MISSION GATEWAY

THIRD AMENDED TAX INCREMENT FINANCING REDEVELOPMENT PROJECT PLAN

SUBMITTED TO THE GOVERNING BODY OF THE CITY OF MISSION, KANSAS
PURSUANT TO K.S.A. § 12-1770 *et seq*.

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EXHIBIT LIST

I. INTRODUCTION

In accordance with the Kansas Tax Increment Financing Act, K.S.A. 12-1770 *et seq*. (the "**Act**"), this Third Amended Mission Gateway Tax Increment Financing Redevelopment Project Plan (this "**Project Plan**") has been submitted to facilitate the redevelopment of an approximately 17 acre site (the "**Property**") bounded by Johnson Drive on the North, Roe Avenue on the East, Shawnee Mission Parkway on the South, and Roeland Drive on the West in the City of Mission, Kansas (the "**City**"). In the 1980s, the site was developed and utilized as a traditional enclosed shopping mall, and as that concept fell out of favor in the market, vacancy rates rose and the viability of that particular use came into question despite desirable local demographics.

In 2005, The Gateway Developers, LLC (the "**Original Developer**") purchased the Property and worked closely with the City to formulate a redevelopment plan to demolish the existing mall and construct a modernized concept that would bring the Property to its highest and best use. This plan served both the Original Developer's goals of creating a long-term stable asset and the City's goals of rectifying a blighted, outdated use at the City's front door and replacing it with a dense mixed-use project. It also facilitated an important City-wide goal of making it possible install critical flood mitigation infrastructure that would enable redevelopment of both the Property and a substantial portion of the City that continuously faced flood issues.

In January of 2006, the Original Developer obtained initial approval of a tax increment financing ("**TIF**") district for the Property. A TIF redevelopment project plan was then approved that September 2006, and that plan was amended by a later iteration in January 2008, which included a destination aquarium as the focal point. Shortly after this approval, the national economy began to rapidly decline, and market factors beyond the Original Developer's control delayed commencement of this project. In 2013, a second amended redevelopment project plan was approved for the project, which omitted the destination aquarium in favor of a modern mixed-use concept.

In 2016, the Original Developer transferred its interest in the Property to Aryeh Realty, LLC (the "**Developer**"), which now proposes to re-envision the redevelopment plan and submit this Project Plan for the City's consideration. This Project Plan proposes a mixed-use center consisting of an approximately 194,903 square feet of junior anchor and small shop retail and restaurants, an approximately 200 room hotel, and approximately 168 market-rate multi-family residential units, as well as a parking garage and all associated infrastructure (the "**Project**"). The Project will provide living, working, shopping, and entertainment opportunities, culminating in an integrated and cohesive community that brings the Property to its highest and best use. The Project will be critical to the City's continued revitalization of its economy and progress in the redevelopment of the West Gateway and East Gateway areas. It is contemplated that the Project will be constructed in three (3) phases:

- <u>Phase 1</u>: The first phase of the Project is proposed to include: (i) construction of approximately 55,594 square feet of "small-shop" commercial or restaurant uses; (ii) construction of approximately 168 apartment units; (iii) construction of related site work; and (iv) construction of surface parking sufficient for such uses pursuant to the City's applicable ordinances (collectively referred to herein as "**Phase 1**").

- <u>Phase 2</u>: The second Phase of the Project is proposed to include: (i) construction of a parking garage serving the entirety of the Project and (ii) construction of an approximately 200-room hotel including a restaurant consisting of approximately 15,624 square feet (collectively referred to herein as "**Phase 2**").

- Phase 3: The third phase of the Project is proposed to include approximately 123,685 square feet of junior-anchor/"big box" commercial retail space, which may also include "small-shop" commercial or restaurants as tenants are identified (referred to herein as **"Phase 3**").

Additionally, the Project is being designed to accommodate the construction of office uses in the event that office users can be identified in the market.

This Project Plan is premised on the need for a combination of public and private financing. As is well understood, the redevelopment of the Project has been ongoing for over a decade, and during that time, a total of approximately $43,194,337 in land acquisition, demolition, and predevelopment costs have been incurred in an effort to get the Project off the ground. Market conditions have continued to create difficulties for the Project, and absent the availability of TIF, it is not economically viable to undertake the Project. Accordingly, the Developer hereby proposes that the City approve this Project Plan and authorize the financing described herein. This public-private partnership will be to the shared benefit of all stakeholders – from the City and the Developer, to neighbors of the Project, and the citizens of the City that have a vested interest in seeing the Project move forward.

