### Four Tower Developme Projected Cash Flow

•									
Initial Investment									
Land Cost									
Building Cost	Year 2	3	4	5	6	7	8	9	
Expenses	2	3	•	•	•	•	•	•	
Building Square Feet Tower									
Beglining Cash	442,646	(75,576)	(35,353)	36,575	42,399	(31,487)	1,153,515	6,466,933	
Income	-								
TIF Loan									2,600,000
General Partner Loan									550,000 300,000
Pat Hall Loan									700,000
Investor \$ Bank Loan	10,650,000	8,100,000	8,000,000	8,250,000	8,000,000				46,600,000
Construction Loan	10,000,000	0,100,022	0,000,000	-,,					
Consultation Louis	10,650,000	8,100,000	8,000,000	8,250,000	8,000,000	-	-	-	
Tower Square Foot									
	0.040.000	7,878,000	9,074,100	8,271,900	9,527,805	8,685,495	10,004,195	9,119,770	71,203,265
Condominium Sales	8,642,000	7,070,000	3,014,100	0,27 1,000	0,021,000	0,000,100	10,00 1,100	-,,	• .,,
Twin Home Lots									-
EA									
Twin Home Total									1,000,000
									- :
Commercial Land									-
PSF Commercial Land Total									522,720
Confinercial Land Total									-
Extra Land									-
PSF									3,974,850
Extra Land Total									3,314,030
Tatal Calca	8,642,000	7,878,000	9,074,100	8,271,900	9,527,805	8,685,495	10,004,195	9,119,770	76,700,835
Total Sales	0,042,000	1,010,000	2,017,100	0,21 1,000	-,,		***************************************		-
Cash Received	19,292,000	15,978,000	17,074,100	16,521,900	17,527,805	8,685,495	10,004,195	9,119,770	
Total Cash Available	19,734,646	15,902,424	17,038,747	16,558,475	17,570,204	8,654,008	11,157,710	15,586,703	
		, ,							•
									-
Expenses									4,300,000
and purchase + closing costs									280,000
Project Management Engineering Fees									10,000
Tower Construction	12,326,722	8,897,797	8,897,797	8,897,797	8,897,797				47,917,911
TIF Construction	·								2,600,000
Construction Overruns									31,000
Administrative Fees									23,200
Purchasing Fees									175,000
Project Origination Fees								700,000	1,550,000
ıг, Pat Hall, Investor Payback Taxes	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	1,317,600
st -General Partner, Pat Hall	-	-	-	-	-	-	-		213,750
Bank Intrest	333,480	508,800	604,354	768,040	836,372	315,242	(0)	(0)	3,640,807
Tif Interest					7.445.054	0.544.404	3,940,525		46,600,001
Loan Payback	6,481,500	5,908,500	6,805,575	6,203,925 496,314	7,145,854 571,668	6,514,121 521,130	600,252	547,186	4,602,050
Commisions _	518,520	472,680 15,937,777	544,446 17,002,172	16,516,076	17,601,691	7,500,493	4,690,777	1,397,186	-,002,000
Total Costs	19,810,222	19,337,777	11,002,112	10,010,010	,	.,,	.,		-
Ending Cash	(75,576)	(35,353)	36,575	42,399	(31,487)	1,153,515	6,466,933	14,189,517	
	• • •								•
Bank Loan				7554 405	0.000.500	10 151 616	3,940,525	(0)	•
Beginning Balance	(0)	4,168,500	6,360,000 8,000,000	7,554,425 8,250,000	9,600,500 8,000,000	10,454,646	0,070,UEU -	-	
Advances	10,650,000 6,481,500	8,100,000 5,908,500	6,805,575	6,203,925	7,145,854	6,514,121	3,940,525		
Payments Ending Balance	4,168,500	6,360,000	7,554,425	9,600,500	10,454,646	3,940,525	(0)	(0)	
Interest Expense	333,480	508,800	604,354	768,040	836,372	315,242	(0)	(0)	
Quarterly Interest Payment	333,100	,							-
									•
Tif Loan		0.007.000	0.004.007	1 667 704	2 007 884	4,357,690	4,749,883	5,177,372	-
Beginning Balance	2,832,200	3,087,098	3,364,937	3,667,781	3,997,881	-,557,050	-,, -o,uu		
Advances <u>Payments</u>	-	-	-	=	_				-
Balance Before interest	2,832,200	3,087,098	3,364,937	3,667,781	3,997,881	4,357,690	4,749,883	5,177,372	
Interest Expense	254,898	277,839	302,844	330,100	359,809	392,192	427,489	465,963	2,811,136
Ending Balance	3,087,098	3,364,937	3,667,781	3,997,881	4,357,690	4,749,883	5,177,372	5,643,336	
General Partner Loan									
Beginning Balance		_	_	-	_			•	
Advances Payments	-	-	<del>.</del>	-					
Ending Balance		-	•	_	-	•	-	-	
Interest Expense	-	=	-	_	-	-	-	-	
or out anyor too									
Pat Hall Loan									
Beginning Balance				_	_	_	-	-	
Advances	-	-	•	•	•	-	-		
Payments Ending Balance	_	_	-	-	-	_	-	-	
	-	_	_	_	-	-	-	-	
Interest Expense	-	-	-						
investor and Par Hall interest	-	-	-	-	-	-	-	-	

## **COMPARISON**

## **RETURN ON INVESTMENT**

# TIF vs. NON-TIF

	WITH TIF	WITHOUT TIF		
Purchase Price (raw land)	\$ 4,300,000	\$ 4,300,000		
Cost of Improvements	3,900,000	3,900,000		
Total investment	\$ 8,200,000	\$ 8,200,000		
Income from TIF	3,636,838	-0-		
Income from property sales	7,193,700	7,193,700		
Total income	\$10,830,538	\$ 7,193,700		
Net Return	\$ 2,630,538	(\$1,006,300)		

### Comments:

- 1. Project could obviously not have happened without the Tax Increment Financing factor.
- 2. Even with the Tax Increment Financing, the return is marginal considering the risk involved with regard to sales of property and the possible slow establishment of the tax increment.