 1,300,069.17
Soft costs		
Architectural		\$ 45,000.00
Structural		\$ 15,000.00
MEP		\$ 17,000.00
Civil		\$ 8,800.00
Survey		\$ 4,000.00
City Building Permit fee (0.42%)		\$ 5,429.99
Special Inspection		\$ 15,000.00
EDC tax incentive application fee		\$ 2,000.00
EDC application preparation fee		\$ 5,000.00
Tax Abatement fee (0.003 of the total project cost)		\$ 3,900.21
Development Fees		\$ 20,000.00
Loan Fees		\$ 5,000.00
Financing costs		
Construction Interest		\$ 58,503.11
Contingency, 5% of building cost		\$ 104,005.53
Appraisal Fees		\$ 6,000.00
Total Soft costs & Financing costs		\$ 314,638.84
Total Uses of Funds		\$ 1,914,708

521 CAMPBELL MIXED USE

**Total Development 20 Year Profit and Loss
Without Tax Abatement**

Growth rate: **2%**

	Monthly	1	2	3	4	5	6	7	8	9	10
Income											
Base rent for retail space (per sqf)	\$ 1.3	\$ 15.6	\$ 15.91	\$ 16.23	\$ 16.55	\$ 16.89	\$ 17.22	\$ 17.57	\$ 17.92	\$ 18.28	\$ 18.64
Retail Center - Leasable Space (sqf)		2,763	2,763	2,763	2,763	2,763	2,763	2,763	2,763	2,763	2,763
Occupancy rate		80%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Rental income from retail space	\$	34,482	\$ 43,965	\$ 44,844	\$ 45,741	\$ 46,656	\$ 47,589	\$ 48,541	\$ 49,512	\$ 50,502	\$ 51,512
Base rent for apartments (per sqf)	\$ 1.5	\$ 18.0	\$ 18.36	\$ 18.73	\$ 19.10	\$ 19.48	\$ 19.87	\$ 20.27	\$ 20.68	\$ 21.09	\$ 21.51
Apartments (sqf)		6,133	6,133	6,133	6,133	6,133	6,133	6,133	6,133	6,133	6,133
Occupancy rate		80%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Rental income from apartments	\$	88,315.20	\$ 112,601.88	\$ 114,853.92	\$ 117,151.00	\$ 119,494.02	\$ 121,883.90	\$ 124,321.57	\$ 126,808.01	\$ 129,344.17	\$ 131,931.05
CAM* Reimbursement	\$	16,776.27	\$ 16,776.27	\$ 16,776.27	\$ 16,776.27	\$ 16,776.27	\$ 16,776.27	\$ 16,776.27	\$ 16,776.27	\$ 16,776.27	\$ 16,776.27
Gross Operating Income		\$ 139,573.71	\$ 173,343.00	\$ 176,474.34	\$ 179,668.30	\$ 182,926.14	\$ 186,249.14	\$ 189,638.59	\$ 193,095.84	\$ 196,622.23	\$ 200,219.15
Loan balance		\$ 1,291,766.41	\$ 1,268,557.10	\$ 1,243,258.94	\$ 1,215,683.96	\$ 1,185,627.22	\$ 1,152,865.38	\$ 1,117,154.97	\$ 1,078,230.62	\$ 1,035,803.09	\$ 989,557.07
Debt Service	9%	\$ 139,468.29	\$ 139,468.29	\$ 139,468.29	\$ 139,468.29	\$ 139,468.29	\$ 139,468.29	\$ 139,468.29	\$ 139,468.29	\$ 139,468.29	\$ 139,468.29
