EHLERS PUBLIC FINANCE ADVISORS

The Chalmers - Phase 2
City of La Crosse
99 Market Rate Apartments; 6,990 (sf) Commercial Space

Multi-Year Operating Proforma

			2027	Stabilized 2028	2029	2030	2031	2032	2033	2034	2035	2036	2037
Income			Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11
Rental Income		Inflator											
Gross Potential Rent		2.0%	2,187,980	2,231,739	2,276,374	2,321,901	2,368,339	2,415,706	2,464,020	2,513,301	2,563,567	2,614,838	2,667,135
Less: 5.0% Stabilized Vacancy			(109,399)	(111,587)	(113,819)	(116,095)	(118,417)	(120,785)	(123,201)	(125,665)	(128,178)	(130,742)	(133,357)
Less: Additional Pre-stabilization Vacancy													
Total Rental Income			**2,078,581**	**2,120,152**	**2,162,555**	**2,205,806**	**2,249,922**	**2,294,921**	**2,340,819**	**2,387,636**	**2,435,388**	**2,484,096**	**2,533,778**
Other Residential Income	Vacancy Rate	Inflator											
Underground Parking	5.0%	2.0%	41,616	42,448	43,297	44,163	45,046	45,947	46,866	47,804	48,760	49,735	50,730
Pet Fee	5.0%	2.0%	14,994	15,294	15,600	15,912	16,230	16,555	16,886	17,223	17,568	17,919	18,278
Pine St. Garage	5.0%	2.0%	58,752	59,927	61,126	62,348	63,595	64,867	66,164	67,488	68,837	70,214	71,618
Storage Units	5.0%	2.0%	14,688	14,982	15,281	15,587	15,899	16,217	16,541	16,872	17,209	17,554	17,905
RUBS	5.0%	2.0%	40,800	41,616	42,448	43,297	44,163	45,046	45,947	46,866	47,804	48,760	49,735
Amenity Fee	5.0%	2.0%	25,245	25,750	26,265	26,790	27,326	27,873	28,430	28,999	29,579	30,170	30,774
Less: Vacancy			(9,805)	(10,001)	(10,201)	(10,405)	(10,613)	(10,825)	(11,042)	(11,263)	(11,488)	(11,718)	(11,952)
Less: Additional Pre-stabilization Vacancy													
Total Other Residential Income			**186,290**	**190,016**	**193,816**	**197,693**	**201,647**	**205,679**	**209,793**	**213,989**	**218,269**	**222,634**	**227,087**
Net Residential Income (NRI)			**2,264,871**	**2,310,168**	**2,356,372**	**2,403,499**	**2,451,569**	**2,500,600**	**2,550,612**	**2,601,625**	**2,653,657**	**2,706,730**	**2,760,865**
		Inflator											
Commercial Income	Every Year @	2.0%	101,355	103,382	105,450	107,559	109,710	111,904	114,142	116,425	118,754	121,129	123,551
Less: Commercial Vacancy - 8.0%			(8,108)	(8,271)	(8,436)	(8,605)	(8,777)	(8,952)	(9,131)	(9,314)	(9,500)	(9,690)	(9,884)
Less: Expense on Commercial Vacancy	Every Year @	0.0%	0	0	0	0	0	0	0	0	0	0	0
Less: Additional Pre-stabilization Loss													
Net Commercial Income			**93,247**	**95,112**	**97,014**	**98,954**	**100,933**	**102,952**	**105,011**	**107,111**	**109,253**	**111,438**	**113,667**
Effective Gross Income (EGI)			**2,358,117**	**2,405,280**	**2,453,385**	**2,502,453**	**2,552,502**	**2,603,552**	**2,655,623**	**2,708,736**	**2,762,910**	**2,818,169**	**2,874,532**

