

124 NEWSROOM

118-124 Monroe Avenue

Development Loan Application

1. Applicant Background

- *Name, address, and telephone number of the applicant:*

124 Newsroom, L.L.C.
120 Monroe Avenue
Memphis, TN 38103

Contacts:

Adrienne de Lathouder Littlefield- 901-246-3909
John Littlefield - 901-246-7376
Shantih Smythe - 901-833-7867
Bert Smythe - 901-497-3014

- *Name(s) of applicant's representatives and any financial guarantors of the project:*

Adrienne & John Littlefield
49 Eastland Drive
Memphis, TN 38111
901-246-3909 / 901-246-7376

Shantih & Bert Smythe
1600 Harbert Ave.
Memphis, TN 38104
901-833-7867 / 901-497-3014

Commercial Bank & Trust
ATTN: Andrea Gladney
510 South Mendenhall Rd.
Memphis, TN 38117
901-487-9157

- *Development experience and all other relevant information needed to consider while reviewing the application:*
 - John Littlefield and Bert Smythe have owned and operated SBH LLC as McEwen's Memphis, at the project site for over ten (10) years. They acquired the restaurant in 2008 but this beloved Downtown Memphis fixture originally opened in 1997.

- 124 Newsroom, LLC is a limited liability corporation with the following members:
 - Adrienne de Lathouder Littlefield (26%)
 - Shantih Smythe (26%)
 - John F. Littlefield (24%)
 - Bert L. Smythe (24%)

2. Proposed Project

- *Location of the proposed project by address and legal description*
Parcel ID: 002058 00012
120 Monroe Avenue
Memphis, TN 38103
- *Intended use of the property.*
 - Mixed Use consisting of Commercial Restaurant space and Multi-family Dwelling Units
- *Square footage of the building / land area to be renovated or built upon.*
 - Approximately 4,000sf footprint
- *Architectural plans and renderings*
 - See Attached
- *Any available history on the project*
 - After leasing from a family trust for eleven years, the partners at McEwen's decided to purchase the historic building which included one additional bay to the east of the existing restaurant as well as upper floors in all four buildings.
- *A letter from a certified engineer, licensed in the State of Tennessee, as to the structural integrity of the existing building for its intended usage, if applicable.*
 - See "EXHIBIT A"- attached letter from architect and condition survey from 16 July 2009
- *Summary of marketing plans describing the market potential and targeted market.*
 - The first floor of the building is currently leased, by its occupant of 21 years, McEwen's Memphis (SBH LLC). McEwen's will receive a renovation including a new kitchen and an additional dining room. They conservatively estimate a 20% increase in sales.
 - The upper floors are being converted to six (6) rental dwelling units. The mix includes three (3) studio apartments, one (1) one-bedroom unit, and two (2) two- bedroom units. This mix of units allows us to target a range of potential renters. and we expect full occupancy within one year of completion.
 - Occupancy of the restaurant is ongoing. Full occupancy of the rental dwelling units is expected within the first six months of completion. Building management will be handled by 124 Newsroom principals. Construction project management is also being handled by 124 Newsroom principals.
- *Any changes needed to the public space around the project (e.g. sidewalks, lighting).*

- We anticipate changes needed in the sidewalk to provide ADA accessibility to the new entrances.
- *Photos of current conditions*
 - See attached
- *Photos of all exterior building elevations.*
 - See attached
- *Existing floor plan, if applicable.*
 - See attached
- *Plans and drawings as needed to understand the project scope.*
 - See attached
- *All other information needed to fully explain the project.*
 - When the applicant purchased the entire 4 building parcel, it gave them the opportunity to expand the restaurant to include additional dining space and new kitchen and restrooms. This also creates a new revenue source by constructing six apartments above. This major renovation will include all new building systems including mechanical, electrical, plumbing, sprinklers, and an elevator. The original stucco façade will be restored with new windows and storefronts throughout.

3. Site Control

- *Name of property owners at the time of application submittal.*
 - See Above
- *Describe any and all existing financing, options, taxes owed, and liens on the property.*
 - Mortgage/Construction Loan from Commercial Bank & Trust
 - Personal Loan from Joe Gilbert and Cindy Gilbert

4. Financial Items

Applicant Finances:

- *Current audited financial statements of the applicant and guarantors. If audited financial statements are unavailable, please submit non-audited statements.*
 - See "EXHIBIT B"
- *State the relationship any applicant or guarantor has had with any accounting firm over the last five years and reason for change, if any.*
 - Robert Scheibelhut, CPA of Bailey, Kaufman, & Scheibelhut, PLLC Accountant for last eleven (11) years.
- *Three years tax returns if applicant is an individual*
 - N/A
- *Financial history of the project and previous attempts to develop, if applicable.*
 - N/A
- *A personal guarantee, if development loan amount requested and approved is greater than the project's grade, as per the Project Evaluation and Scoring Sheet (Appendix I).*
 - (N/A)

Project Finances:

- *Requested loan amount:*
 - \$200,000
- *If any additional loans are being sought for renovation of the project, give the*

name of the lender and the amount of the loan.

- There is a Construction Loan in place from Commercial Bank & Trust, as noted above.
- *If any portion of the project has been leased or is currently under lease, state lessee and the income from the lease.*
 - The first floor is currently leased to SBH LLC dba McEwen's Memphis. This is a five (5) year lease with two (2) five (5) year options. The lease origination date is December 1, 2018.
 - SBHLLC currently pays \$120,000 per year
- *Sources and uses statement including estimated project costs broken down by component (e.g. land, buildings, equipment, soft costs, etc.)*
 - See "EXHIBIT C"
- *Five years cash flow pro forma showing the project's ability to service its debt (Appendix IV).*
 - See "EXHIBIT D"

5. Project Timeline

- *Closing of the loan or other financing availability.*
 - Commercial Bank & Trust loan closed on November 15, 2018
- *First expenditure of funds with regards to the project.*
 - October 4, 2018- \$4,250 retainer paid to Architect
 - March 20, 2019- \$7,650 schematic design payment paid to Architect
- *Commencement of construction*
 - Ideally, construction would commence by July 1, 2019.
- *Project completion.*
 - Construction period is estimated to be approximately twenty-two (22) weeks from commencement, approximately December 1, 2019.

6. Project Team

- *Counsel for the applicant.*
 - Attorney:
Saul Belz
Glankler Brown
6000 Poplar Avenue, Suite 400
Memphis, TN 38119
901-525-1233
sbelz@glankler.com

- *Architects and engineers:*
 - Architect:
Charles “Chooch” Pickard, AIA
Architecture, Incorporated
88 Union Center, Suite 106
Memphis, TN 38103
901-526-5080
chooch@archincmemphis.com
 - MPE Engineer:
HNA Engineering
11880 Cranston Dr. #104
Arlington, TN 38002
 - Structural Engineer:
Fowler Engineering, LLC
1989 Oak Tree Cove
Hernando, MS 38632
 - Contractor for the project
(TO BE BID USING DMC POLICIES REGARDING MWBE CONTRACTORS)
 - Other Professionals
(TO BE BID AS REQUIRED)
- *Disclose if the applicant or any guarantor has any previous or ongoing relationship with any Board member or legal counsel of the Board. If so, please describe in detail.*
 - Board members and legal counsel may be customers of McEwen’s Memphis restaurant.
 - Valentina Shands Puppione, a principal at Architecture, Incorporated is a member of the Design Review Board

7. Credit References

- *Three (3) personal credit references*
 - Bill Rhodes
Autozone President and CEO
901-495-6750
Bill.Rhodes@autozone.com
 - Jake Schorr
The Bake Shop and Westy's Owner
901-238-0755
 - Jody Pendergrast
Paige Chaffin and Riggins Ins
901-755-5526
jody@pcrins.com
- *Three (3) business credit references*
 - Lee Cauthen
Co-Owner McEwen's Oxford
662-801-7091
Lee@mcewensoxford.com
 - Nick Scott
Sysco
901-581-7995
scott.james@mem.sysco.com
 - Joey Winburn
Off The Dock Seafood
901-547-7900
901-246-0321
Joey@otdseafood.com

8. Disclosures

- *If the applicant, guarantor, or any other principals involved with the project are currently engaged in any civil or criminal proceeding.*
 - No applicant, guarantor, or other principal involved with the project are currently engaged in any civil or criminal proceeding.
- *If the applicant, guarantor, or any other principals involved with the project have ever been charged or convicted of any felony or currently is under indictment.*
 - No applicant, guarantor, or other principal involved with the project have been charged or convicted of any felony or currently is under indictment.
- *If the applicant has ever filed for bankruptcy.*
 - No applicant has ever filed for bankruptcy.

9. Applicant Affirmation

This application is made in order to induce the Memphis Center City Development Corporation (CCDC) to grant financial incentives to the applicant. The applicant hereby represents that all statements contained herein are true and correct. All information materially significant to the CCDC in its consideration of the application is included. The applicant expressly consents to the CCDC's investigation of its credit in connection with this application. The applicant acknowledges that it has reviewed the descriptions of the CCDC financial program for which it is applying and agrees to comply with those policies. The applicant shall also be required to show a good faith effort with regard to the employment of minority contractors. The applicant specifically agrees to pay all reasonable costs, fees and expenses incurred by the CCDC whether or not the incentive is granted, or project completed.

