

Grainge Hill Apartments

Applicant: Mazal in Grainge Hill, LLC
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PILOT Application Summary: Grainge Hill Apartments is an apartment complex with 90 residential units located at 2281 Ketchum Road, Memphis TN. The Applicant (Mazel in Grainge Hill LLC) purchased the property in December 2021. The Applicant is a limited liability company whose principal member is Mr. Mendel Fischer. Mr. Fischer has rehabilitated a number of low- and middle-income family properties in New Jersey, Georgia, and Tennessee. Mr. Fischer owns eight multifamily residential properties in Memphis, including Watkins Manor Apartments, Hightop Ridge Apartments, Gowan Pines Apartments, Willow Oaks Apartments, Bridgeport Manor Apartments and Eden Pointe Apartments. The Board has approved PILOTs for these properties. Additionally, Mr. Fischer owns Cane Creek Apartments, which is not operating under a PILOT. Mr. Fischer took over this property with only 10% of the units occupied. The principals of the Applicant are committed to completely rehabilitating the property to make it a safe and clean environment in which families in Memphis may live. The Applicant intends to install a new security gate and upgrade the electrical and plumbing systems. The applicant will provide additional tenant benefits which include installing new HVAC systems, replacing and modernizing kitchens and finishings, and updating and improving bathrooms and other tenant benefits as provided in the application. The Applicant is requesting that the Board grant a PILOT for this property, which would enable the Applicant to rehabilitate the largely vacant complex, making it a safe place for tenants to live and enhancing the neighborhood.

Total Units	BR/BA	Units	SF	Rent: Pre/Post Rehab	Rent: Pre/Post \$/SF
90	2 BR/1.5 BA	90	784	\$625/\$825	\$0.79/\$1.05

Total Development Cost: \$ 4,592,410
Development Cost per Unit: \$ 51,026.78
Location: 2281 Ketchum Road

Project Financing Structure Information

- a. Lender: Emilion Capital LLC
2999 NE 191 St. #808
Aventura, FL 33180
305-749-0848
- b. Amount of Loan: \$4,592,410.00

Sources and Uses of Funds:

Sources		Uses	
Loan Finance Proceeds	\$4,592,410	Acquisition Cost	\$2,700,000
		*Projected Capital Expenditures	1,527,000
		Net Proceeds for Future Operation and Maintenance of Project	365,410
Total Development Costs	\$4,592,410	Total All Costs	\$4,592,410
		<i>*Include expected future capital expenditures to complete rehabilitation, including tenant benefits</i>	

Tenant Benefit Breakdown	Actual Cost
Installation of Enhanced Security Cameras	\$50,000
Upgrade Fence and Gate for enhanced safety to tenants	80,000
Install Comcast/Xfinity cables for WIFI to property	
Enhanced Landscaping including clearing of property for more open areas for tenant	20,000
Renovation and Improvement of Laundry Facility	20,000
Renovation of onsite Property Management Office	20,000
Energy Efficient HVAC systems	270,000
Electrical and Plumbing upgrades for more efficient utilities to property, enhancing affordability of utilities	210,000
Bathroom replacement with more efficient toilets	14,000
Subtotal	\$684,000

Proposed Timing/Anticipated dates for the following:

- a. Closing of the loan or contributing financing availability: Currently available
- b. First expenditure of funds related to the Project: Ongoing
- c. Anticipated date of construction start: ongoing
- d. Anticipated completion date: 3rd quarter 2023
- e. Projected lease-up date: within 18 months of PILOT Closing