Interest		\$ 116,258.98	\$ 114,170.14	\$ 111,893.30	\$ 109,411.56	\$ 106,706.45	\$ 103,757.88	\$ 100,543.95	\$ 97,040.76	\$ 93,222.28	\$ 89,060.14
Principal		\$ 23,209.32	\$ 25,298.15	\$ 27,574.99	\$ 30,056.74	\$ 32,761.84	\$ 35,710.41	\$ 38,924.35	\$ 42,427.54	\$ 46,246.01	\$ 50,408.16
Expenses, growth rate 1%											
Interest expenses		\$ 116,258.98	\$ 114,170.14	\$ 111,893.30	\$ 109,411.56	\$ 106,706.45	\$ 103,757.88	\$ 100,543.95	\$ 97,040.76	\$ 93,222.28	\$ 89,060.14
Real Estate Tax Escrow		\$ 27,514.35	\$ 27,789.50	\$ 28,067.39	\$ 28,348.07	\$ 28,631.55	\$ 28,917.86	\$ 29,207.04	\$ 29,499.11	\$ 29,794.10	\$ 30,092.04
Insurance		\$ 20,000.00	\$ 20,200.00	\$ 20,402.00	\$ 20,606.02	\$ 20,812.08	\$ 21,020.20	\$ 21,230.40	\$ 21,442.71	\$ 21,657.13	\$ 21,873.71
Snow Removal		\$ 1,500.00	\$ 1,515.00	\$ 1,530.15	\$ 1,545.45	\$ 1,560.91	\$ 1,576.52	\$ 1,592.28	\$ 1,608.20	\$ 1,624.29	\$ 1,640.53
Exterior Maintenance		\$ 2,000.00	\$ 2,020.00	\$ 2,040.20	\$ 2,060.60	\$ 2,081.21	\$ 2,102.02	\$ 2,123.04	\$ 2,144.27	\$ 2,165.71	\$ 2,187.37
Management Fees		\$ 3,000.00	\$ 3,030.00	\$ 3,060.30	\$ 3,090.90	\$ 3,121.81	\$ 3,153.03	\$ 3,184.56	\$ 3,216.41	\$ 3,248.57	\$ 3,281.06
Depreciation	39	\$ 49,095.08	\$ 49,095.08	\$ 49,095.08	\$ 49,095.08	\$ 49,095.08	\$ 49,095.08	\$ 49,095.08	\$ 49,095.08	\$ 49,095.08	\$ 49,095.08
Total Expenses		\$ 219,368.41	\$ 217,819.71	\$ 216,088.42	\$ 214,157.68	\$ 212,009.08	\$ 209,622.59	\$ 206,976.35	\$ 204,046.53	\$ 200,807.16	\$ 197,229.92
Operating Income/Loss		\$ (79,794.70)	\$ (44,476.71)	\$ (39,614.09)	\$ (34,489.38)	\$ (29,082.94)	\$ (23,373.45)	\$ (17,337.76)	\$ (10,950.69)	\$ (4,184.93)	\$ 2,989.23
Year	0	1	2	3	4	5	6	7	8	9	10
CF=NetIncome + Dep-Principal	\$ (322,941.60)	\$ (53,908.94)	\$ (20,679.79)	\$ (18,094.00)	\$ (15,451.04)	\$ (12,749.71)	\$ (9,988.79)	\$ (7,167.02)	\$ (4,283.15)	\$ (1,335.87)	\$ 1,676.15
IRR		7.24%									
Accum. Equity	\$ 622,941.60	\$ 646,150.92	\$ 671,449.07	\$ 699,024.06	\$ 729,080.80	\$ 761,842.64	\$ 797,553.05	\$ 836,477.39	\$ 878,904.93	\$ 925,150.94	\$ 975,559.10
Accum. Equity + Accum. Income		\$ 566,356.22	\$ 626,972.36	\$ 659,409.97	\$ 694,591.42	\$ 732,759.70	\$ 774,179.59	\$ 819,139.64	\$ 867,954.24	\$ 920,966.01	\$ 978,548.33

Asumption: retail space rent prices increase 2%, apartment rent and and costs increase 1% annually.

