

PILOT Refinancing Application

Creekside Meadows (Bent Tree)

Applicant: Bent Tree LLC (d/b/a Creekside Meadows)
3471 West Briarpark Drive
Memphis, TN 38116

Contact: Philip Balderston, Paul Meissner
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Management: Odin Properties (Odin US Holdings, LLC)
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Proposed Lender: Berkadia, Jake Adoni (Freddie Mac)
1717 Arch Street
Philadelphia, PA 19103
215-317-0794
Jake.adoni@berkadia.com
Amount of Loan: \$13,345,000

PILOT Application Summary: Bent Tree LLC is an affiliate of Odin Properties, LLC (“Odin”), current owners and managers of over 10,000 multifamily apartments units and approximately 250,000 square feet of commercial space throughout the Midwest and Northeast. Bent Tree is an apartment community well-positioned in Shelby County. The community was built in 1969 and consists of one-, two-, and three-bedroom units ranging from 645 to 1,120 square feet, as well as two and three-bedroom townhouses ranging from 1,097 to 1,275 square feet. Located at 3471 Briarpark Dr, Bent Tree is five minutes from the Memphis International Airport, where FedEx employs 30,000 people at their headquarters. Interstate 55 is easily accessible from the apartment complex and downtown Memphis is only ten miles away. Odin has significant experience in the Memphis market as it currently owns and operates over 1350 units in the southern City. Affiliates of Odin currently manages 1468 restricted affordable units throughout the United States including the Mill Creek apartments in Memphis. This gives Odin a competitive advantage as it has an existing management infrastructure and deep understanding of market fundamentals. Odin capitalizes on its strong in-house management to modernize property operations by utilizing smart phone applications to optimize the way rental payments are made, giving tenants an online management portal where they can submit work orders and connect with on-site personnel, and track its staff’s progress. Further, it will use its in-house infrastructure to conduct the leasing and marketing process electronically, which has helped Odin drive rent growth and limit operating expenses in various regional markets, outpacing current less experienced owners in the space. Odin has invested substantially in signage, landscaping, and site work to improve curb appeal, while adding amenities such as a playground and dog park to attract families.

Total Units	BR/BA	Units	SF	Rent: Pre/Post Rehab	Rent: Pre/Post \$/SF
379	1 BR/1 BA	85	645	\$393/\$576	\$0.61/\$0.89
	2 BR/1 BA	115	867	430/639	0.50/0.73
	2 BR/1.5 BA	56	1000	457/626	0.46/0.63
	2 Br/2 BA TH	1	1275	505/959	0.40/0.75
	3 BR/2 BA	120	1120	550/681	0.49/0.61
	3 BR/2 BA TH	2	1097	650/761	0.59/0.96

Total Development Cost: \$ 2,634,100 (Original PILOT in 2013)
Development Cost per Unit: \$ 6,950.13 (Original PILOT in 2013)
Location: 3471 West Briarpark Drive, 38116
Occupancy: 89% Occupied (Q1 2023 Compliance Report)

Sources and Uses of Funds:

Sources		Uses	
New Debt Financing	\$13,345,000	Repay Existing Loan	\$5,216,077
		Closing/Financing Costs	300,000
		Creekside Retained Capital/ Capex Reserves	1,300,000
		Mill Creek Retained Capital/Capex Reserves	750,000
Total Development Costs	\$13,345,000	Return of Capex Spend	1,992,429
		Return to Sage Real Estate/Partner Capital	3,786,494
		Total All Costs	\$13,345,000

Tenant Benefit Breakdown	Actual Cost
1. Live uniformed security patrol 12 hours a night	90,000 annually
2. Extensively monitoring security camera network of 30 cameras monitored 24 hours a day through Stealth Monitoring Service	
3. Hope Fellowship Baptist Church Community Resource Center & Family support program. Creekside supports an extensive number of programs through the donation of four 2-bedroom apartments and 2 large community buildings the size of two 2-bedroom apartment units each., which would normally rent for \$732 per month for an annual contribution of \$70,272 annually	70,272 annually
4. Community wide WiFi network 10 port computer labs- (\$450/month)	5,400 annually
5. Creekside underwent a \$4,592,778.48 renovation which includes recreational areas, playgrounds and common spaces and expects to spend another \$1,300,000 on capital expenses after its refinancing and PILOT extension. The annual debt service (5.75%) on these upgrades and improvements is approximately \$338,834	338,834 annually
Subtotal	\$504,506

Proposed timing/anticipated dates for the following:

- a. Closing of the loan, bond, or related supplemental financing: Expected 30 days following Board Approval
- b. First expenditure of funds related to the project: December 2019
- c. Anticipated date of demolition and/or commencement of construction: N/A

- d. Anticipated completion date of the project: Expected to be 95% leased by Q3 2023
- e. When the project will be placed into service: N/A
- f. Anticipated closing date for the PILOT: Project currently has a PILOT

