

RESPONSE TO PROPOSAL

City of Council Bluffs, IA

North of 2nd Ave. Between 28th & 29th Streets
Council Bluffs, IA 51501

White Lotus Group

White Lotus Group is a vertically integrated real estate development firm. We are the leader in maximizing complex real estate development and specialize in turn-key projects from concept to delivery through a creative management process.

We believe in:

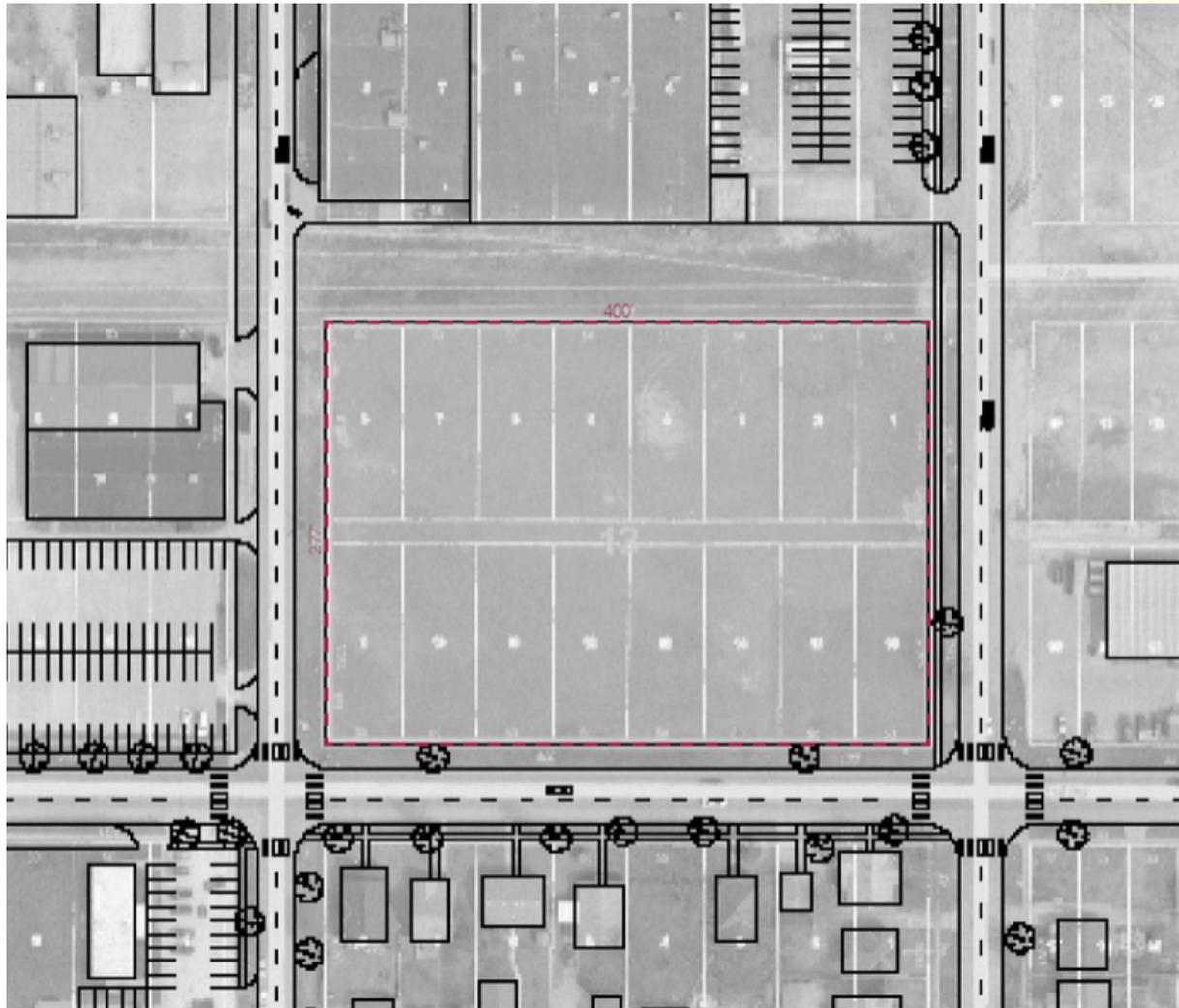
- **Optimal performance** by maximizing results and providing the most efficient solutions
- **Commitment** through intense focus on delivering our promises with passion and dedication
- **Vision** in inspired strategies for the future by anticipating opportunities
- **Creativity** through utilizing our dynamic approach to deliver imaginative possibilities through relentless exploration
- **Trust** by building confidence in our authentic relationships through transparency and collaboration

Our integrated services:

- Development
- Design
- Construction
- Management
- Finance
- Owner's Representation

Project Plans - The Site

South 28th St. and 2nd Ave.