Life: 39 years

CAM: Common Area Maintenance

After 20 years, the building value is 80% remaining

Year

	11	12	13	14	15	16	17	18	19	20
\$	19.02	\$ 19.40	\$ 19.78	\$ 20.18	\$ 20.58	\$ 21.00	\$ 21.42	\$ 21.84	\$ 22.28	\$ 22.73
	2,763	2,763	2,763	2,763	2,763	2,763	2,763	2,763	2,763	2,763
	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
\$	52,542	\$ 53,593	\$ 54,665	\$ 55,758	\$ 56,873	\$ 58,011	\$ 59,171	\$ 60,354	\$ 61,561	\$ 62,793
\$	21.94	\$ 22.38	\$ 22.83	\$ 23.28	\$ 23.75	\$ 24.23	\$ 24.71	\$ 25.20	\$ 25.71	\$ 26.22
	6,133	6,133	6,133	6,133	6,133	6,133	6,133	6,133	6,133	6,133
	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
\$	134,569.67	\$ 137,261.06	\$ 140,006.28	\$ 142,806.41	\$ 145,662.54	\$ 148,575.79	\$ 151,547.31	\$ 154,578.25	\$ 157,669.82	\$ 160,823.21
\$	16,776.27	\$ 16,776.27	\$ 16,776.27	\$ 16,776.27	\$ 16,776.27	\$ 16,776.27	\$ 16,776.27	\$ 16,776.27	\$ 16,776.27	\$ 16,776.27
\$	203,888.01	\$ 207,630.24	\$ 211,447.32	\$ 215,340.74	\$ 219,312.03	\$ 223,362.75	\$ 227,494.48	\$ 231,708.84	\$ 236,007.49	\$ 240,392.12
\$	939,148.92	\$ 884,204.03	\$ 824,314.10	\$ 759,034.07	\$ 687,878.85	\$ 610,319.65	\$ 525,780.13	\$ 433,632.05	\$ 333,190.64	\$ 223,709.50
\$	139,468.29	\$ 139,468.29	\$ 139,468.29	\$ 139,468.29	\$ 139,468.29	\$ 139,468.29	\$ 139,468.29	\$ 139,468.29	\$ 139,468.29	\$ 139,468.29
\$	84,523.40	\$ 79,578.36	\$ 74,188.27	\$ 68,313.07	\$ 61,909.10	\$ 54,928.77	\$ 47,320.21	\$ 39,026.88	\$ 29,987.16	\$ 20,133.86
\$	54,944.89	\$ 59,889.93	\$ 65,280.02	\$ 71,155.23	\$ 77,559.20	\$ 84,539.52	\$ 92,148.08	\$ 100,441.41	\$ 109,481.14	\$ 119,334.44
\$	84,523.40	\$ 79,578.36	\$ 74,188.27	\$ 68,313.07	\$ 61,909.10	\$ 54,928.77	\$ 47,320.21	\$ 39,026.88	\$ 29,987.16	\$ 20,133.86
\$	30,392.96	\$ 30,696.89	\$ 31,003.86	\$ 31,313.90	\$ 31,627.04	\$ 31,943.31	\$ 32,262.74	\$ 32,585.37	\$ 32,911.23	\$ 33,240.34
\$	22,092.44	\$ 22,313.37	\$ 22,536.50	\$ 22,761.87	\$ 22,989.48	\$ 23,219.38	\$ 23,451.57	\$ 23,686.09	\$ 23,922.95	\$ 24,162.18
\$	1,656.93	\$ 1,673.50	\$ 1,690.24	\$ 1,707.14	\$ 1,724.21	\$ 1,741.45	\$ 1,758.87	\$ 1,776.46	\$ 1,794.22	\$ 1,812.16
\$	2,209.24	\$ 2,231.34	\$ 2,253.65	\$ 2,276.19	\$ 2,298.95	\$ 2,321.94	\$ 2,345.16	\$ 2,368.61	\$ 2,392.29	\$ 2,416.22
\$	3,313.87	\$ 3,347.01	\$ 3,380.48	\$ 3,414.28	\$ 3,448.42	\$ 3,482.91	\$ 3,517.74	\$ 3,552.91	\$ 3,588.44	\$ 3,624.33
\$	49,095.08	\$ 49,095.08	\$ 49,095.08	\$ 49,095.08	\$ 49,095.08	\$ 49,095.08	\$ 49,095.08	\$ 49,095.08	\$ 49,095.08	\$ 49,095.08
\$	193,283.93	\$ 188,935.54	\$ 184,148.07	\$ 178,881.52	\$ 173,092.28	\$ 166,732.83	\$ 159,751.37	\$ 152,091.40	\$ 143,691.37	\$ 134,484.16
\$	10,604.08	\$ 18,694.70	\$ 27,299.25	\$ 36,459.23	\$ 46,219.75	\$ 56,629.91	\$ 67,743.11	\$ 79,617.44	\$ 92,316.13	\$ 105,907.96
	11	12	13	14	15	16	17	18	19	20
\$	4,754.27	\$ 7,899.85	\$ 11,114.30	\$ 14,399.08	\$ 17,755.63	\$ 21,185.47	\$ 24,690.11	\$ 28,271.11	\$ 31,930.07	\$ 1,567,435.01
\$	1,030,503.99	\$ 1,090,393.92	\$ 1,155,673.94	\$ 1,226,829.17	\$ 1,304,388.36	\$ 1,388,927.89	\$ 1,481,075.97	\$ 1,581,517.38	\$ 1,690,998.51	\$ 1,810,332.95
\$	1,041,108.07	\$ 1,109,088.62	\$ 1,182,973.19	\$ 1,263,288.40	\$ 1,350,608.12	\$ 1,445,557.80	\$ 1,548,819.08	\$ 1,661,134.82	\$ 1,783,314.64	\$ 1,916,240.91