			2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037
Expenses			Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11
Rental Unit Expenses		Inflator											
Operating Expenses		2.00%	293,008	298,868	304,846	310,943	317,162	323,505	329,975	336,574	343,306	350,172	357,175
Management Fee: 3.6% of EGI	Insert Inflator	2.00%	84,581	86,273	87,999	89,759	91,554	93,385	95,252	97,158	99,101	101,083	103,104
Property Taxes		1.00%	291,319	294,233	297,175	300,147	303,148	306,180	309,241	312,334	315,457	318,612	321,798
Reserves: $66 PUPY	Every Year @	2.00%	6,500	6,630	6,763	6,898	7,036	7,177	7,320	7,466	7,616	7,768	7,923
Modified Rental Expense During Stabilization													
Total Rental Unit Expenses			**675,409**	**686,004**	**696,782**	**707,746**	**718,899**	**730,246**	**741,789**	**753,532**	**765,479**	**777,634**	**790,001**
Total Expenses			**675,409**	**686,004**	**696,782**	**707,746**	**718,899**	**730,246**	**741,789**	**753,532**	**765,479**	**777,634**	**790,001**
NET OPERATING INCOME			**1,682,708**	**1,719,276**	**1,756,604**	**1,794,707**	**1,833,603**	**1,873,307**	**1,913,834**	**1,955,204**	**1,997,431**	**2,040,534**	**2,084,531**
Tax Increment Financing Revenue	Inflator:	1%	**0**	**266,332**	**267,663**	**269,002**	**270,347**	**271,698**	**273,057**	**274,422**	**275,794**	**277,173**	**0**
ADJUSTED NET OPERATING INCOME			**1,682,708**	**1,985,607**	**2,024,267**	**2,063,709**	**2,103,950**	**2,145,005**	**2,186,891**	**2,229,626**	**2,273,225**	**2,317,707**	**2,084,531**

			2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037
Debt Service	Debt Terms		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11
Debt A: First Mortgage	30 yr amortization @ 6.75%		1,384,661	1,384,661	1,384,661	1,384,661	1,384,661	1,384,661	1,384,661	1,384,661	1,384,661	1,384,661	1,384,661
Debt B: TIF Mortgage	14 yr amortization @ 6.75%		163,033	163,033	163,033	163,033	163,033	163,033	163,033	163,033	163,033	163,033	163,033
Debt C: Other Loan			0	0	0	0	0	0	0	0	0	0	0
Total Debt Service			**1,547,695**	**1,547,695**	**1,547,695**	**1,547,695**	**1,547,695**	**1,547,695**	**1,547,695**	**1,547,695**	**1,547,695**	**1,547,695**	**1,547,695**
	Calc Method												
Debt Coverage	Debt A & B		109%	128%	131%	133%	136%	139%	141%	144%	147%	150%	135%
Debt Coverage w/o Tax Increment Financing	Debt A		122%	124%	127%	130%	132%	135%	138%	141%	144%	147%	151%
NET CASH FLOW			**135,014**	**437,913**	**476,572**	**516,014**	**556,255**	**597,310**	**639,197**	**681,931**	**725,530**	**770,013**	**536,836**
Net Cash to Developer			135,014	437,913	476,572	516,014	556,255	597,310	639,197	681,931	725,530	770,013	536,836
Net Cash to Developer (w/o assistance)			135,014	171,581	208,909	247,013	285,908	325,612	366,140	407,509	449,736	492,839	536,836
Yield on Cost Annual Return	*Cumulative*	*Goal 8.00%*	5.8%	6.8%	7.0%	7.1%	7.2%	7.4%	7.5%	7.7%	7.8%	8.0%	7.2%
Yield on Cost Average Annual Return	Start From:	Year 1	5.8%	6.3%	6.5%	6.7%	6.8%	6.9%	7.0%	7.1%	7.1%	7.2%	7.2%
Yield on Cost Annual Return (w/o TIF assistance)			5.8%	5.9%	6.0%	6.2%	6.3%	6.4%	6.6%	6.7%	6.9%	7.0%	7.2%
Yield on Cost Average Annual Return (w/o TIF assistance)			5.8%	5.9%	5.9%	6.0%	6.0%	6.1%	6.2%	6.3%	6.3%	6.4%	6.5%