Proposal Cover Page

Project Information

Project Name Redevelopment of Land Located at South 28th Street and 2nd Avenue

Organization Information

Name of Developer Hoppe Development

Mailing Address 5631 S 48th Street, Suite 220, Lincoln, NE 68516

Contact Person Ben Kunz

Telephone 4024293946 Fax

Email Address ben@hoppedevelopment.com

Employer Identification Number 82-4436118 MBE/WBE Owned? no

DUNS Number 013025880

Partners

Type	Name and Address	Contact Person
Project Development	Hoppe Development 5631 S 48th St. Suite 220 Lincoln, NE 68516	Ben Kunz ben@hoppedevelopment.com 402-429-3946
Architectural Firm	DeOld Anderson Architecture 1717 Vinton St. Omaha, NE 68108	Emily Anderson emily@d-aarch.com 402-345-7694
Engineering Firm	Lamp Rynearson 14710 W Dodge Rd. Suite 100 Omaha, NE 68154	Manne Cook manne.cook@lamprynearson.com 402-686-3147
Lender	TBD Address City	TBD
Other (specify)	THOR Trails (Natural Surface Trails Consultant) PO Box 22110 Lincoln, NE 68542	Jason Brummels jason@thortrails.org 402-225-6564
Other (specify)	PrimeSites Real Estate Management 5631 S 48th Street Suite 290 Lincoln, NE 68516	Josh Neill josh@primesitesrealestate.com 402-489-1600

PROJECT SUMMARY

PROJECT NARRATIVE

Hoppe Development proposes the *West End Roost*, a mixed-income multifamily housing development at South 28th Street and 2nd Avenue in Council Bluffs, IA. The vision for *West End Roost* is to provide 1st Avenue Trail users a unique experience, activate the trail corridor with a concentration of new homes, and transition scale and form towards a low-density single family neighborhood to the South. This is done through forward thinking missing-middle building forms that allow structures to vary in scale and form providing both density and compatibility with its surroundings while also allowing for a porous pedestrian site plan enabling a unique sculpting of outdoor spaces intended to elevate the experience of residents and trail users alike. Finally, the development includes trail experience enhancements through the incorporation of "Trails Have Our Respect" (THOR), a nonprofit dedicated to enhancing trail experiences.

This proposal anticipates the acquisition of the site and development of approximately 89 residential units targeting rent levels below 50% FMI, 60% FMI and at market rate. This project achieves high levels of affordability utilizing tax abatement, the Iowa Workforce Housing Program, deferred land acquisition cost, and a contribution from the Housing Development Program. It does not anticipate the use of the Low Income Housing Tax Credit program. *West End Roost* aspires to create an inclusive, accessible community that aligns with the broader aspirations for Council Bluff's development as delineated in the 2021 Housing Affordability in the Omaha and Council Bluffs Area Assessment of Housing Affordability, Needs, & Priorities, more specifically the needed 5,500 affordable (60% AMI and lower) rental units to meet the current demand and the 18,000 units over the next 20 years.

Note: Hoppe Development is responding to the RFP for the South 28th Street and 2nd Avenue site due to our unique experience managing federal funding and affordability requirements. We would welcome a discussion about the additional 30th Street and 2nd Avenue RFP to extend the project's impact on trail enhancement and neighborhood activation, if we could execute in a phased manner. The assembly of these lots could increase the development significantly and include more robust enhancements to the amenities offered to residents and trail users across both project sites.

AFFORDABILITY

Hoppe Development has extensive experience working with federal funding and diverse income qualification requirements. We are open to continued discussion with Council Bluffs about the best use of HOME and additional CDBG funds to meet the affordability objectives and development objectives. This RFP response represents our best understanding of how these programs would be available to the project, as well as the impact of these programs on the project pro-forma. Note that the Low Income Housing Tax Credit (LIHTC) program is not anticipated in this response.

This project will provide a mix of unit types including HOME, Community Development Block Grant (CDBG), and market rate units meeting the requirement that 51% of the units must be rented to income qualified households at or below 80% of MFI, inclusive of 4 units developed through the HOME program offered at Council Bluff's Fair Market Rent and restricted to families at 50% MFI. Units modeled to meet the CDBG requirements have been modeled at 60% of FMI targeted rents, with the anticipation that households will have to be underwritten to 80% FMI income.