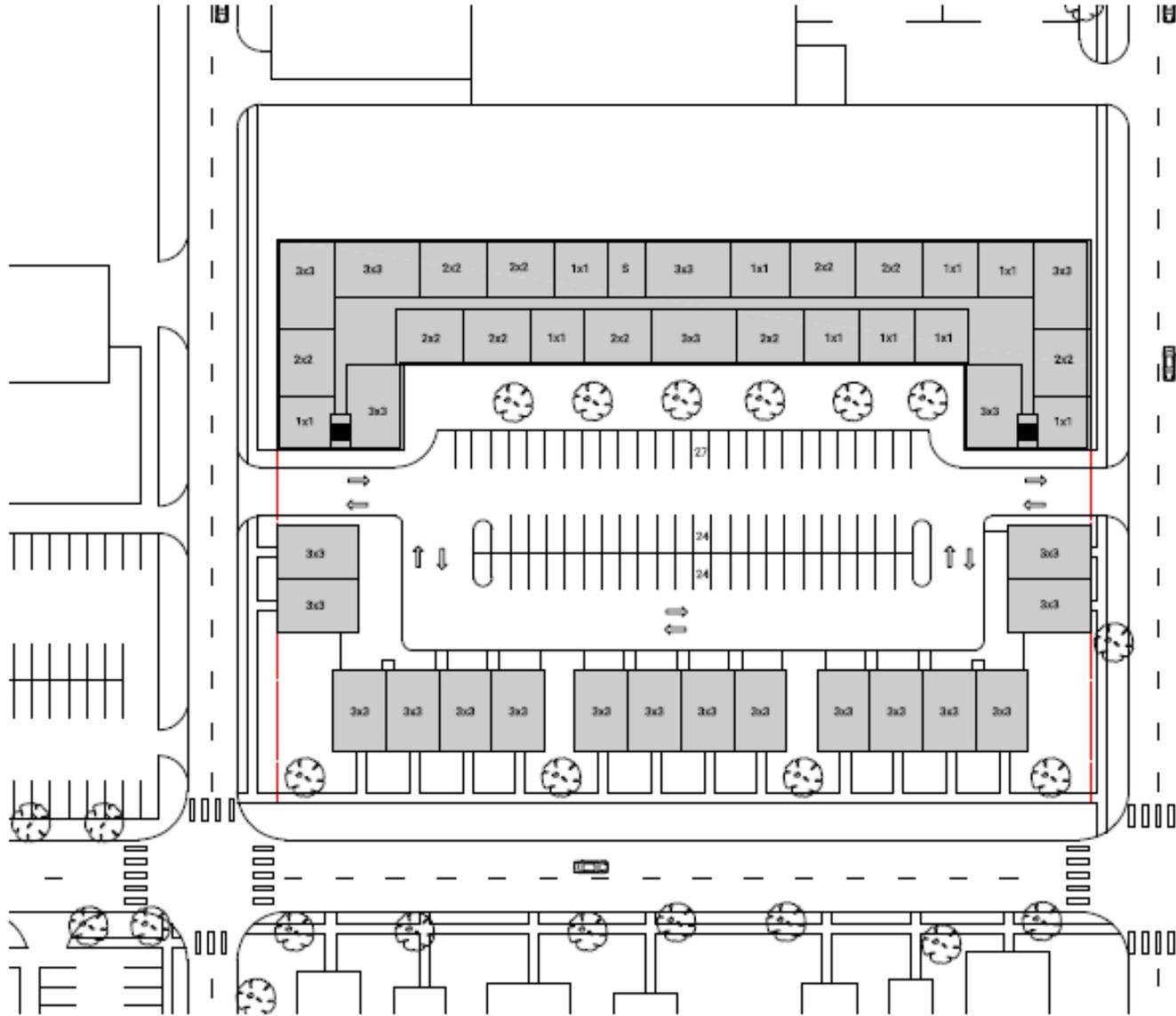


Project Plans - Design



*Note:
All plans, areas, exterior program and design elements subject to change, upon further analysis of codes, structure, mechanical systems, and City requirements. Images and plans are conceptual in nature to provide preliminary project intent only.*

Project Plans - Proposed Floor Plan



Unit Type	Av. SF.	Unit Count
Studio	504	3
1x1	750	30
2x2	950	30
3x2	1100	21
Total		84

