PILOT Refinancing Application

Willow Oaks					
Applicant:	Mazel Willow Oaks LLC 290 NW 165 St. Suite M200				
	North Miami, FL 33169				
Contact:	Mendel Fischer	Shrage Marasow			
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	Property Solutions Group, LLC				
Management:	1355 Lynnfield Road, Suite 246				
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	901-508-9189; 901-767-4101				
	Evans Petree PC				
Counsel:	Frank N. Stockdale Carney; Elizabet	th Friary			
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	(901) 521-4595 (Frank); (901) 521-4	4596 (Elizabeth)			
	City National Bank of Florida				
Lender:	2855 LeJeune Road				
	Coral Gables, FL 33134				
	305-448-6500				
	Amount of Loan: \$26,400,000				

PILOT Application Summary: Willow Oaks Apartments is an apartment complex with 334 residential units located at 2459 Ketchum Road, Memphis TN. The Applicant (Mazel Willow Oaks LLC) purchased the property in September 2021 and the PILOT commenced December 13, 2022 and the applicant has begun rehabilitation on the property. The applicant took over this property with 85% of the units vacant. Since purchasing the property, the applicant has diligently worked to rehabilitate the property and will continue to rehabilitate the property, adding tenant benefits. The applicant is committed to making it a safe and clean environment in which families in Memphis may live. The applicant has completed approximately 60-70% of renovations, approximately 35-units have been completed and are occupied. A number of units are awaiting lease up pending MLGW action to hook up and approve meters. Upon completion of MLGW's work, the units will be leased. Applicant will continue work to rehabilitate the remaining units. Tenant benefits will include new energy efficient HVAC systems, modernized kitchens and finishings, around the clock personnel for enhanced on-site security, and a new security gate, lighting, and security cameras for added security. The applicant is requesting that the Board approve the Refinancing PILOT Application for this property, which would enable the applicant to complete rehabilitation in 10-12 months and its goal is to have full lease up by end of summer 2024.

Total Units	BR/BA	Units	SF	Rent: Post Rehab	Rent: Post \$/SF
334	1 BR/1 BA	46	600	\$799	\$1.33
	2 BR/1 BA	276	780	900	1.15
	3 BR/1 BA	6	1115	1100	0.98
	3 BR/2 BA	6	1156	1100	0.95

Total Development Cost: Development Cost per Unit: \$ 14,990,000 *Original PILOT \$ 44,880.24 *Original PILOT 2459 Ketchum Road, 38114 15%: Site is under active construction. Per original PILOT, which commenced December 2022, site construction is estimated to be completed within 12 months and plan to achieve lease up by Summer 2024.

Sources and Uses of Funds:

Sources		Uses		
Refinancing Loan	\$24,800,000	Payoff of current lo	an	\$16,790,000
(*option for additional loan proceeds of		Lender Fees		744,000
\$1,600,000 if property is fully leased within		Closing costs		100,000
two (2) years)		Complete renovation of units, maintenance, continued maintenance and		13,266,000
Owner Equity	6.100,000	6.100,000 operation of the property over the life of the property and other costs		
Total Development Costs	\$30,900,000	Total All Costs		\$30,900,000
<u>Tenant Benefit Breakdown</u>	Actual Cost			
Install more energy efficient HVAC system			\$550,000	
Installation of new security gate for enha	50,000			
Add new playground	50,000			
Installed new modern and energy efficient	1,100,000			
Replace all electric and plumbing system	1,100,000			
Laundry Room				50,000
On-site around the clock security person	131,400/Annually			
Improve surface parking lot and install sp	400,000			
Installation of new security cameras for e	100,000			
Installed new exterior lighting and upgrad	50,000			
Landscaping upgrades			100,000	
Subtotal				\$3,681,400

Project Timetable:

- a. Closing of the loan, bond, or related supplemental financing: Lender anticipates closing within 45 days of Board approval
- b. First expenditure of funds related to the Project: ongoing
- c. Anticipated date of demolition and/or commencement of construction: construction is expected to be completed within 12 months
- d. Anticipated completion date of the project: Summer 2024
- e. When the project will be placed in service: ongoing
- f. Anticipated closing date for the PILOT: PILOT term commenced December 13, 2022