Total Development 10 Year Profit and Loss

Growth rate: **2%**

With Tax Abatement

	Year										
Income	Monthly	1	2	3	4	5	6	7	8	9	10
Base rent for retail space (per sqf)	\$ 1.3	\$ 15.6	\$ 15.91	\$ 16.23	\$ 16.55	\$ 16.89	\$ 17.22	\$ 17.57	\$ 17.92	\$ 18.28	\$ 18.64
Retail Center - Leasable Space (sqf)		2,763	2,763	2,763	2,763	2,763	2,763	2,763	2,763	2,763	2,763
Occupancy rate		80%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Rental income from retail space	\$	34,482	\$ 43,965	\$ 44,844	\$ 45,741	\$ 46,656	\$ 47,589	\$ 48,541	\$ 49,512	\$ 50,502	\$ 51,512
Base rent for apartments (per sqf)	\$ 1.5	\$ 18.0	\$ 18.36	\$ 18.73	\$ 19.10	\$ 19.48	\$ 19.87	\$ 20.27	\$ 20.68	\$ 21.09	\$ 21.51
Apartments (sqf)		6,133	6,133	6,133	6,133	6,133	6,133	6,133	6,133	6,133	6,133
Occupancy rate		80%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Rental income from apartments	\$	88,315.20	\$ 112,601.88	\$ 114,853.92	\$ 117,151.00	\$ 119,494.02	\$ 121,883.90	\$ 124,321.57	\$ 126,808.01	\$ 129,344.17	\$ 131,931.05
CAM* Reimbursement	\$	16,776.27	\$ 16,776.27	\$ 16,776.27	\$ 16,776.27	\$ 16,776.27	\$ 16,776.27	\$ 16,776.27	\$ 16,776.27	\$ 16,776.27	\$ 16,776.27
Gross Operating Income		\$ 139,573.71	\$ 173,343.00	\$ 176,474.34	\$ 179,668.30	\$ 182,926.14	\$ 186,249.14	\$ 189,638.59	\$ 193,095.84	\$ 196,622.23	\$ 200,219.15
Loan balance		\$ 1,291,766.41	\$ 1,268,557.10	\$ 1,243,258.94	\$ 1,215,683.96	\$ 1,185,627.22	\$ 1,152,865.38	\$ 1,117,154.97	\$ 1,078,230.62	\$ 1,035,803.09	\$ 989,557.07
Debt Service	9%	\$ 139,468.29	\$ 139,468.29	\$ 139,468.29	\$ 139,468.29	\$ 139,468.29	\$ 139,468.29	\$ 139,468.29	\$ 139,468.29	\$ 139,468.29	\$ 139,468.29
Interest		\$ 116,258.98	\$ 114,170.14	\$ 111,893.30	\$ 109,411.56	\$ 106,706.45	\$ 103,757.88	\$ 100,543.95	\$ 97,040.76	\$ 93,222.28	\$ 89,060.14
Principal		\$ 23,209.32	\$ 25,298.15	\$ 27,574.99	\$ 30,056.74	\$ 32,761.84	\$ 35,710.41	\$ 38,924.35	\$ 42,427.54	\$ 46,246.01	\$ 50,408.16