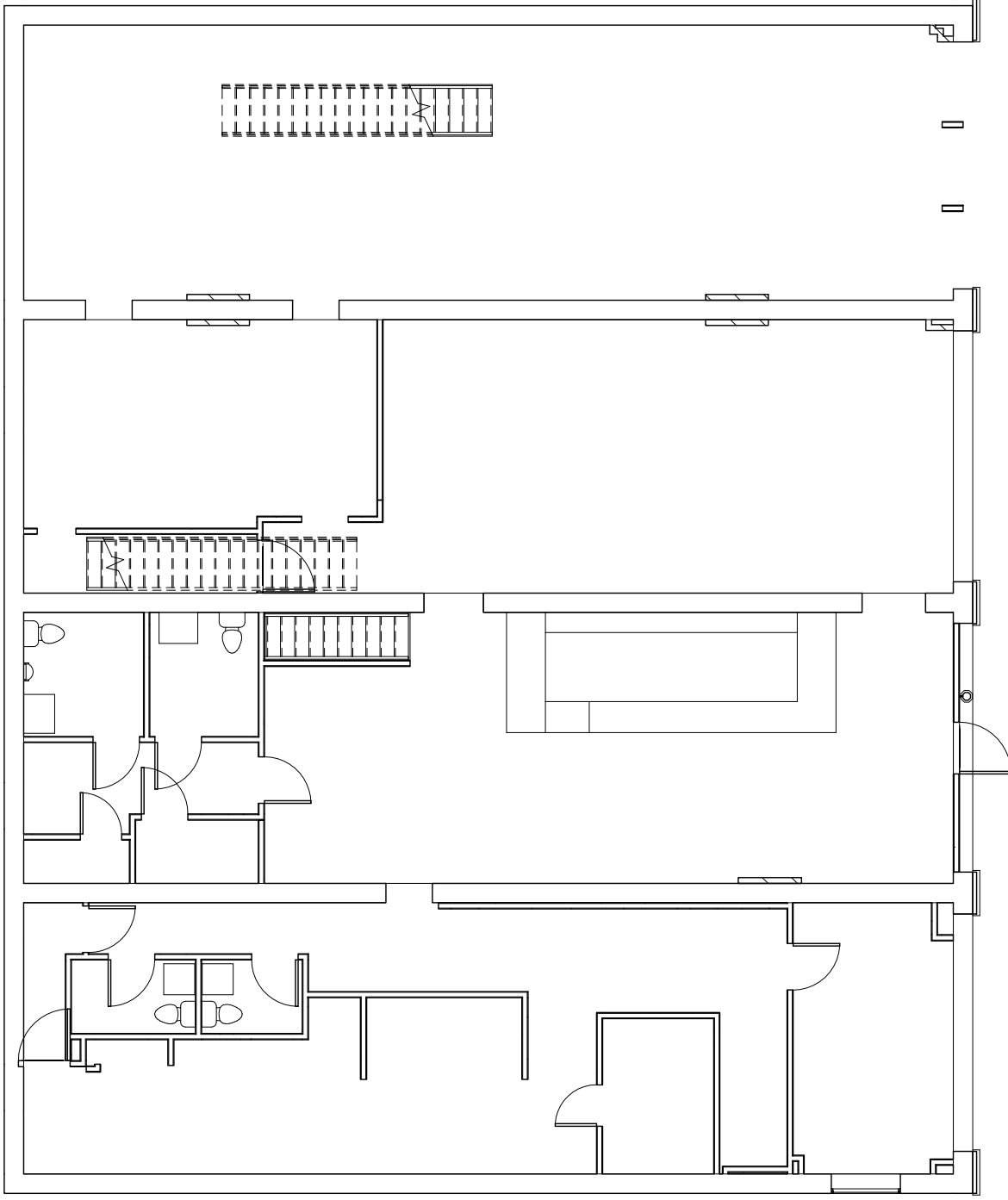


Signed: _____

5-12-19

_____ Date

Partner
124 Newsroom, LLC
120 Monroe Avenue
Memphis, TN 38103
901-246-7376
john.f.littlefield@gmail.com

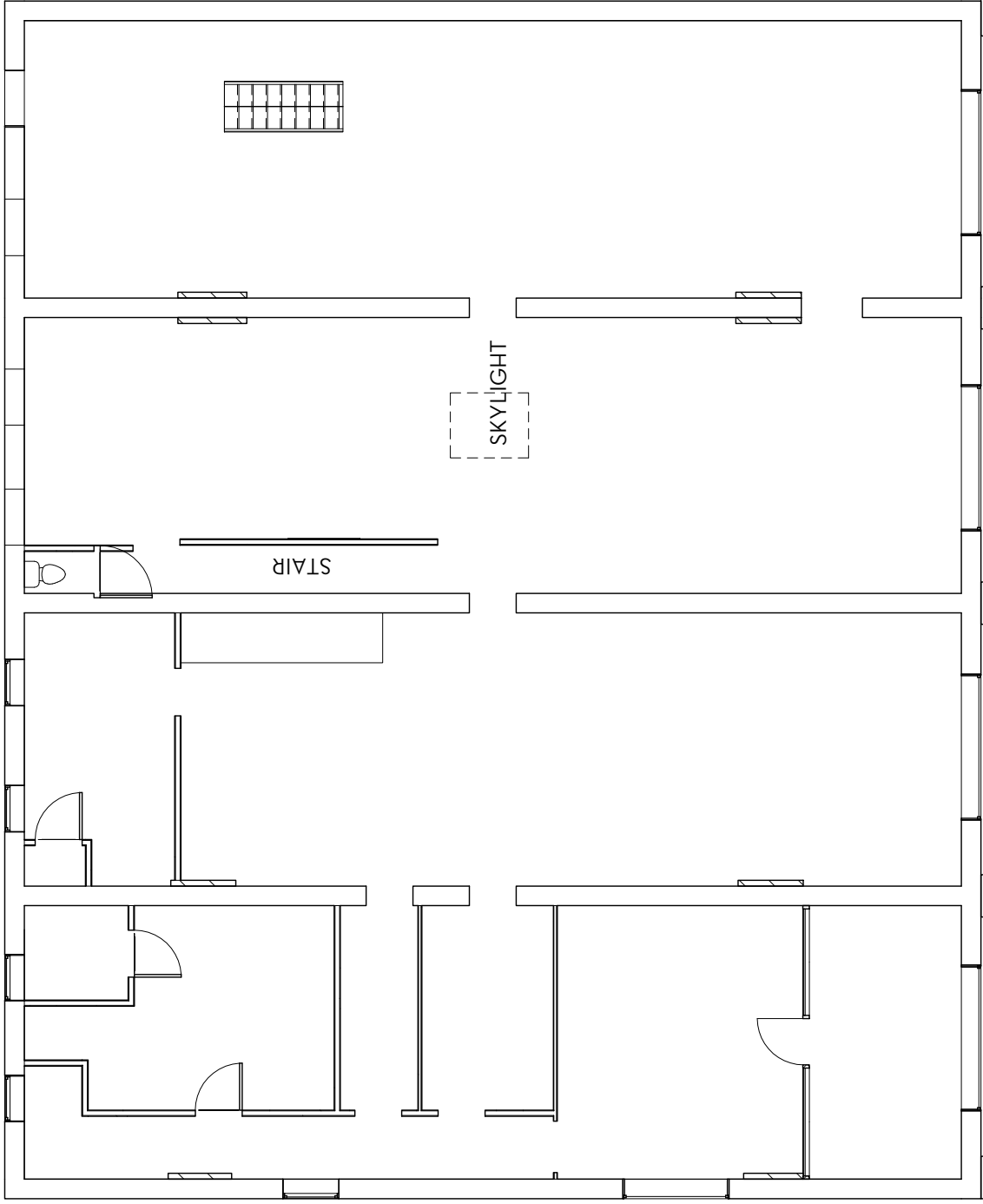


1 1ST FLOOR PLAN-EXISTING



ARCHITECTURE, INCORPORATED
88 Union Center, Suite 106
Memphis, TN 38103
(901) 526-5080