II. AMENDED TAX INCREMENT FINANCING REDEVELOPMENT PROJECT PLAN

A. Subject Property

As noted above, the Property subject to this Project Plan consists of approximately 17 acres bordered by Shawnee Mission Parkway, Roe Avenue, Johnson Drive, and Roeland Drive located within the City of Mission, Kansas. A legal description and map of the subject property are attached hereto as **Exhibit A** and **Exhibit B**, respectively.

B. Established Redevelopment District

The Property is within an established Redevelopment District approved by the City on January 11, 2006 and amended on February 8, 2006, by adoption of Ordinance No. 1190 and Ordinance No. 1195, copies of which are attached hereto as **Exhibit C**. The approved District Plan designates the subject property as a portion of Project Area 1, providing in pertinent part:

> **Project Area 1.** Redevelopment of the existing Mission Mall shopping center and adjacent property consisting of one or more commercial and residential facilities and all related infrastructure improvements including storm water improvements within the Rock Creek channel, streets, sanitary and storm sewers, water lines and all related expenses to redevelop and finance the redevelopment project.

As described herein, this Project Plan is consistent with the established Redevelopment District.

C. Description of the Proposed Project

As described above, this Project Plan proposes a mixed-use center consisting of an approximately 194,903 square feet of junior anchor and small shop retail and restaurants, an approximately 200 room hotel, and approximately 168 market-rate multi-family residential units, as well as a parking garage and all associated infrastructure. The Project will provide living, working, shopping, and entertainment opportunities, culminating in an integrated and cohesive community that brings the Property to its highest and best use. The Project will be critical to the City's continued revitalization of its economy and progress in the redevelopment of the West Gateway and East Gateway areas. It is contemplated that the Project will be constructed in three (3) phases:

- Phase 1: Proposed to include: (i) construction of approximately 55,594 square feet of "small-shop" commercial or restaurant uses; (ii) construction of approximately 168 apartment units; (iii) construction of related site work; and (iv) construction of surface parking sufficient for such uses pursuant to the City's applicable ordinances.

- Phase 2: Proposed to include: (i) construction of a parking garage serving the entirety of the Project and (ii) construction of an approximately 200-room hotel including one or more restaurants consisting of approximately 15,624 square feet.

- Phase 3: Proposed to include construction of approximately 123,685 square feet of junior-anchor/"big box" commercial retail space, but may also include "small-shop" commercial or restaurant uses.

Additionally, the Project is being designed to accommodate the construction of office uses in the event that office users can be identified in the market.

D. Financing Plan

The viability of this Project is dependent upon a combination of private and public financing mechanisms. In addition to private equity and debt, TIF and Community Improvement District ("**CID**") financing and other public sources may be utilized as approved by the City. As contemplated herein, it is envisioned that the Developer will commence construction of the Project on the assumption that all incentive revenue streams will be disbursed to the Developer on a "pay-as-you-go" basis. If at any point it becomes marketable to issue special obligation bonds, the Developer and the City shall work together in good faith in support of such issuance, and eligible costs of the Project may be paid by the revenues of such bond issuance. It is important to note that the current iteration of the Project Plan envisions the use of special obligation bonds only, meaning that no City support, backing, or credit of the bonds will occur unless otherwise specifically authorized by the City.

As detailed in Section E below, the total estimated cost to complete the Project is approximately $170,132,564. Financing of this amount shall be provided by (A) TIF financing; (B) eligible CID financing; and (C) costs not financed with the above funding sources will be financed through private equity and debt.

E. Feasibility Study

Pursuant to the Act, a study has been performed to determine whether the Project's estimated benefits will exceed its cost, and that the income therefrom will be sufficient to pay the costs of the Project. Various consultants and members of the development team with experience and expertise in the actual design, development, financing, management and leasing of projects of similar scope and nature were utilized for the feasibility study. Further, outside resources were consulted to compare and verify the cost and revenue projections including outside industry sources and actual taxing jurisdiction data where available. The results of this study are as follows:

1. **Project Costs.** The total estimated cost to complete the Project is $170,132,564.[1] Below is a summary of the estimated costs, as determined from contract prices, engineering estimates and the Developer's estimates. A detailed budget is included as Exhibit D.