Expenses, growth rate 1%											
Interest expenses		\$ 116,258.98	\$ 114,170.14	\$ 111,893.30	\$ 109,411.56	\$ 106,706.45	\$ 103,757.88	\$ 100,543.95	\$ 97,040.76	\$ 93,222.28	\$ 89,060.14
Real Estate Tax Escrow		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Insurance		\$ 20,000.00	\$ 20,200.00	\$ 20,402.00	\$ 20,606.02	\$ 20,812.08	\$ 21,020.20	\$ 21,230.40	\$ 21,442.71	\$ 21,657.13	\$ 21,873.71
Snow Removal		\$ 1,500.00	\$ 1,515.00	\$ 1,530.15	\$ 1,545.45	\$ 1,560.91	\$ 1,576.52	\$ 1,592.28	\$ 1,608.20	\$ 1,624.29	\$ 1,640.53
Exterior Maintenance		\$ 2,000.00	\$ 2,020.00	\$ 2,040.20	\$ 2,060.60	\$ 2,081.21	\$ 2,102.02	\$ 2,123.04	\$ 2,144.27	\$ 2,165.71	\$ 2,187.37
Management Fees		\$ 3,000.00	\$ 3,030.00	\$ 3,060.30	\$ 3,090.90	\$ 3,121.81	\$ 3,153.03	\$ 3,184.56	\$ 3,216.41	\$ 3,248.57	\$ 3,281.06
Depreciation	39	\$ 49,095.08	\$ 49,095.08	\$ 49,095.08	\$ 49,095.08	\$ 49,095.08	\$ 49,095.08	\$ 49,095.08	\$ 49,095.08	\$ 49,095.08	\$ 49,095.08
Total Expenses		\$ 191,854.05	\$ 190,030.22	\$ 188,021.03	\$ 185,809.61	\$ 183,377.53	\$ 180,704.73	\$ 177,769.31	\$ 174,547.42	\$ 171,013.06	\$ 167,137.87
Operating Income/Loss		\$ (52,280.35)	\$ (16,687.21)	\$ (11,546.70)	\$ (6,141.31)	\$ (451.39)	\$ 5,544.41	\$ 11,869.29	\$ 18,548.42	\$ 25,609.17	\$ 33,081.28
Year	0	1	2	3	4	5	6	7	8	9	10
CF=NetIncome + Dep-Principal	\$ (322,941.60)	\$ (26,394.59)	\$ 7,109.71	\$ 9,973.39	\$ 12,897.03	\$ 15,881.84	\$ 18,929.08	\$ 22,040.02	\$ 25,215.96	\$ 28,458.24	\$ 31,768.20
IRR		11.57%									
Accum. Equity	\$ 622,941.60	\$ 646,150.92	\$ 671,449.07	\$ 699,024.06	\$ 729,080.80	\$ 761,842.64	\$ 797,553.05	\$ 836,477.39	\$ 878,904.93	\$ 925,150.94	\$ 975,559.10
Accum. Equity + Accum. Income		\$ 593,870.57	\$ 654,761.86	\$ 687,477.36	\$ 722,939.48	\$ 761,391.24	\$ 803,097.46	\$ 848,346.68	\$ 897,453.35	\$ 950,760.12	\$ 1,008,640.38