124 NEWSROOM
1828
05/03/19

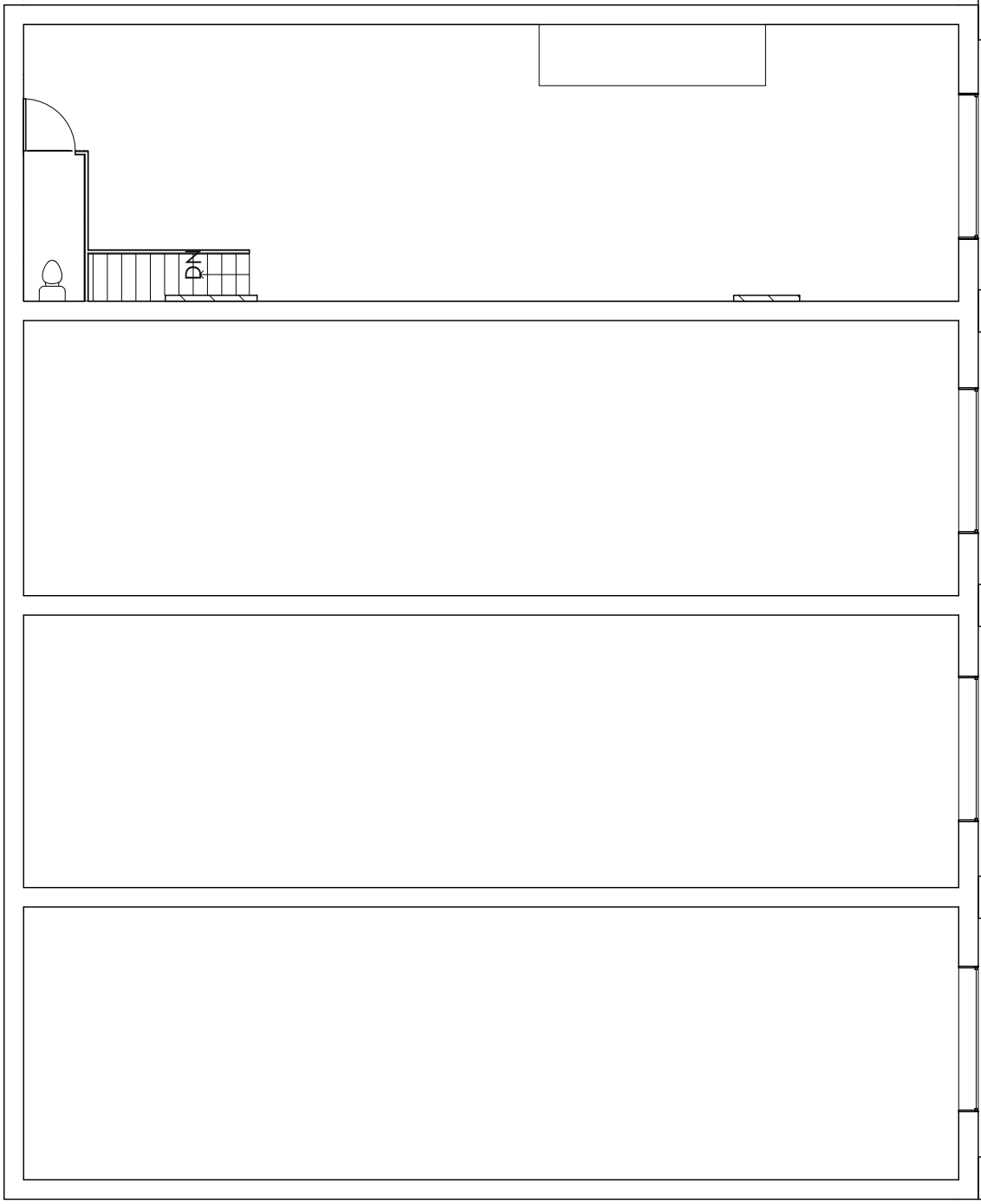


1 2ND FLOOR PLAN-EXISTING



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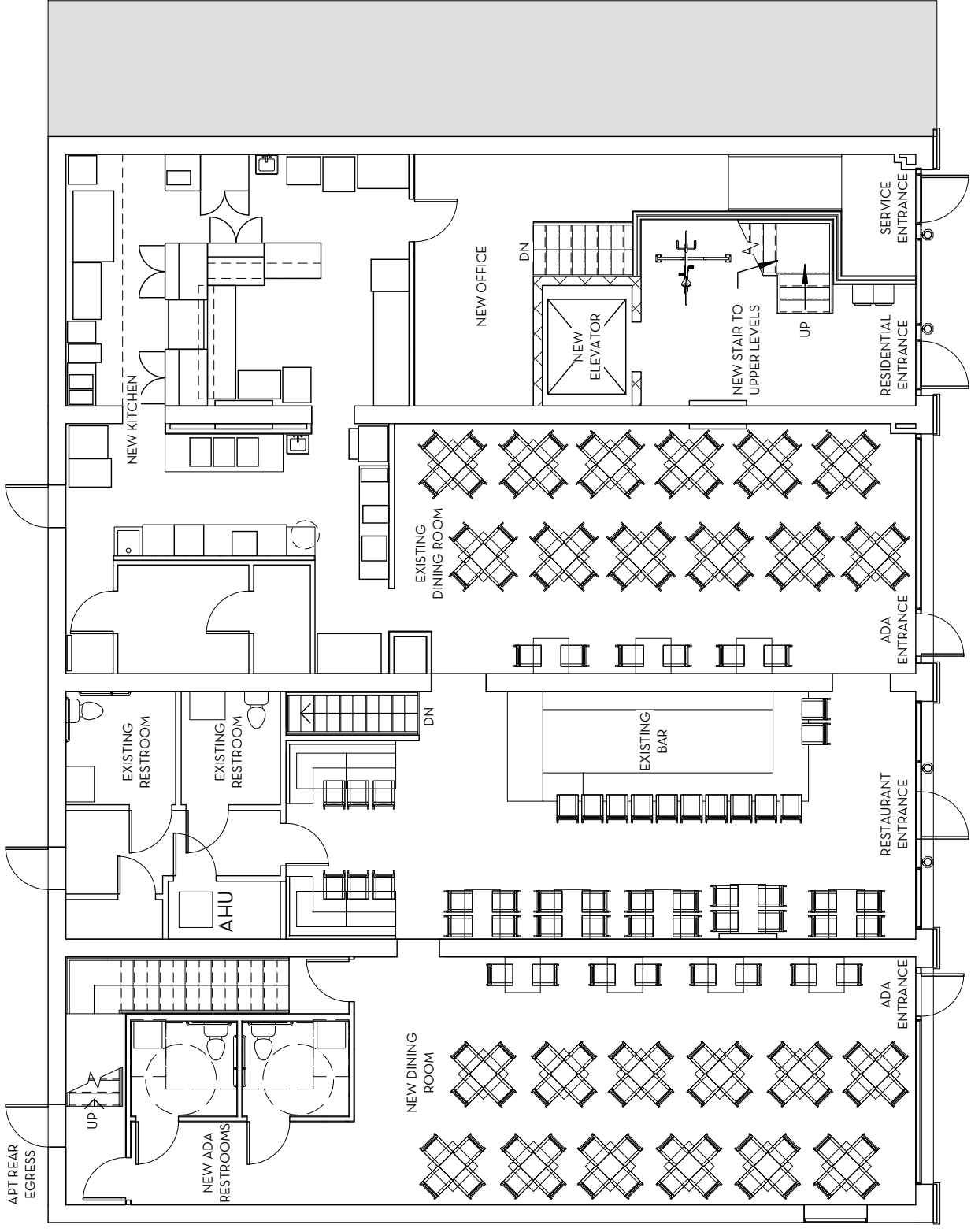


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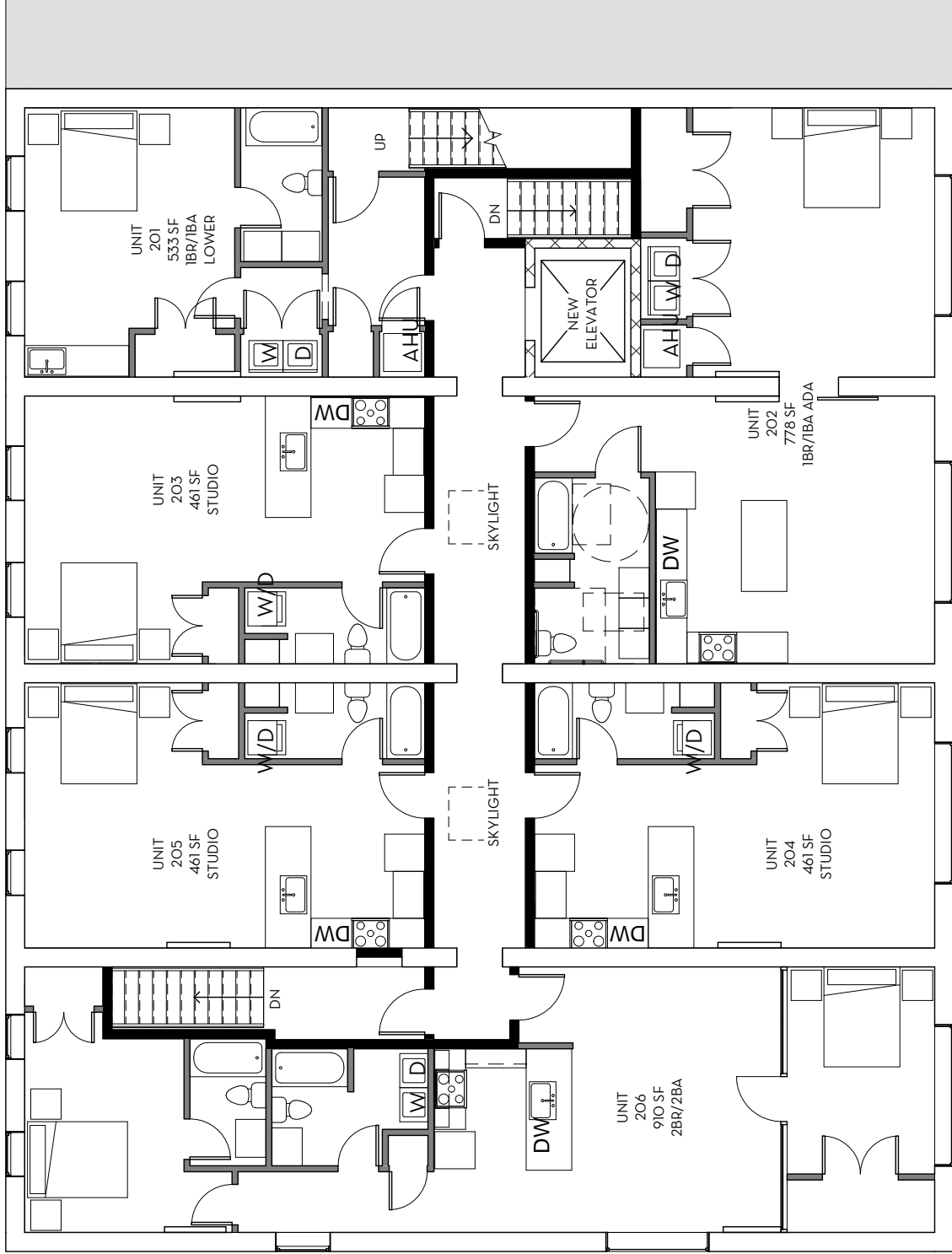


1 1ST FLOOR PLAN



ARCHITECTURE, INCORPORATED
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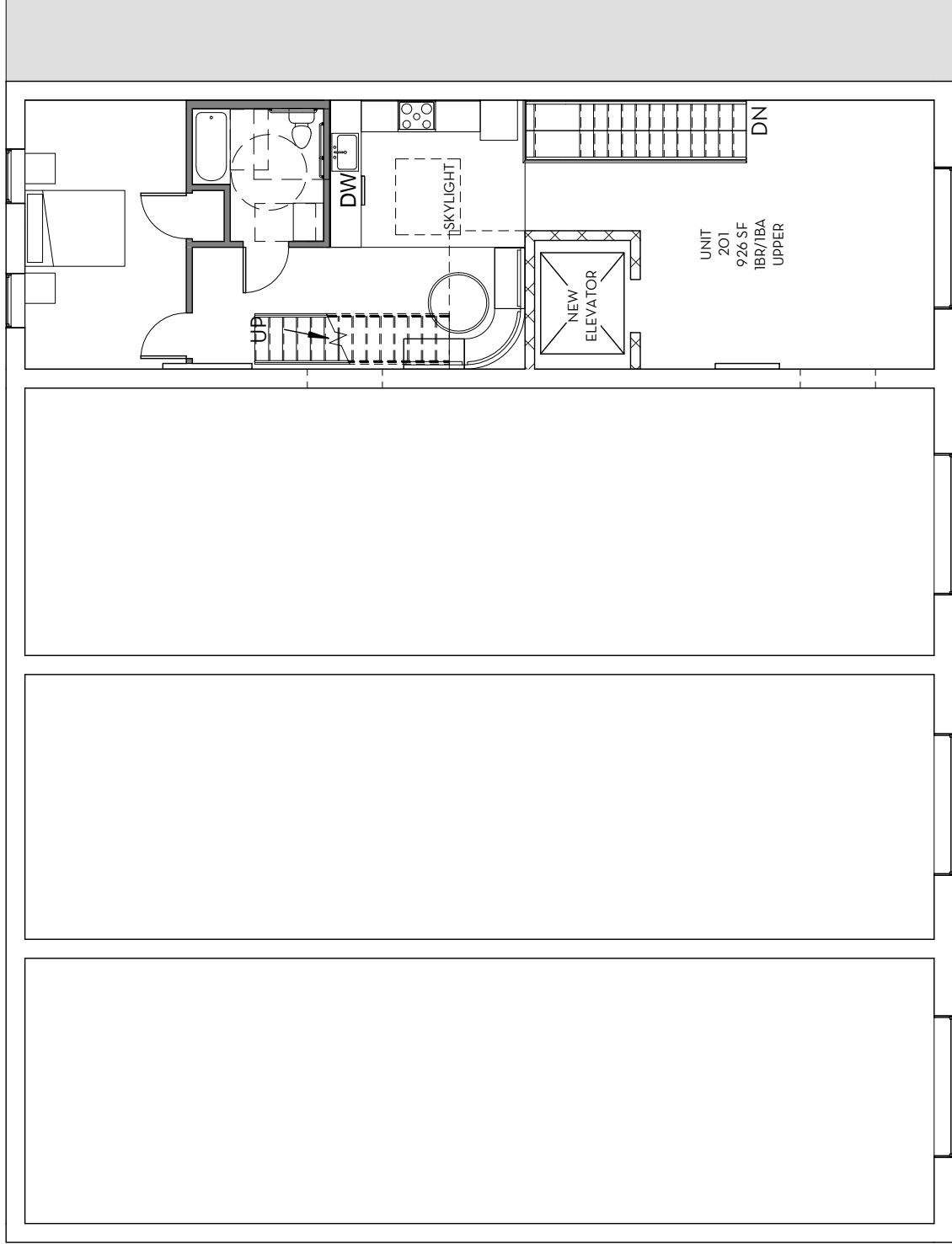