ESTIMATED TOTAL COSTS

	Total
Land, Demolition & Predevelopment	$43,194,337
Site Work, Infrastructure & Parking	$23,509,584
Hard Costs	$71,880,708
Soft Costs	$21,814,251
Mezzanine Loan Closing Costs	$506,527
Construction Loan Closing Costs	$2,922,433
Interest Reserve	$6,304,724
Total:	**$170,132,564**

2. **Eligible Costs.** Pursuant to the Act, only certain costs are eligible for TIF financing and reimbursement. Of the total project costs listed above, $79,568.061 (or 46.77%) qualifies under the Act as "Eligible Redevelopment Project Costs," meaning that only those costs may be financed using TIF revenues. The viability of the Project as planned hinges on obtaining TIF financing and reimbursement for the Eligible Redevelopment Project Costs, which are set forth by category and amount below (and noted in further detail in Exhibit D):

ESTIMATED ELIGIBLE REDEVELOPMENT PROJECT COSTS[2]

	TIF Eligible	Eligible %
Land, Demolition & Predevelopment	$43,194,337	100.00%
Site Work, Infrastructure & Parking	$23,509,584	100.00%
Hard Costs	$2,441,242	3.40%
Soft Costs	$7,642,139	35.03%
Mezzanine Loan Closing Costs	$144,707	28.57%
Construction Loan Closing Costs	$834,893	28.57%
Interest Reserve	$1,801,159	28.57%
Total:	**$79,568,061**	**46.77%**

[1] This amount is subject to change as actual costs are ascertained and incurred. Costs are exclusive of private interest incurred to finance such costs.

[2] This amount is subject to change as actual costs are ascertained and incurred. This Project Plan contemplates that all TIF revenue generated hereby will be available to repay Eligible Redevelopment Project Costs, whether on a "pay-as-you-go" basis or by the issuance of TIF bonds. Costs are exclusive of private interest costs incurred to finance such Eligible Redevelopment Project Costs, which shall be reimbursable with TIF revenues if incurred to finance any Eligible Redevelopment Project Costs.

3. Project Revenues

Gross TIF revenues generated over a period of 20 years, as provided under the Act, are estimated to be $57,609,726. The estimated TIF revenues presume a 1.5% annual escalation in property taxes and a 2% annual increase in sales revenues. At a 6% net present value ("**NPV**") rate, these revenues have a present-day value of approximately $30,132,244. If bonds are issued at any point, applicable bond factors, such as interest rate, coverage, and debt-service reserve requirements, will be calculated based on the requirements of the purchaser of the bonds.

The Project will generate TIF revenues from the following sources permitted by the Act:

a) *Ad Valorem* Tax Increment Revenues – the differential between the *ad valorem* taxes generated by real property within the TIF District as of the date the TIF District was established and future *ad valorem* taxes which will be generated after the redevelopment, (less *ad valorem* taxes not allowed to be captured pursuant to the Act); and

b) City Sales Tax – the portion of the City's Sales Tax undedicated for other purposes, which is currently 1%, plus the portion of the Johnson County sales tax committed to the City, which for the purposes of this Project Plan is assumed to be an additional 0.0107624%.

c) Transient Guest Tax – all transient guest taxes generated from the hotel within the Project, at the City's current transient guest tax rate of 9%.

A. ***Ad Valorem* Tax Increment Captured**

The assessed value of the Property in at the time the TIF district was created in 2006 was $1,811,390. This assessed value serves as the base against which future Project values can be compared in order to determine the amount of *Ad Valorem* Tax Increment Revenues that will be generated by the Project. Upon completion of the Project, it is estimated that the Property will have an assessed value of $10,516,088, growing annually with inflation at an assumed 1.5%. The cumulative difference between the projected assessed value and the base assessed value creates a tax increment of $20,661,011 over the TIF collection period (with an estimated net-present value of $10,794,081 assuming a 6% rate).

These conclusions are based on and confirmed against anticipated Project Costs, published tax appraisals for similar developments in Johnson County, and the valuation methodology historically utilized by the Johnson County Appraiser's Office for comparable property.

B. City Sales Tax Revenue Captured

It is estimated that sales within the Project will be $82,307,294 at stabilization in Year 3, growing 2% annually thereafter for the duration of the Project Plan. Based upon the undedicated portion of the City Sales Tax of 1%, plus the portion of the County sales tax committed to the City, TIF revenues derived from City Sales Tax are anticipated to generate sales tax increment of $18,229,536 over the TIF collection period (with an estimated net-present value of $9,618,423 assuming a 6% rate).