PROJECT PLANS

SITE DESIGN

The architectural and site plan concept were developed with the vision to provide a distinct moment on the trail for both non-resident trail users and residents alike. Further, it is intended to meet the goals of transitioning scale while achieving density. The design concept was created through consultation with DeOld Andersen Architecture, Lamp Rynearson, and Trails Have Our Respect (THOR), all firms with strong experience in transit and trail oriented design.

The concept achieves the goal of transitioning scale by deploying 8 forward thinking missing-middle building forms, the largest of which are arranged to activate and densify the First Avenue Trail frontage and shifting to smaller residential forms along 2nd Avenue, compatible with the smaller scale single-family neighborhood across the street. This scale shift is achieved by adjusting height, width and volume of structures from North to South on the site. Scale is further diminished through the use of gable ends breaking building volumes into smaller proportions through the use of a familiar residential form. Additionally, the visual impact of parked cars is minimized by orienting parking lots perpendicular to the public streets and is further obscured through the use of generous plantings. The deployment of multiple missing-middle buildings results in a porous pedestrian site plan enabling a unique sculpting of outdoor spaces intended to elevate the pedestrian experience.

Several strategies are deployed along the First Avenue Trail frontage to elevate the trail experience. The frontage along the trail tapers its setback to give way to a pedestrian plaza intended to serve both residents and trail users. This space can host a public bike repair and water bottle filling station, and can be further activated with lounge seating, outdoor kitchen and hosting area, fire-pit, bag toss court, bocce ball lawn and anchored to the South by an indoor community room and leasing office. The plaza and trail will be further activated with the frontage of 3 live/work units providing a platform for small businesses to add their flair to the trail experience and furthering the objectives of the multi-modal corridor. The nature of small businesses may include low-impact food service such as ice-cream shop or cookie parlor, experience based services such as art or craft lessons and trail oriented businesses providing bespoke bike repair and sales or other retail boutiques. The live/work format of these retail spaces eliminates the risk of vacancy and ensures immediate occupancy as apartments while maintaining the flexibility for the spaces to flip to more public facing uses as the vibrancy of the corridor enhances over time.

Within the trail corridor, this project proposes further activation through a temporary mountain biking pump track feature in the future rail corridor. We propose creating a removeable experience utilizing this space that can give way to the future streetcar. THOR Trails has been engaged to support the development of such a temporary pump track and coordinate with Council Bluffs on the degree to which track improvements are removable. Lastly, this project proposes the commissioning of public art along the Southern façade of the retail building(s) North of the trail.

BUILDING DESIGN

Hoppe Development anticipates usings its missing-middle typology to create a desirable, multi-scale apartment project attracting both families and other demographics. We anticipate based on prior affordable housing experience that affordable 2-bedroom units will attract families while 1-bedroom units will attract young community servants such as new teachers or retirees on fixed incomes. We

would anticipate that the market rate units will attract a variety of young professionals. The project design incorporates ground floor unit typologies to accommodate individuals with mobility challenges in accordance with HUD's 504 requirements. By integrating these thoughtful design features, the project aspires to create an inclusive, accessible community. We believe this mix of units will result in a compelling mixed-income, multi-generational project serving a broad set of needs for Council Bluffs.

Exterior design will be consistent with Hoppe Development's commitment to quality. This proposal commits to the use of high quality, long lasting materials including 30% of the exterior façade in brick masonry and the remaining 70% constructed of fiber cement board. The buildings will have vented pre-finished aluminum soffits and fiber cement fascia. Unit interiors will be well equipped and meet Hoppe Development's high standards for livability. Each unit will include a washer/dryer, ceiling fans, LVP flooring, pantry, walk-in closets, and coat closets. The project will include a leasing and maintenance office on site to ensure daily management and upkeep.

CONCEPT PLOT PLAN

A conceptual site plan has been developed by DeOld Andersen Architecture, Lamp Rynearson and THOR Trails based on known features of the site. Detailed design as well as storm water improvement requirements will be incorporated into the project if awarded.