1 2ND FLOOR PLAN



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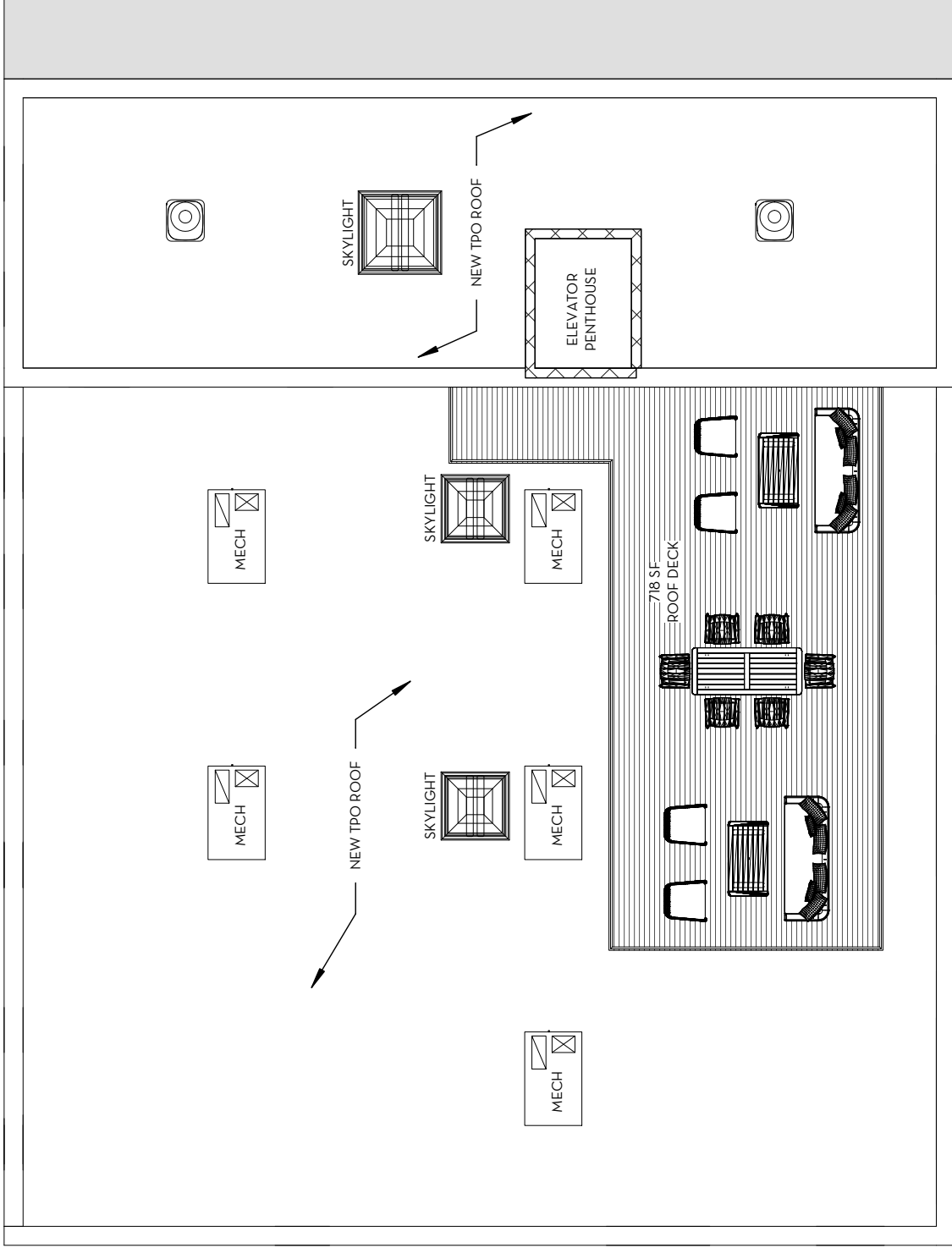
3RD FLOOR PLAN

1



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 Memphis, TN 38103
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1 ROOF PLAN



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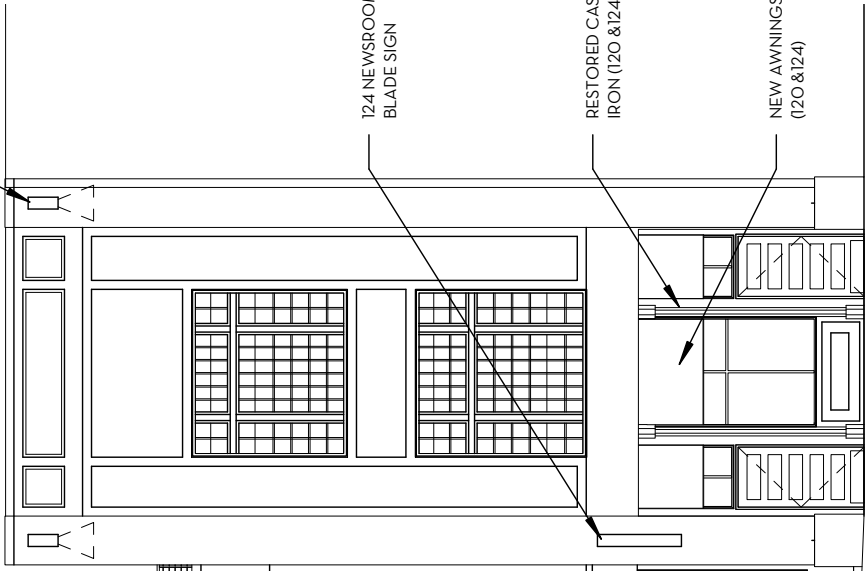
124 NEWSROOM
 1828
 05/03/19

124 ARCHITECTURAL LIGHTING (TYPICAL)

124 NEWSROOM BLADE SIGN

RESTORED CAST IRON (120 & 124)

NEW AWNINGS (120 & 124)



124

MONROE

122

MONROE

120

MONROE

118

MONROE

NEW ROOF DECK

REPAIR & PAINT EXISTG-STUCCO (TYPICAL)

NEW WINDOWS AT UPPER LEVELS (TYPICAL)

NEW MCEWENS BLADE SIGN

ART GLASS TRANSOMS (118 & 122)

NEW WOOD & GLASS STOREFRONTS (TYPICAL)

REWORK SIDEWALK TO MATCH VARYING FINISH FLOOR LEVELS

1 MONROE AVENUE ELEVATION

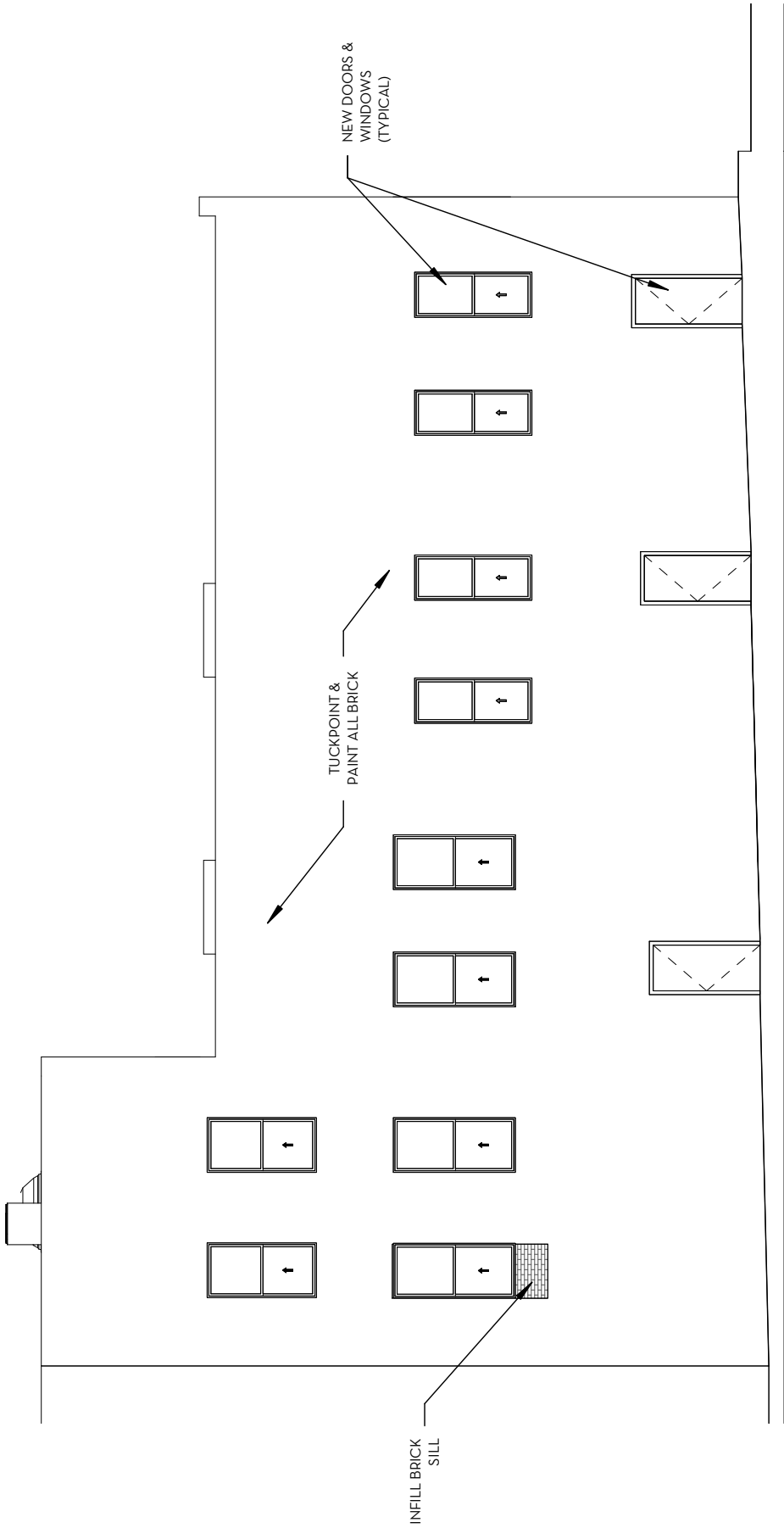


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124 NEWSROOM

1828

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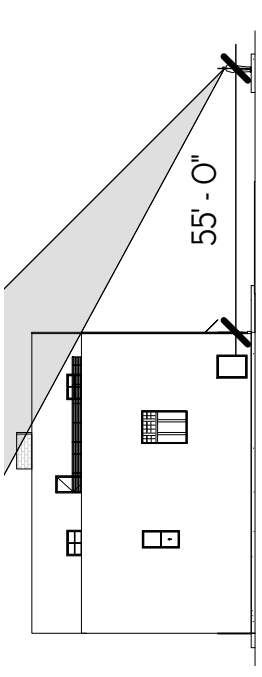
NORTH ALLEY ELEVATION