C. Transient Guest Tax Captured

The hotel within the Project is estimated to produce room sales of $8,697,264 at stabilization in Year 3, growing by 3% annually thereafter. All such sales will be subject to City's 9% transient guest tax rate. Over the course of the TIF collection period, these transient guest tax revenues are estimated to generate $18,719,179 (with an estimated net-present value of $9,719,740 assuming a 6% rate).

4. Tax Increment Revenues and Special Obligation Bond Financing

Based on the Project's captured *Ad Valorem* Tax Increment, City Sales Tax, and transient guest tax revenues for a period of 20 years, such revenue stream is estimated to generate $57,609,726 over the course of the 20-year TIF collection period, which at a 6% NPV rate is estimated to have a present-day value of $30,132,244. **Exhibit E** sets forth a principal and interest schedule along with the relevant calculations and assumptions utilized to reach these figures. As noted above, bond factors will be agreed upon if and when bonds are issued in support of the Project. The balance of any TIF revenue remaining after the repayment of any special obligations issued in support of the Project may be utilized by the Developer to repay any outstanding Eligible Redevelopment Project Costs on a pay-as-you-go basis, or via a subsequent bond issuance at the discretion of the City.

5. Summary of the TIF Revenues and Project Costs

Based on the Plan's (1) estimated project costs (2) Estimated TIF revenues, and (3) private debt/equity and other financial incentives, the net TIF revenues will be sufficient to pay the costs of the Project, as contemplated under the Act, when supplemented by private debt, equity, and such other financial incentives.

6. City of Mission Meetings and Minutes

Upon approval of this Project Plan by the City, the City Clerk will attach the minutes of all City meetings where the Project was discussed as **Exhibit F**.

7. Impact on Outstanding Bonds

If bonds are issued in support of the Project, such bonds shall be payable solely from TIF revenues (or other incentive revenues) generated within the Project. Accordingly, it is anticipated that there will be no impact on bonds payable from revenues described in (a)(1)(D) of K.S.A. 12-1774 and amendments thereto caused by the Project.

8. Significant Contribution to Economic Development in the City

The redevelopment of the Property as proposed herein will provide significant economic benefits for the City by, among other things, creating a substantial commercial activity within a previously blighted area of the City.

In particular, demolition of the former shopping mall on the Property served a vital public purpose of facilitating a City-wide drainage project that benefitted the entire area surrounding the Property. In the future, the Project will provide new shopping and living opportunities, employment for the City's residents, and it will further the City's aim of redeveloping the East and West Gateway target areas. In addition, the Project will create viable long-term sales and property tax revenues for the City, as well as employment and commerce. It is anticipated that the Project will also be a catalyst to further revitalization within the City, with the net result of the Project being a revitalized economy for the City as a whole. The benefits derived from the Project will far exceed any costs thereof.

There are also immediate and long-term quantifiable monetary benefits to the City from the Project. The following table provides calculations as to financial benefits both during and after the TIF collection period:

City Financial Benefits During TIF Period:

	Annual at Stabilization	Cumulative Over TIF Period
.25% Street Sales Tax:	$205,768	$5,102,511
.375% Park Sales Tax:	$308,652	$7,653,767
Business License/Franchise Fees:	$10,200	$257,833
Stormwater Debt Repayment:	$599,596	$11,991,916
Total:	**$1,124,216**	**$25,006,027**

Annual City Financial Benefits After TIF Period:

	Annual After TIF Period
Annual Sales Tax Revenue:	$1,987,445
Annual Transient Guest Tax Revenue:	$1,332,590
Annual City Property Tax:	$253,576
Annual City Share of County Sales Tax:	$13,163
Annual Business License Fees:	$15,157
Total Annual Revenue After TIF:	**$3,601,931**

To put these figures in perspective, at stabilization, it is estimated that the annual revenues generated by the Project (after deducting TIF revenues) will comprise approximately 9.81% of the City's entire budget. The revenues at stabilization would also support approximately 22.14% of the City's debt-service payments on other City-wide obligations. At completion of the TIF collection period, it is estimated that the Project will produce revenues sufficient to support 22.00% of the City's budget.