Asumption: retail space rent prices increase 2%, apartment rent and and costs increase 1% annually.

Life: 39 years

CAM: Common Area Maintenance

After 20 years, the building value is 80% remaining

Year

	11	12	13	14	15	16	17	18	19	20
\$	19.02	\$ 19.40	\$ 19.78	\$ 20.18	\$ 20.58	\$ 21.00	\$ 21.42	\$ 21.84	\$ 22.28	\$ 22.73
	2,763	2,763	2,763	2,763	2,763	2,763	2,763	2,763	2,763	2,763
	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
\$	52,542	\$ 53,593	\$ 54,665	\$ 55,758	\$ 56,873	\$ 58,011	\$ 59,171	\$ 60,354	\$ 61,561	\$ 62,793
\$	21.94	\$ 22.38	\$ 22.83	\$ 23.28	\$ 23.75	\$ 24.23	\$ 24.71	\$ 25.20	\$ 25.71	\$ 26.22
	6,133	6,133	6,133	6,133	6,133	6,133	6,133	6,133	6,133	6,133
	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
\$	134,569.67	\$ 137,261.06	\$ 140,006.28	\$ 142,806.41	\$ 145,662.54	\$ 148,575.79	\$ 151,547.31	\$ 154,578.25	\$ 157,669.82	\$ 160,823.21
\$	16,776.27	\$ 16,776.27	\$ 16,776.27	\$ 16,776.27	\$ 16,776.27	\$ 16,776.27	\$ 16,776.27	\$ 16,776.27	\$ 16,776.27	\$ 16,776.27
\$	203,888.01	\$ 207,630.24	\$ 211,447.32	\$ 215,340.74	\$ 219,312.03	\$ 223,362.75	\$ 227,494.48	\$ 231,708.84	\$ 236,007.49	\$ 240,392.12
\$	939,148.92	\$ 884,204.03	\$ 824,314.10	\$ 759,034.07	\$ 687,878.85	\$ 610,319.65	\$ 525,780.13	\$ 433,632.05	\$ 333,190.64	\$ 223,709.50
\$	139,468.29	\$ 139,468.29	\$ 139,468.29	\$ 139,468.29	\$ 139,468.29	\$ 139,468.29	\$ 139,468.29	\$ 139,468.29	\$ 139,468.29	\$ 139,468.29
\$	84,523.40	\$ 79,578.36	\$ 74,188.27	\$ 68,313.07	\$ 61,909.10	\$ 54,928.77	\$ 47,320.21	\$ 39,026.88	\$ 29,987.16	\$ 20,133.86
\$	54,944.89	\$ 59,889.93	\$ 65,280.02	\$ 71,155.23	\$ 77,559.20	\$ 84,539.52	\$ 92,148.08	\$ 100,441.41	\$ 109,481.14	\$ 119,334.44
\$	84,523.40	\$ 79,578.36	\$ 74,188.27	\$ 68,313.07	\$ 61,909.10	\$ 54,928.77	\$ 47,320.21	\$ 39,026.88	\$ 29,987.16	\$ 20,133.86
\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$	22,092.44	\$ 22,313.37	\$ 22,536.50	\$ 22,761.87	\$ 22,989.48	\$ 23,219.38	\$ 23,451.57	\$ 23,686.09	\$ 23,922.95	\$ 24,162.18
\$	1,656.93	\$ 1,673.50	\$ 1,690.24	\$ 1,707.14	\$ 1,724.21	\$ 1,741.45	\$ 1,758.87	\$ 1,776.46	\$ 1,794.22	\$ 1,812.16
\$	2,209.24	\$ 2,231.34	\$ 2,253.65	\$ 2,276.19	\$ 2,298.95	\$ 2,321.94	\$ 2,345.16	\$ 2,368.61	\$ 2,392.29	\$ 2,416.22
\$	3,313.87	\$ 3,347.01	\$ 3,380.48	\$ 3,414.28	\$ 3,448.42	\$ 3,482.91	\$ 3,517.74	\$ 3,552.91	\$ 3,588.44	\$ 3,624.33
\$	49,095.08	\$ 49,095.08	\$ 49,095.08	\$ 49,095.08	\$ 49,095.08	\$ 49,095.08	\$ 49,095.08	\$ 49,095.08	\$ 49,095.08	\$ 49,095.08
\$	162,890.97	\$ 158,238.65	\$ 153,144.21	\$ 147,567.62	\$ 141,465.24	\$ 134,789.52	\$ 127,488.62	\$ 119,506.03	\$ 110,780.14	\$ 101,243.82
\$	40,997.04	\$ 49,391.59	\$ 58,303.11	\$ 67,773.13	\$ 77,846.79	\$ 88,573.23	\$ 100,005.86	\$ 112,202.81	\$ 125,227.35	\$ 139,148.30
	11	12	13	14	15	16	17	18	19	20
\$	35,147.23	\$ 38,596.74	\$ 42,118.17	\$ 45,712.98	\$ 49,382.67	\$ 53,128.78	\$ 56,952.85	\$ 60,856.48	\$ 64,841.29	\$ 1,600,675.35
\$	1,030,503.99	\$ 1,090,393.92	\$ 1,155,673.94	\$ 1,226,829.17	\$ 1,304,388.36	\$ 1,388,927.89	\$ 1,481,075.97	\$ 1,581,517.38	\$ 1,690,998.51	\$ 1,810,332.95
\$	1,071,501.03	\$ 1,139,785.51	\$ 1,213,977.06	\$ 1,294,602.30	\$ 1,382,235.16	\$ 1,477,501.11	\$ 1,581,081.83	\$ 1,693,720.19	\$ 1,816,225.86	\$ 1,949,481.25