1

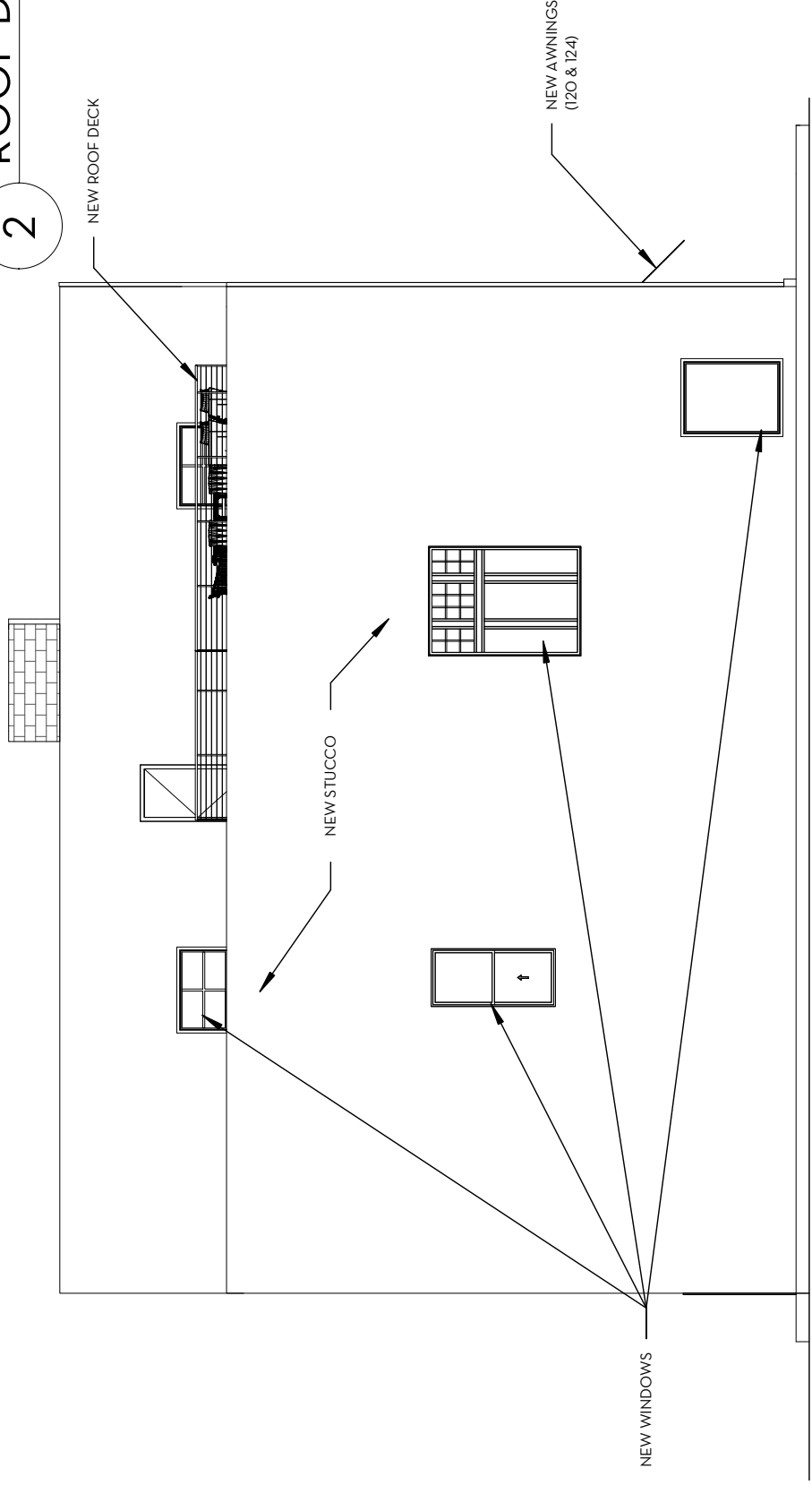


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ROOF DECK VISIBILITY



NOVEMBER 6TH ELEVATION



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 88 Union Center, Suite 106
 Memphis, TN 38103
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 1828
 05/03/19