The Project will also generate substantial job creation and annual visitation, which will produce spin-off economic benefits. Estimates are as follows:

Job/Visitation Creation

Est. Jobs Created (1 Employee/1,000 SF):	459
Estimated Annual Visitors:	2,500,000
Estimated Overnight Visitors:	65,000

F. Relocation Plan

The Developer, Aryeh Realty, LLC, or the City owns all of the Property in fee simple. These properties were acquired through negotiated arms-length transactions; thus, any funds required for relocation were included in the purchase price. Certain relocation payments were made to tenants that occupied the Property at the time it was purchased by the Developer, which are among the predevelopment costs to be reimbursed with TIF revenues.

III. CONCLUSION

Based on the foregoing, the City and Developer hereby submit this Project Plan for public hearing and due consideration.

EXHIBIT A – LEGAL DESCRIPTION

Lot 1, The Gateway First Plat, Part of the West half of Section 9, Township 12 South, Range 25 East, City of Mission, Johnson County, Kansas, less any portions in dedicated public street right of way (if any), more particularly described as:

All that part of the West half of Section 9, Township 12 South, Range 25 East, in the City of Mission, Johnson County, Kansas, described as follows:

COMMENCING at the Southwest corner of the Northwest Quarter of Section 9, Township 12 South, Range 25 East; thence North 1 degree 49 minutes 20 seconds West along the West line of the Northwest Quarter of said Section 9 a distance of 349.28 feet (339.15 feet Deed) to a point; thence North 88 degrees 10 minutes 40 seconds East a distance of 1740.63 feet (1742.10 feet Deed) to a point on the East right of way line of Roeland Drive, the POINT OF BEGINNING; thence North 33 degrees 29 minutes 13 seconds West along the East right of way line of Roeland Drive a distance of 358.19 feet to a point on the South right of way line of Johnson Drive; thence North 67 degrees 34 minutes 47 seconds East along the South right of way line of Johnson Drive a distance of 143.70 feet to a point; thence North 68 degrees 09 minutes 28 seconds East along the South right of way line of Johnson Drive a distance of 434.76 feet to a point; thence South 21 degrees 50 minutes 32 seconds East along the South right of way line of Johnson Drive a distance of 1.53 feet to a point; thence North 72 degrees 37 minutes 31 seconds East along the South right of way line of Johnson Drive a distance of 342.82 feet to a point; thence in a Northeasterly direction along the South right of way line of Johnson Drive and along a curve to the right, having a radius of 297.25 feet, through a central angle of 9 degrees 19 minutes 18 seconds, an arc distance of 48.36 feet to a point of compound curvature; thence in a Southeasterly direction along the South right of way line of Johnson Drive and along a curve to the right, having a radius of 106.25 feet, through a central angle of 85 degrees 00 minutes 09 seconds, an arc distance of 157.63 feet to a point of compound curvature, said point also lying on the West right of way line of Roe Avenue; thence in a Southeasterly direction along the West right of way line of Roe Avenue and along a curve to the right, having a radius of 397.25 feet, through a central angle of 9 degrees 59 minutes 48 seconds, an arc distance of 69.31 feet to a point; thence South 3 degrees 03 minutes 14 second East along the West right of way line of Roe Avenue a distance of 111.19 feet to a point; thence South 2 degrees 07 minutes 38 seconds East along the West right of way line of Roe Avenue a distance of 200.66 feet to a point; thence South 1 degree 54 minutes 32 seconds East along the West right of way line of Roe Avenue a distance of 42.62 feet to a point on the Northwesterly right of way line of Shawnee Mission Parkway (also known as US Highway 56) as established in Book 200706 at Page 003864; thence South 37 degrees 23 minutes 58 seconds West along the Northwesterly right of way line of said Shawnee Mission Parkway a distance of 936.45 feet to the point of intersection of the Northwesterly right of way line of Shawnee Mission Parkway and the East right of way line of Roeland Drive; thence North 52 degrees 36 minutes 02 seconds West along the East right of way line of Roeland Drive a distance of 44.00 feet to a point; thence in a Northwesterly direction along the East right of way line of Roeland Drive and along a curve to the right, having a radius of 260.50 feet, through a central angle of 53 degrees 32 minutes 02 seconds, an arc distance of 243.40 feet to a point of reverse curvature; thence in a Northwesterly direction along the East right of way line of Roeland Drive and along a curve to the left, having a radius of 490.00 feet, through a central angle of 34 degrees 25 minutes 13 seconds, an arc distance of 294.37 feet to a point; thence North 33 degrees 29 minutes 13 seconds West along the East right of way line of Roeland Drive a distance of 125.55 feet to the POINT OF BEGINNING and containing 721,889 Square Feet or 16.572 Acres, more or less.