Apartment Units

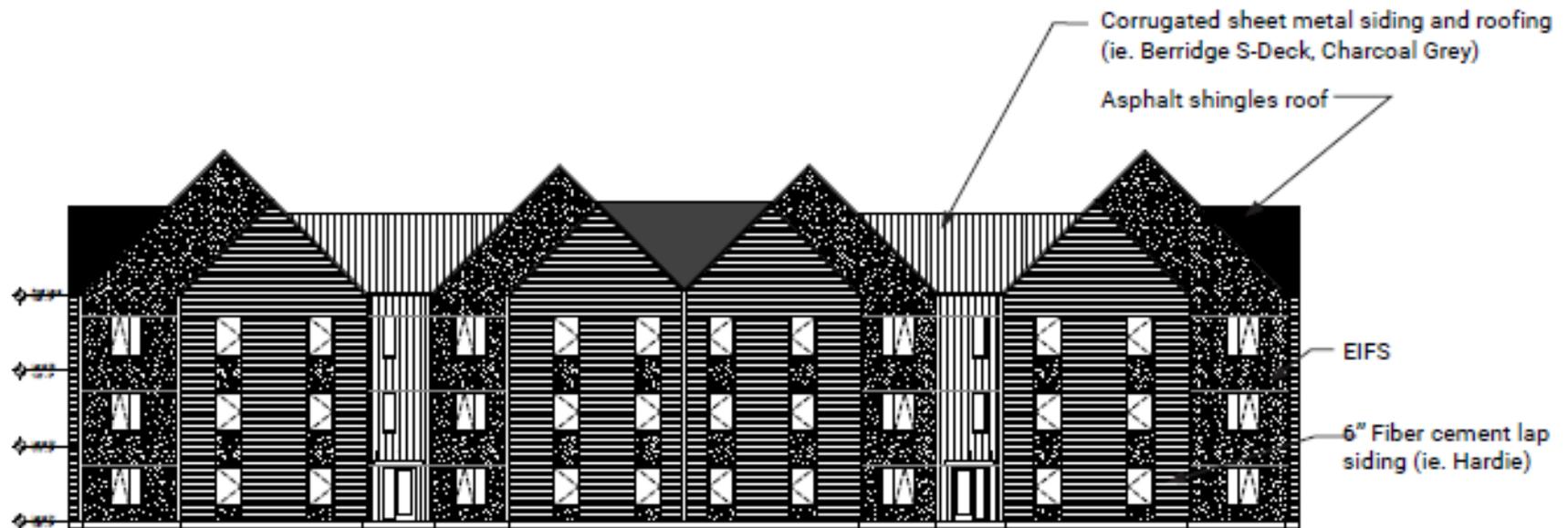
Unit Type	Av. SF.	Unit Count
3 BD Townhouse	2080	16
Total		16

Townhome Units

Project Plans - Design



Project Plans - Conceptual Building Elevation



Conceptual Building Elevation

Financial Summary

Pro Forma

Pro Forma Rents and Unit Mix							
BRs / BAs	Units	AMI	Gross rents	Utilities	Pro forma rent	% unit mix	
1BR/1BA	33	60%	967	90	\$877	33.0%	
2BR/2BA	30	60%	1,161	100	\$1,061	30.0%	
3BR/2BA	21	60%	1,341	110	\$1,231	21.0%	
3 BR Townhomes	16	For Sale	0	0	\$0	16.0%	
Total	100					100.0%	
Total	100				\$1,039,464		
Average rent					\$866.22		

Pro Forma NOI Summary			
		PUPM	Annual
Income:			
Revenues		\$866.22	\$1,039,464
Ancillary Income		\$25.00	30,000
Operating Subsidy			0
Vacancy		5%	(53,473)
Commercial:			
Revenues			\$0
Vacancy		20%	0
Effective Gross Income (EGI)			\$1,015,991
Operating expenses:			
		Per unit/yr	Annual
Property Mgmt		610	60,959
Reserves		300	30,000
Total expenses (incl. RRs)		\$4,311	\$431,100
NOI (after RR)			\$584,891
Debt Service:			
Permanent Mortgage			487,409
DCR (perm mortgage only)			1.20x
Minimum Cash Flow Test:			
		Per unit	Annual
Cash Flow after Perm Debt Service		\$975	\$97,482

Financial Summary

Combined Sources & Uses

Sources of Funds		
Source	\$	%
Federal Tax Credit Equity	\$4,761,155	27%
Permanent Mortgage	9,939,224	57%
State LIHTC	0	0%
Federal Historic Tax Credits	0	0%
State Historic Tax Credits	0	0%
Deferred Developer Fee	1,704,637	10%
CDBG	100,000	1%
TIF	500,000	3%
HOME	500,000	3%
Total Sources of Funds	\$17,505,016	100%

Metrics:

Debt / Total Capitalization	56.8%
Equity / Total Capitalization	28%
% of total developer fee deferred	91.1%

Uses of Funds		
Use	\$	per unit
Acquisition	\$0	\$0
Construction Costs	13,355,100	133,551
Indirect construction and soft costs	1,157,400	11,574
Financing Costs	561,894	5,619
Reserves and Interest	510,442	5,104
Syndication Costs (Upper Tier)	50,000	500
Developer Fees/Overhead	1,870,180	18,702
Other	0	0
Total Uses of Funds	\$17,505,016	\$175,050

Construction Highlights:

Construction start:	1/15/21
Construction end:	12/31/21
Lease up start:	1/15/22
Lease up end:	12/31/22
Operating reserve	\$215,550

Thank You

For questions please contact:
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