124 NEWSROOM

Existing Conditions Photos



118-124 Monroe Avenue- Front & Side Facades



118-124 Monroe Avenue- Rear Façade



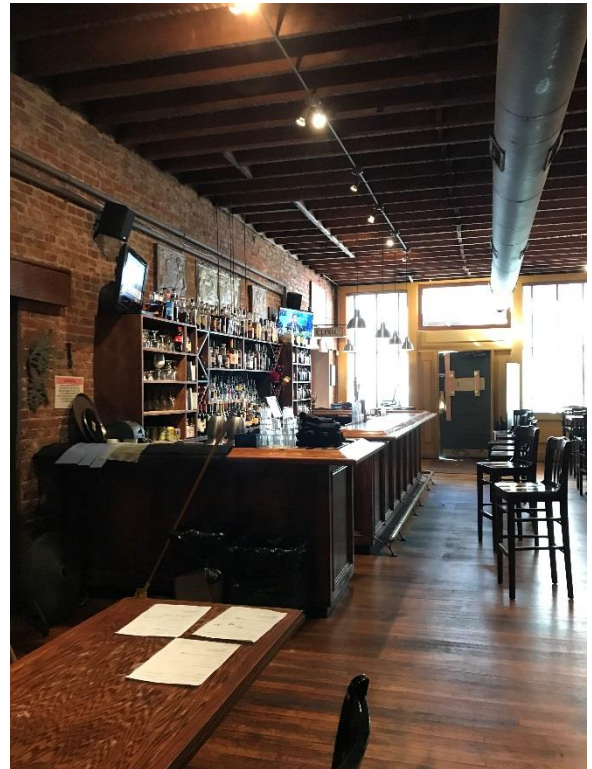
118 Monroe Avenue- Kitchen



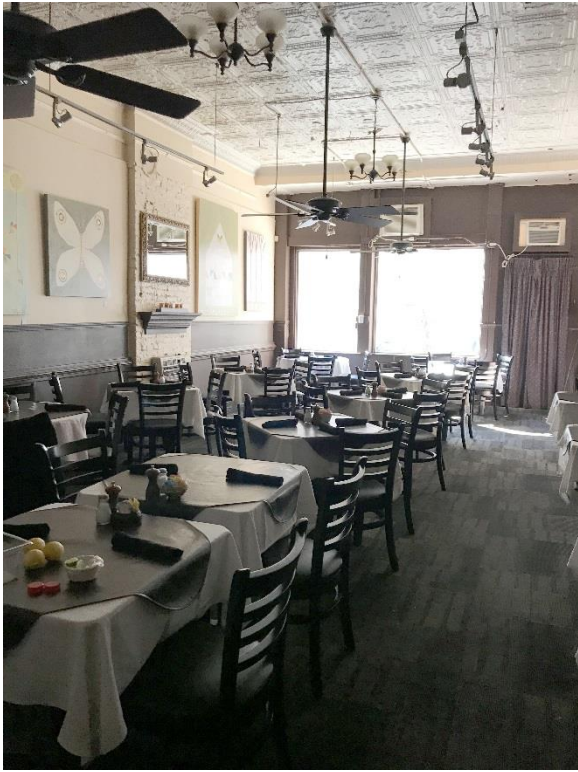
118 Monroe Avenue- Office



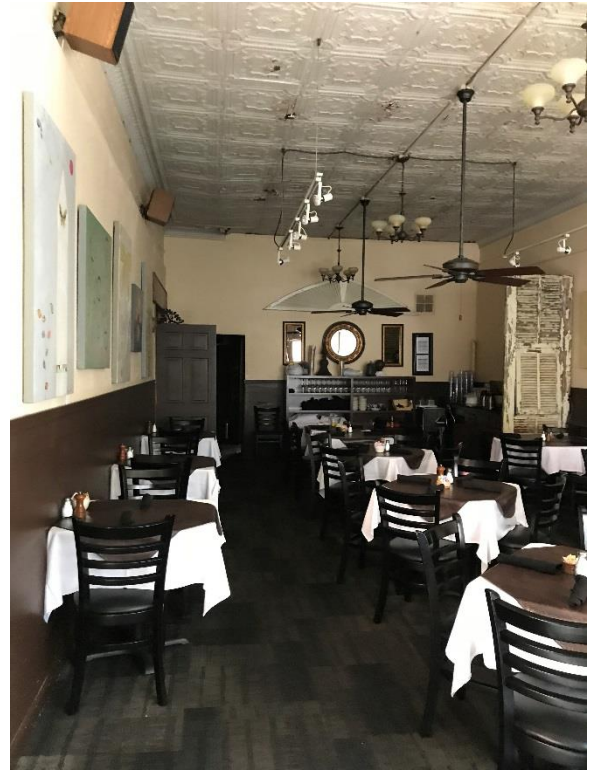
120 Monroe Avenue- Bar



120 Monroe Avenue- Bar



122 Monroe Avenue- Dining Room



122 Monroe Avenue- Dining Room



124 Monroe Avenue- Expansion Space



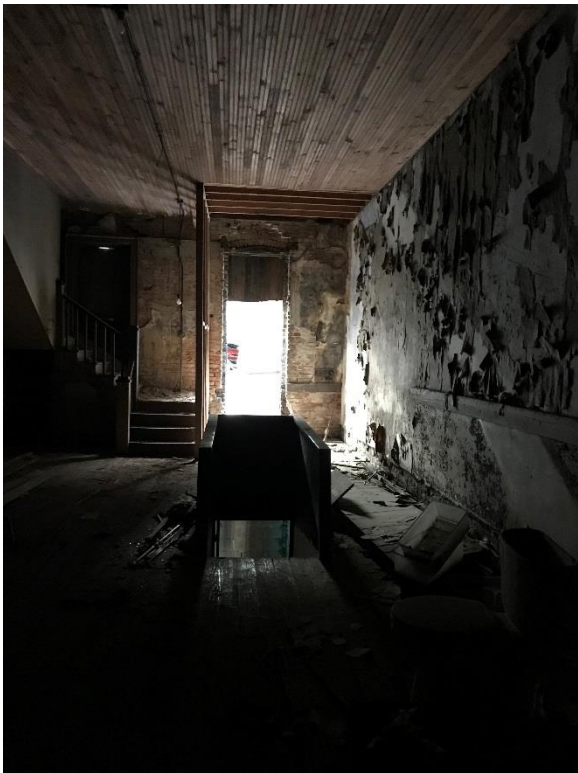
124 Monroe Avenue- Expansion Space



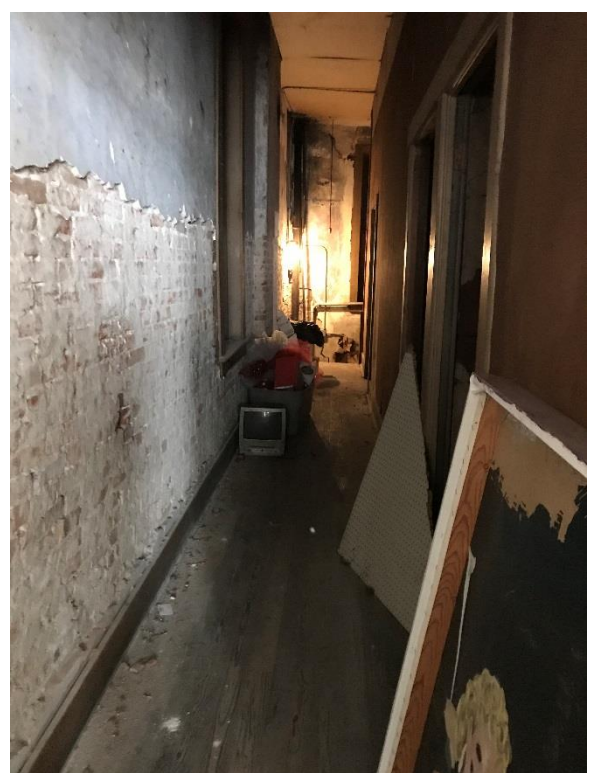
Upper Floor Condition



Upper Floor Condition



Upper Floor Condition



Upper Floor Condition



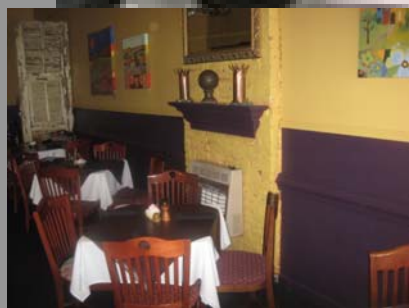
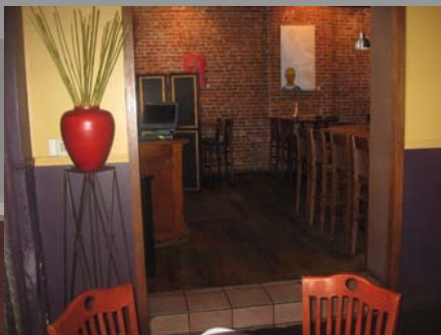
Upper Floor Condition



Upper Floor Condition

Condition Survey

McEwen's on Monroe



Clinton A. Smith, A.I.A.

C. A. Smith, P. C.

1355_B Lynnfield Road / Suite 245-48
Memphis, Tennessee 38119

ARCHITECTURE / INVESTIGATION/ REPAIR DESIGN

tele: 901.685.2423 fax: 901.683.1182
email: caspc@comcast.net

16 July 2009

Mr. Bert Smythe
McEwens on Monroe
122 Monroe Avenue
Memphis, Tennessee 38103

via email: bert@mcwensonmonroe.com

Re: Condition Survey
122 Monroe Avenue
Memphis, Tennessee 38103
CAS No. 2009.15

Dear Mr. Smythe:

As requested, I have performed a condition survey of the roof and exterior walls of the above referenced property in accordance with my proposal letter dated 26 June 2009. In addition to the survey work I also prepared schematic floor plans for each level of the property as requested. The survey focused on the exterior envelope and included the following steps:

1. A visual inspection of each exterior wall from the ground on both the interior and exterior sides of the wall.
2. A visual inspection of roof from the parking structure on the north side of the property and visual inspection of the underside of the roof deck where possible.
3. The preparation of repair recommendations with associated budget estimates for the roof and exterior walls.

Observations from the assessment are itemized numerically with a written description of the deficient condition, a photograph and proposed remedy where applicable.

Background

The property consists for four individual bays with an approximate overall footprint of 74 ft by 62 ft. The net useable square footage of each Bay is approximately 1,020 sf for a total of 13,260 sf. According to the Shelby County Property Assessor's information the site consists of 0.1260 acres or 5,488 sf. The building was constructed in 1890 and is defined as a downtown row type structure. Bays 1 through 3 are two-story load bearing masonry structures with a full basement. Bay 4 has three floors above grade and a full basement. Approximately 650 sf of the basement in Bay 2 has a dirt floor. All other basement areas have a concrete slab on grade. All bays have an attic space above the top floor with windows on the south elevation and attic vents on the north elevation. The floor of the attic is framed with 2" x 8" wood joists spaced 16 inches on center that span the full width of each bay. The attic framing supports the finish ceiling of the top floors. Only one attic in Bay 3 had ladder access and appeared to be used as a storage space in the past. The head room at the south or high end of the attic was 8'-0". The head room at the point of access was 5'-10". The load bearing masonry walls are typically 4 wythes or brick units wide on the south, east and west sides of the building and 3 wythes thick on the north side. The

east and west load bearing walls support 2" x 12" floor and roof joists spaced 16 inches on center set in beam pockets with in the masonry walls. Typical floor to ceiling heights are:

- Basement - 6'-8" from floor to underside of joists
- First floor varies from 12'7" in Bay 4 to 11'8" in Bay 1.
- Second Floor -11'-8" to 11'10"
- Third Floor in Bay 4 – 9'- 10"

The exterior masonry walls are coated with stucco that is likely a lime based mix due to the age of the building. However, the first floor exterior wall of Bay 1 at the southwest corner is clad with synthetic stucco or EIFS. The roof construction of all the buildings consists of a smooth surfaced built-up roof (BUR) that is supported by 1" x 6" tongue and groove wood decking supported by wood roof joists. The roof appears to have a cap sheet on top of another roofing system due the presence of moisture relief vents that are located in the center of each roof area.

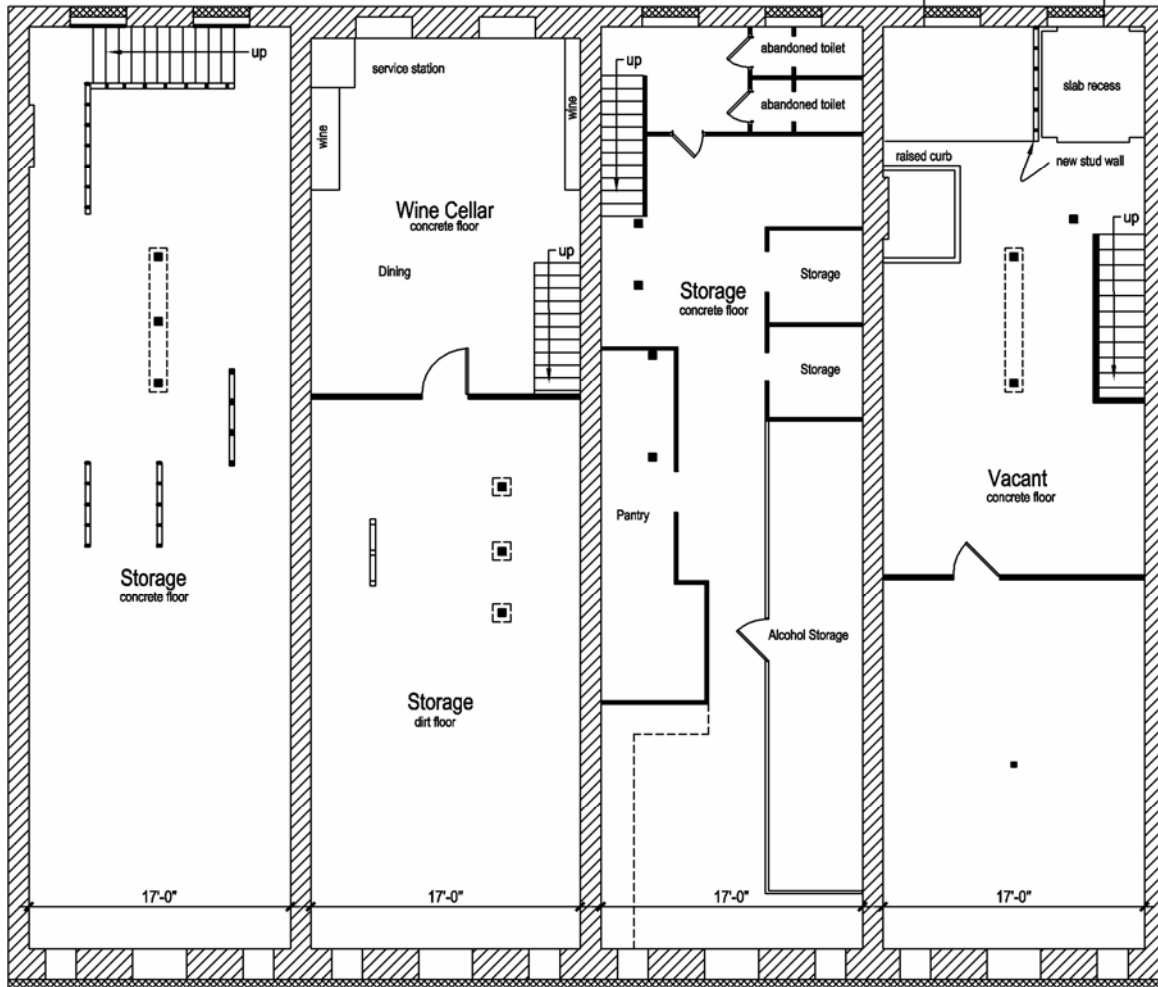
Repair Costs

An itemized estimate for probable repair costs is included on a separate spreadsheet in this report. The costs include quantities and unit prices for each type of repair. The unit prices are based on our experience with similar type repair projects and have been verified with local masonry restoration and roofing contractors to ensure the unit costs are current and reflect the local construction market. The repair costs do not anticipate any changes to the existing masonry walls with regards to new masonry openings. Costs for structural modifications are not included. The repair costs do not include any architectural design fees. The repair costs are prioritized according to the urgency in which the proposed work is needed to stabilize an existing condition and in accordance with a long term view of a total renovation of the facility. Where possible I have offered costs for individual tasks so that some items can be staged or completed at various times. Priority One items are those items that should be completed within one year of the date of this report. Priority Two and Three items are contingent upon the anticipated renovation schedule for the unused areas of the facility.