EXHIBIT B – MAP EXHIBIT

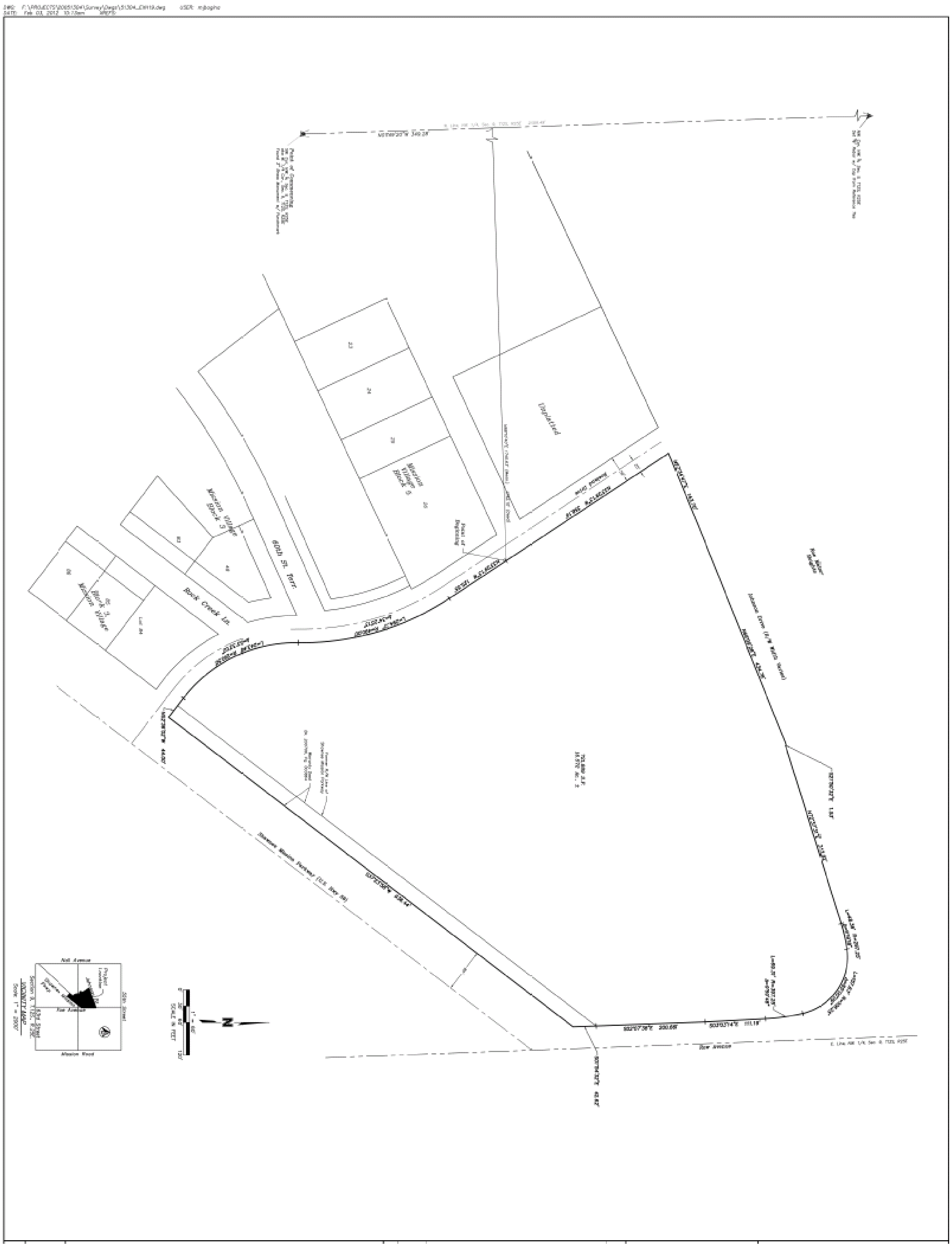

EXHIBIT C – ORDINANCE NO. 1190 AND ORDINANCE NO. 1195

EXHIBIT D – DETAILED BUDGET

Land, Demolition & Predevelopment Costs	Total	TIF Eligible	% TIF Eligible
Land, Demolition & Predevelopment Costs	$43,194,337	$43,194,337	100.00%
Total Land Costs	**$43,194,337**	**$43,194,337**	**100.00%**
Site Work, Infrastructure & Parking			
Hard Costs - Parking Garage (1,041 Spaces)	$15,010,155	$15,010,155	100.00%
Sitework	$7,999,429	$7,999,429	100.00%
Offsite	$500,000	$500,000	100.00%
	$23,509,584	**$23,509,584**	**100.00%**
Hard Costs			
Hard Costs Retail (Roeland)	$2,858,931	$0	0.00%
Hard Costs Retail (Johnson)	$1,532,995	$0	0.00%
Hard Costs Junior Anchors	$9,130,000	$0	0.00%
Hard Costs Hotel (includes Restaurant & Spa)	$23,745,480	$0	0.00%
Hard Costs Residential	$21,515,252	$0	0.00%
Payment & Performance Bonds	$523,457	$149,543	28.57%
Insurance/Builders Risk	$866,178	$247,453	28.57%
General Contractor Fee	$2,830,020	$808,492	28.57%
Tenant Improvements	$4,552,800	$0	0.00%
Contingency	$4,325,595	$1,235,754	28.57%
Total Hard Costs	**$71,880,708**	**$2,441,242**	**3.40%**
	Total Hard Construction Costs:	**$82,292,242**	
	Building Costs:	**$58,782,658**	
	Soft Cost TIF Eligibility %:	**28.57%**	
Soft Costs			
Architecture/Engineering Services	$3,701,739	$1,057,528	28.57%
Legal	$775,000	$221,405	28.57%
Platting	$75,000	$21,426	28.57%
Civil Engineer (includes geo-tech and survey)	$29,000	$8,285	28.57%
Testing & Special Inspections	$150,000	$42,853	28.57%
Real Estate Taxes	$418,686	$418,686	100.00%
Residential Marketing and FF&E	$358,000	$102,275	28.57%
Project Branding & Marketing	$50,000	$14,284	28.57%
City Assessment	$1,800,000	$1,800,000	100.00%