PROFESSIONAL TEAM, MBE & WBE PARTICIPATION

PROFESSIONAL SERVICE FEES			
Service	Professional Company	Contract Amount	Percentage
Architectural	B+A Architecture	\$ 45,000	50.11%
Structural	Bob D Campbell	\$ 15,000	16.70%
MEP	American Consulting Engineers (MBE)	\$ 17,000	18.93%
Civil	Sublime Engineering (WBE)	\$ 8,800	9.80%
Survey	Thomas Clemons	\$ 4,000	4.45%
Total Professional Service fees		\$ 89,800.00	100.00%

8011 Paseo Boulevard
Kansas City, Missouri 64111

816-326-7448 www.mtrcanhelp.com CONSTRUCTION COST ESTIMATE

Recap by Category

O&P Items	Total	%
APPLIANCES	12,188.22	0.94%
CABINETRY	72,772.05	5.60%
CONCRETE & ASPHALT	9,478.92	0.73%
GENERAL DEMOLITION	5,970.15	0.46%
DOORS	49,468.56	3.81%
DRYWALL	92,406.46	7.11%
ELECTRICAL	37,206.35	2.86%
ELECTRICAL - SPECIAL SYSTEMS	8,378.33	0.64%
MISC. EQUIPMENT - COMMERCIAL	19,093.78	1.47%
FLOOR COVERING - CERAMIC TILE	53,750.35	4.13%
FLOOR COVERING - VINYL	6,638.97	0.51%
FLOOR COVERING - WOOD	50,672.46	3.90%
FINISH CARPENTRY / TRIMWORK	33,346.31	2.56%
FINISH HARDWARE	6,632.88	0.51%
FIRE PROTECTION SYSTEMS	288.42	0.02%
FRAMING & ROUGH CARPENTRY	101,605.59	7.82%
GLASS, GLAZING, & STOREFRONTS	1,152.68	0.09%
HAZARDOUS MATERIAL REMEDIATION	247.68	0.02%
HEAT, VENT & AIR CONDITIONING	7,301.74	0.56%
INSULATION	43,720.26	3.36%
LABOR ONLY	6,592.00	0.51%
LIGHT FIXTURES	14,370.06	1.11%
MARBLE - CULTURED OR NATURAL	5,958.33	0.46%
MIRRORS & SHOWER DOORS	5,734.26	0.44%
PLUMBING	143,288.16	11.02%
PAINTING	62,673.95	4.82%
TILE	64,006.48	4.92%
TEMPORARY REPAIRS	172.50	0.01%
WINDOW TREATMENT	3,556.23	0.27%
O&P Items Subtotal	918,672.13	70.66%
Non-O&P Items	Total	%
CONCRETE & ASPHALT	25,000.00	1.92%
GENERAL DEMOLITION	30,000.00	2.31%
MISC. EQUIPMENT - COMMERCIAL	750.00	0.06%
FIRE PROTECTION SYSTEMS	100,000.00	7.69%
Non-O&P Items Subtotal	155,750.00	11.98%

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O&P Items Subtotal	918,672.13	70.66%
Material Sales Tax	34,925.96	2.69%
Overhead	95,360.54	7.34%
Profit	95,360.54	7.34%
<hr/>	<hr/>	<hr/>
Total	1,300,069.17	100.00%

DEVELOPMENT SCHEDULE

No.	Task	Date/Period
1	Public Engagement/Neighborhood meeting	June 19 th , 2024
2	Rezoning Application & Approval	April 2024 – July 2024
1	EDC Universal Application Materials Submittal	September 9 th , 2024
5	LCRA Review & Approval Meeting	TBD
7	Construction Documents/Building permit submittal	August 2024 – October 2024
8	Building Permit Review & Approval	November 2024 – December 2024
9	Construction Commencement	Jan 2025
10	Construction Completion	November 2025 (11 months)