End of Section

Basement

McEwen's on Monroe



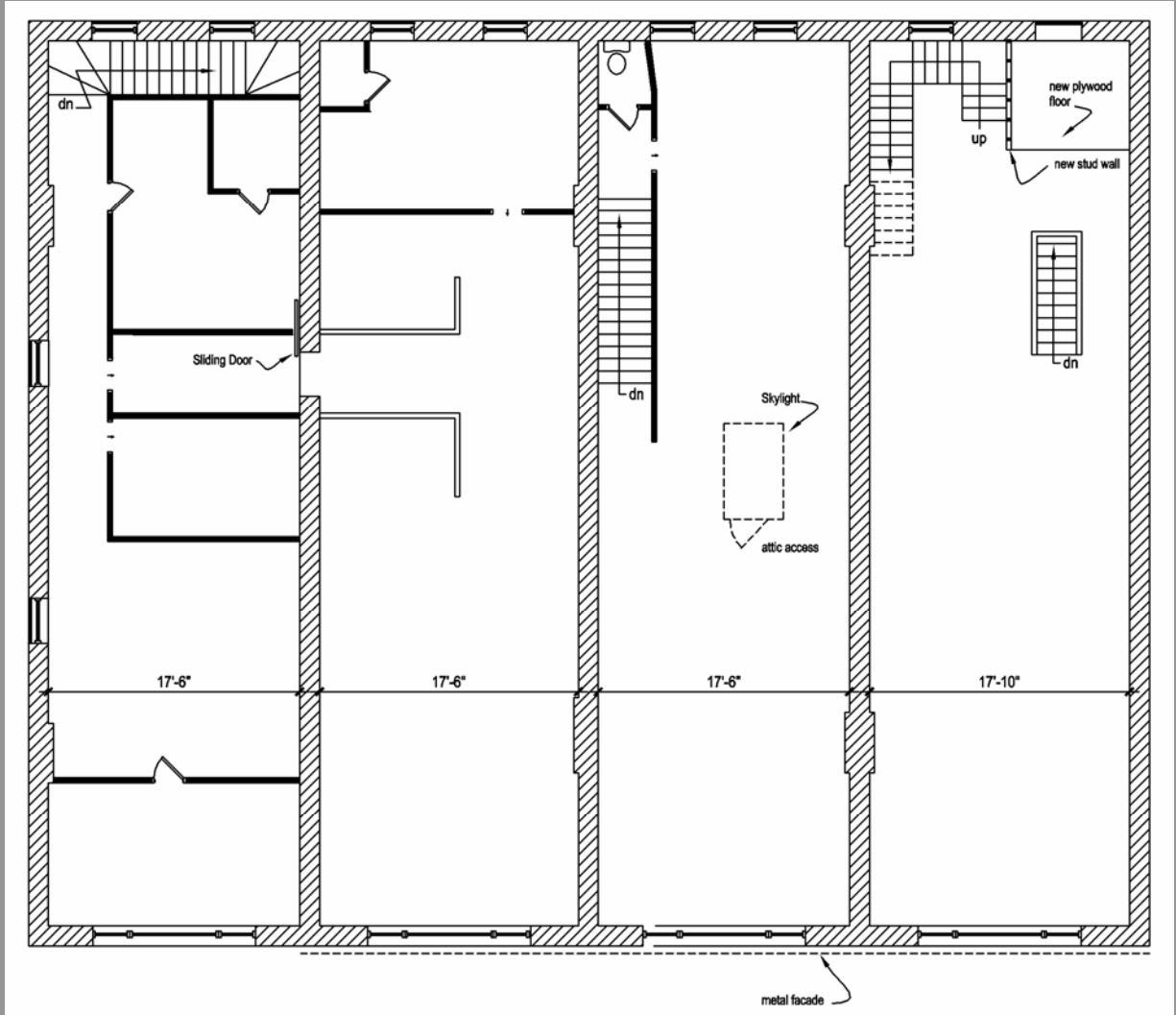
First Floor

McEwen's on Monroe



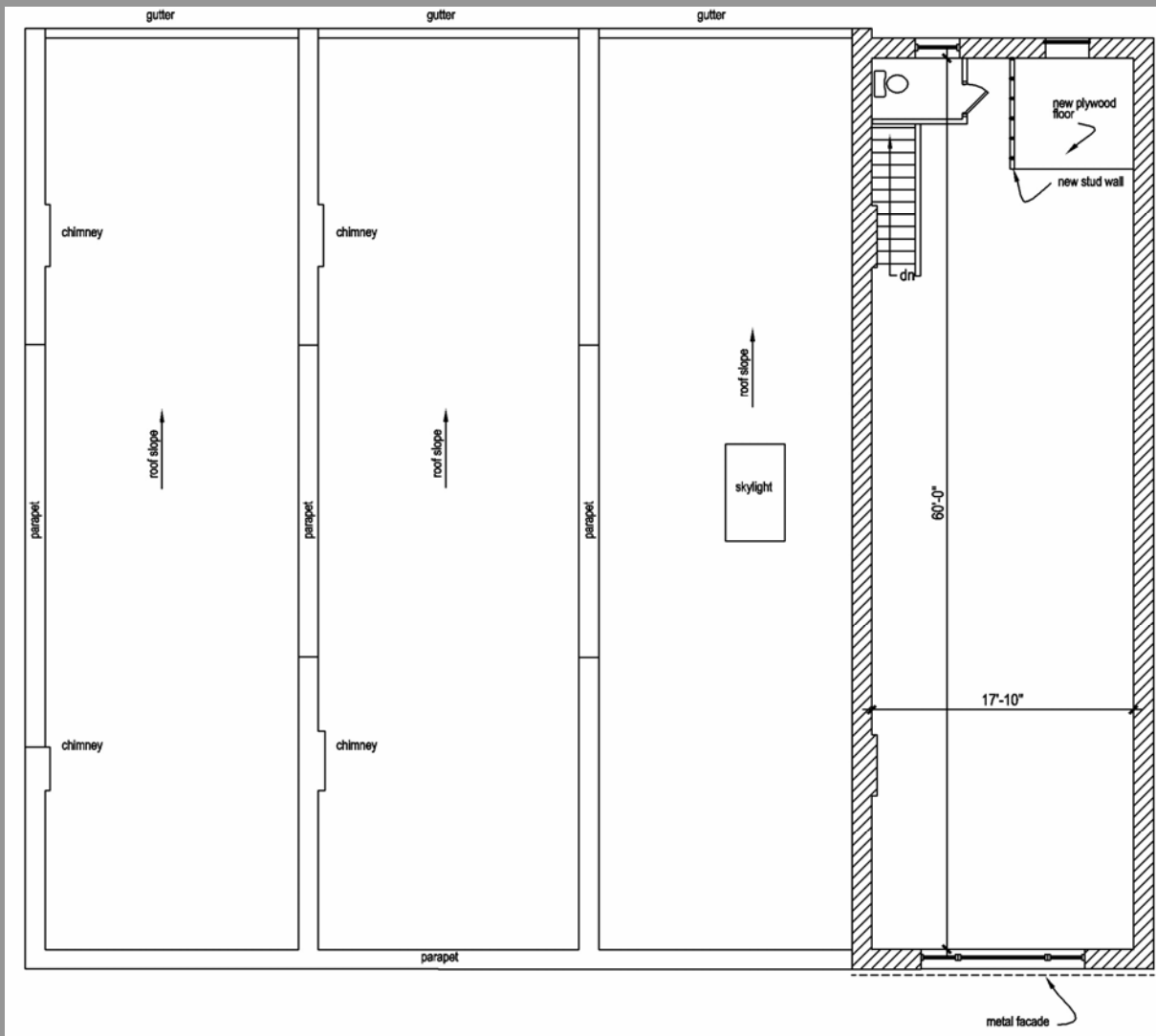
Second Floor

McEwen's on Monroe



Third Floor

McEwen's on Monroe



Condition Survey

OBSERVATIONS

1	The second floors of Bays 2, 3 and 4 and the third floor of Bay 4 are covered with corrugated metal that is anchored to the exterior wall with 2 in. by 4 in. wood framing. See insert photo A	
Remedy	The system appears to be well attached and can remain in place until facade renovation is anticipated.	
2	Some cracks were observed in the stucco on the front elevation of Bay 1. However, the stucco appears to be in good condition. The stucco appears to be 1-1/4 in. thick. See photo inset A.	
Remedy	A delamination survey of the facade is required to determine if it is feasible to repair the existing stucco versus complete replacement of the stucco. See repair options in the cost estimate section of this report.	
3	Large cracks were observed in the stucco on the west elevation that has resulted in complete delamination of the stucco from the brick surface.	
Remedy	Since this wall is located along a public way the stucco should be removed immediately.	
4	Several cracks were also observed in the stucco on the back or north elevation at the tops of door and window openings. The door and window openings not in use are closed up.	
Remedy	Same as Item 2 above.	

1



2



3








4



Condition Survey

McEwen's on Monroe





OBSERVATIONS

5	The upper part of the west wall of Bay 4 is in poor condition around the chimney openings in the parapet.		5	
Remedy	Repair options include remove and replace outer wythe of damaged brick and recoat the wall with elastomeric coating or install new metal panels on hat channels to brick surface.		6	
6	Close-up of Item 5 above. Note how brick surface is uneven. Also top course of brick masonry on the parapet is in poor condition.		7	
Remedy	Same as Item 5 above.		8	
7	Close-up of Item 5 above.		8	
Remedy	Same as Item 5 above.			
8	View of Bay 1 and 2 roofs. Moisture relief vents in center of roofs likely indicates a cap sheet has been added over the top of at least one roof system. Roof membrane appears to be in fair condition.			
Remedy	Roof replacement advised due to condition of flashings and copings on top of parapet walls, as noted in Item 5 above.			

McEwen's on Monroe





Condition Survey

OBSEERVATIONS

9	Water ponding along gutter on Bay 1. Previous repair evident in this location. Roof flashing at parapet uncertain as it appears to lay-up on wall and are not counter flashed. See arrow.		9	
	Remedy Remove all roof materials and install new single-ply roof system.		10	
10	Bay 3. Same as Item 9 above.		11	
	Remedy Same as Item 9 above.		12	
11	Bay 4. Same as Item 9 above. Plus note loose laid membrane over parapet walls.			
	Remedy Same as Item 9 above.			
12	Previous roof leaks are evident by condition of interior ceiling finishes in all Bays. Plaster ceiling of third floor in Bay 4 is severely damaged.			
	Remedy Removed plaster ceiling materials when interior renovation is anticipated.			

Condition Survey





OBSERVATIONS

13	Wood ceiling on second floor of Bay 3 is in poor condition from previous roof leaks. Bay 3 has the only attic access via the skylight opening in the roof.		13	
	Remedy: Remove all ceiling materials when interior renovation is anticipated.			
14	Several roof joists that are adjacent to the skylight in Bay 3 are cracked by the weight of the skylight walls due to improper framing. See Item 15 below..		14	
	Remedy: Install new 2 x 12 wood joints on each side of cracked wood members. Or, remove skylight and enclose roof opening with new wood framing.			
15	Single roof joist on south side of skylight does not support skylight walls.		15	
	Remedy: Same as Item 14 above.			
16	Evidence of previous water leakage along the parapet walls of bay 3 is evident. However, wood roof joists appear to be in good condition.		16	
	Remedy: Recommend inspecting roof joists at bearing pockets during roof replacement. Some damaged roof decking was observed, especially along the gutter. Include 10% roof deck replacement in roof replacement costs.			