Hotel Pre Opening	$1,000,000	$0	0.00%
Hotel Supplies	$400,000	$0	0.00%

	Total	TIF Eligible	% TIF Eligible
Hotel FFE	$3,400,000	$0	0.00%
Hotel Operator Technical Services Fee	$200,000	$0	0.00%
Development Fee	$3,413,725	$3,413,725	100.00%
Project Staffing	$2,250,000	$0	0.00%
Residential Staffing	$150,000	$0	0.00%
Permit & Fees	$796,053	$227,420	28.57%
Accounting (Audit, etc.)	$50,000	$14,284	28.57%
Developer Reimbursements	$300,000	$85,705	28.57%
Leasing Commissions	$1,747,048	$0	0.00%
Soft Cost Contingency	$750,000	$214,263	28.57%
Total Soft Costs	**$21,814,251**	**$7,642,139**	**35.03%**
Mezzanine Loan Closing Cost			
Mortgage Broker Fee	$63,860	$18,244	28.57%
Bank Fee	$127,719	$36,487	28.57%
Title Insurance	$95,790	$27,366	28.57%
Mortgage Recording Tax	$19,158	$5,473	28.57%
Legal (Owner and Lender)	$200,000	$57,137	28.57%
3rd Parties	$0	$0	28.57%
Mezzanine Loan Closing Cost	**$506,527**	**$144,707**	**28.57%**
Construction Loan Closing Cost			
Mortgage Broker Fee	$425,331	$121,510	28.57%
Bank Fee	$850,663	$243,021	28.57%
Title Insurance	$637,997	$182,266	28.57%
Mortgage Recording Tax	$108,442	$30,980	28.57%
Legal (Owner and Lender)	$500,000	$142,842	28.57%
Construction Monitoring	$150,000	$42,853	28.57%
3rd Parties	$250,000	$71,421	28.57%
Construction Loan Closing Cost	**$2,922,433**	**$834,893**	**28.57%**
Interest Reserve			
Construction Loan Interest Reserve	$3,000,000	$857,052	28.57%
Bond Payment Reserve	$2,155,249	$615,720	28.57%
Mezzanine Loan Interest Reserve	$1,149,475	$328,387	28.57%
Total Financing Costs	**$6,304,724**	**$1,801,159**	**28.57%**
TOTAL DEVELOPMENT COSTS	**$170,132,564**	**$79,568,061**	**46.77%**

EXHIBIT E – TIF BOND PROFORMA

EXHIBIT F – CITY OF MISSION MEETING MINUTES