McEwen's on Monroe

Condition Survey

OBSERVATIONS

17	Wood window on front elevation of Bay 4 is in poor condition with center section of window missing. Windows have single-pane glazing.		17	
Remedy	Replace window with new wood clad windows to match size and profile of existing as part of the facade renovation work.			
18	Masonry openings on the front elevation typically have steel lintels.		18	
Remedy	Scrape, prime and paint existing lintel as part of facade renovation work.			
19	New floor structure has been added in the northeast corners of floors 1 thru 3 in Bay 4. Opening likely the location of a mechanical lift that has since been removed.		19	
Remedy	Ideal location for mechanical chase or elevator.			
20	Windows have been removed and plywood installed at all masonry openings adjacent to the mechanical lift depicted in Item 19 above. Masonry openings have wood lintel		20	
Remedy	The openings will require new masonry to trim out the opening. New steel lintel should also be installed as part of the rear elevation facade renovation.			

Condition Survey

OBSERVATIONS

21 Downspout from roof of Bay 4 appears to be the source of water infiltration into basement. The downspout is located on top of a raised slab that covers a light well form the basement.

Remedy Seal perimeter of slab with expandable foam and extend or relocate downspout away from raised slab.



22 Damp basement adjacent to light well depicted in Item 21 above.

Remedy Same as Item 21 above.



23 Underside of first floor wood decking in Bay 4 as seen from basement has organic matter growing on surface. Moisture reading of wood is 40%. Moisture Content of wood members should not exceed 19%.

Remedy Area of wet wood is localized near the back wall of the basement where water infiltration is occurring. Stop water infiltration and treat affected areas with a bleach solution. Apply forced air ventilation over over wood members until a moisture content of 19% is reached.

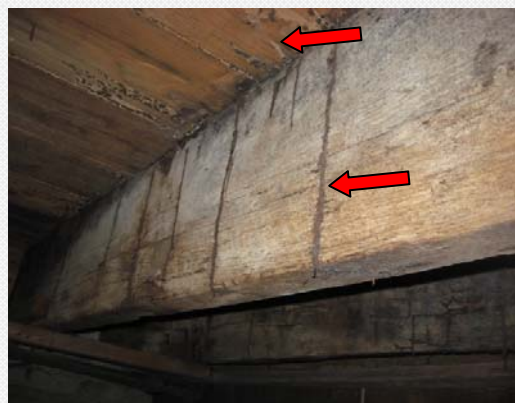
23



24 Termite shelter tubes were observed on some floor joists near the back wall of the basement of Bay 4. The wood members appear to be structurally sound.

Remedy None.

24



Condition Survey

OBSERVATIONS






25	Half of basement in Bay 2 has dirt floor. Relative humidity is very high. Three moisture sources were identified: water vapor from dirt floor, hvac condensate, and plumbing leak under bar.		25	
	Remedy Install vapor retarder over dirt surface and place 4 inches of concrete over top of vapor retarder. Install ventilation or HVAC system. See also Items 26 and 25 below			
26	Condensate from HVAC unit located under stairs that provides conditioned air to the Wine Cellar drains onto dirt surface.		26	
	Remedy Install a condensate pump with drain connected to drain under bar area.			
27	An active plumbing leak was observed under the bar at a drain.		27	
	Remedy Repair leak.			
28	A moisture reading of the wood framing that is adjacent to the plumbing leak was 23.9%. Two other readings were also taken further away from leak location.		28	
	Remedy See Item 25 above. The moisture reading of 16.9% is an indication the RH in the room is too high.			

EXHIBIT C

SOURCES & USES STATEMENT - Overall Project Budget

SOURCES OF FUNDS:

Owner's Contribution	\$ 200,000.00
Mortgage/Construction Loan CB&T - \$936,286 @ 5.99%, 20 yr amortization w/ 10 yr balloon	\$ 936,286.00
Other Sources Personal Loan - \$440K @ 7%, interest only	\$ 440,000.00
Other Sources (CCDC Exterior Improvement Grant)	\$ 80,000.00
Other Sources (Development Loan) - \$200K @ 1%, 20 yr amortization w/ 10 yr balloon	\$ 200,000.00
Total Sources of Funds	\$ 1,856,286.00

USES OF FUNDS:

Detail of Project Costs including:		\$ 420,000.00
Land Building Purchase		
Construction:		
Demolition & Site Work Repairs	\$ 46,800.00	
Concrete Work	\$ 4,050.00	
Masonry	\$ 67,265.00	
Wood: Blocking, Structural Repairs, Stairwells, Elevator Penthouse Framing, Interior Running Trim, Cabinets & Countertops	\$ 186,629.00	
Thermal Protection: Shingle Roofing, Interior/Exterior Caulking, Roofing	\$ 69,000.00	
Doors & Windows: Entry Doors, Wood Interior Doors, Door Hardware, Wood Windows, Glass & Glazing	\$ 93,777.00	
Finishes: Drywall, Ceramic Tile, Wood Flooring, Gypcrete, Painting	\$ 151,454.00	
Specialties: Shelving, Mirrors, Fire Extinguishers, Toilet Accessories	\$ 4,950.00	
Kitchen Equipment	\$ 21,695.00	
Elevator	\$ 120,000.00	
Mechanical: Fire Sprinklers	\$ 62,190.00	
Mechanical: Plumbing	\$ 95,865.00	
Mechanical: HVAC	\$ 64,800.00	
Electrical: Electrical, Architectural Site Lighting	\$ 98,500.00	
Roof Deck: Inclusive	\$ 61,777.00	
General Conditions	\$ 65,434.00	
Insurance	\$ 4,200.00	
Permit	\$ 5,485.00	
Fee	\$ 94,055.00	
Total Construction Costs	\$ 1,317,926.00	
Soft Costs	\$ 27,585.00	
Financing Fees	\$ 15,000.00	
Professional Fees	\$ 75,775.00	
Total Project Costs	\$ 1,856,286.00	
Other Uses	\$ -	
Total Uses of Funds	\$ 1,856,286.00	

SOURCES & USES - Development Loan Scope

SOURCES OF FUNDS:

Owner's Contribution	\$	62,668.00	10%
Bank Financing	\$	382,616.00	60%
CCDC Development Loan	\$	200,000.00	30%
Total Sources of Funds	\$	<u>645,284.00</u>	100%

USES OF FUNDS:

Select Demolition & Site Work	\$	46,800.00	7%
Wood: Structural Repairs, Stairwells, Framing, Stairs, Interior)	\$	186,629.00	29%
Roofing & Thermal Protection	\$	69,000.00	11%
Elevator	\$	120,000.00	18%
Fire Protection & Sprinklers	\$	62,190.00	10%
Plumbing	\$	95,865.00	15%
HVAC	\$	64,800.00	10%
Total Development Loan Uses	\$	<u>645,284.00</u>	100%
Balance	\$	<u>-</u>	

EXHIBIT D

FIVE-YEAR CASH FLOW STATEMENT

	Yr 0	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5
REVENUE:						
Commercial Space Revenue	\$ 120,000.00	\$ 180,000.00	\$ 180,000.00	\$ 180,000.00	\$ 180,000.00	\$ 180,000.00
Total Commercial Square	3,179	3,958	3,958	3,958	3,958	3,958
Vacancy Assumptions	NONE					
Revenue per Square Foot	\$ 37.75	\$ 45.48	\$ 45.48	\$ 45.48	\$ 45.48	\$ 45.48
Residential Space Revenue per Month	\$ -	\$ 5,571.90	\$ 7,272.92	\$ 7,488.09	\$ 7,703.27	\$ 7,961.48
Residential Space Revenue per Year	\$ -	\$ 66,862.80	\$ 87,275.04	\$ 89,857.08	\$ 92,439.24	\$ 95,537.76
Total Residential Square Footage	4,530	4,530	4,530	4,530	4,530	4,530
Total Number of Units	6					
Occupancy Assumptions	0%	75%	95%	95%	95%	95%
Revenue per Square Foot	\$ -	\$ 1.64	\$ 1.69	\$ 1.74	\$ 1.79	\$ 1.85
Other Revenue (if any)	NONE					
Total Projected Revenue	\$ 120,000.00	\$ 246,862.80	\$ 267,275.04	\$ 269,857.08	\$ 272,439.24	\$ 275,537.76
EXPENSES:						
Operating Expenses						
Management/Leasing Fees	NONE					
Insurance	\$ 1.00	\$ 16,900.00	\$ 16,900.00	\$ 16,900.00	\$ 16,900.00	\$ 16,900.00
Maintenance	\$ -	\$ 4,530.00	\$ 4,666.00	\$ 4,806.00	\$ 4,950.00	\$ 5,099.00
Utilities	\$ 2,400.00	\$ 2,520.00	\$ 2,646.00	\$ 2,778.00	\$ 2,917.00	\$ 3,063.00
Legal/Accounting	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00
Taxes	\$ 17,524.10	\$ 35,048.20	\$ 35,048.20	\$ 35,048.20	\$ 35,048.20	\$ 35,048.20
Total Projected Expenses	\$ 21,425.10	\$ 60,498.20	\$ 60,760.20	\$ 61,032.20	\$ 61,315.20	\$ 61,610.20
NET OPERATING INCOME:	\$ 98,574.90	\$ 186,364.60	\$ 206,514.84	\$ 208,824.88	\$ 211,124.04	\$ 213,927.56
DEBT SERVICE:						
DMC Loan - \$200K @ 1%, 20 yr amortization w/ 10 yr balloon (Begins Jan 2020?)						
Principal	\$ -	\$ 9,079.00	\$ 9,170.00	\$ 9,262.00	\$ 9,355.00	\$ 9,449.00
Interest	\$ -	\$ 1,958.00	\$ 1,867.00	\$ 1,775.00	\$ 1,682.00	\$ 1,588.00
Mortgage/Construction Loan CB&T - \$936,286 @ 5.99%, 20 yr amortization w/ 10 yr balloon						
Principal	\$ 4,068.00	\$ 25,276.00	\$ 26,832.00	\$ 28,484.00	\$ 30,238.00	\$ 32,100.00
Interest	\$ 9,337.00	\$ 55,153.00	\$ 53,597.00	\$ 51,945.00	\$ 50,191.00	\$ 48,329.00
Personal Loan - \$440K @ 7%, interest only						
Principal	\$ 10,000.00	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00
Interest	\$ 30,800.00	\$ 29,400.00	\$ 28,000.00	\$ 26,600.00	\$ 25,200.00	\$ 24,500.00
Total Debt Service	\$ 54,205.00	\$ 140,866.00	\$ 139,466.00	\$ 138,066.00	\$ 136,666.00	\$ 135,966.00
DEBT SERVICE RATIO:	1.82	1.32	1.48	1.51	1.54	1.57
NET CASH FLOW:	\$ 44,369.90	\$ 45,498.60	\$ 67,048.84	\$ 70,758.88	\$ 74,458.04	\$ 77,961.56
RETURN ON OWNER'S EQUITY:	2.12%	3.70%	3.20%	3.71%	4.19%	4.66%