RFP - S. 28th St. & 2nd Ave. Perspective - Trail

daa
deold andersen architecture llc



SITE PLAN CALCULATIONS

BUILDING TYPE	UNITS
RESIDENTIAL	89
PARKING REQUIRED	**STALLS**
RESIDENTIAL (1 STALLS / DU)	89
TOTAL PARKING REQUIRED	**89**
TOTAL PARKING PROVIDED	**107**
(INCLUDES 18 ON-STREET STALLS)	

LEGEND

1. PROPOSED MURAL WALL
2. PROPOSED PUMP TRACK
3. PLANTING BEDS
4. ENHANCED PEDESTRIAN PLAZA
5. POCKET LAWN
6. SHADE STRUCTURE, SEATING, AND OUTDOOR KITCHEN
7. INTERNAL PARKING
8. ON-STREET PARKING

NORTH

LAMP RYNEARSON

RFP - S. 28th St. & 2nd Ave. Plot Plan

Lounge Areas





Front Porches



Public Art



Temporary Pump Track





Outdoor Games

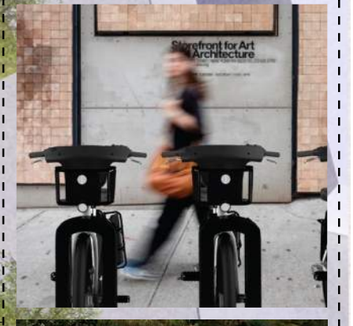




Live/Work Units



Bike Infrastructure





RFP - S. 28th St. & 2nd Ave. Overview

deold andersen architecture llc



RFP - S. 28th St. & 2nd Ave. Perspective - Trail Node

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RFP - S. 28th St. & 2nd Ave. Perspective - 2nd Avenue

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NORTH ELEVATION



WEST ELEVATION



SOUTH ELEVATION



EAST ELEVATION

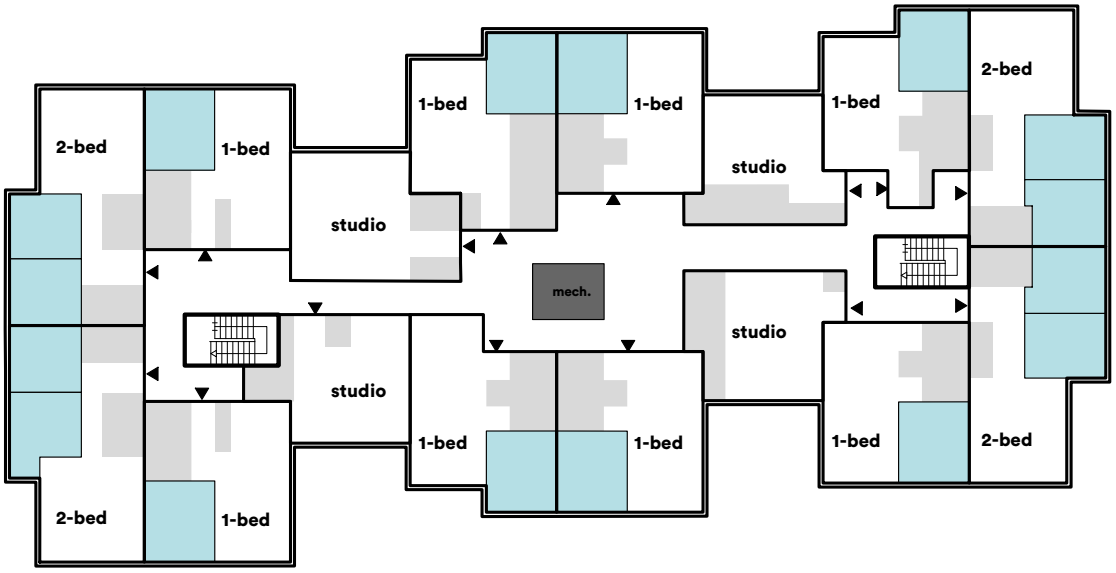
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SCALE: 1/32" = 1'-0"

RFP - S. 28th St. & 2nd Ave. Elevations

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47-Unit Multifamily
Unit Count: 47 Units
Studios: 11
1-Bed: 24
2-Bed: 12



2ND & 3RD FLOOR



FIRST FLOOR

Legend

- Bedroom
- Bathrooms, Mech., Closets
- Unit Entry
- Main Entry

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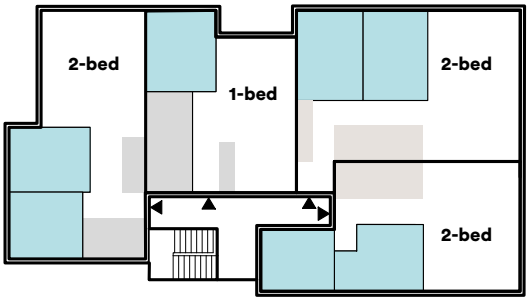
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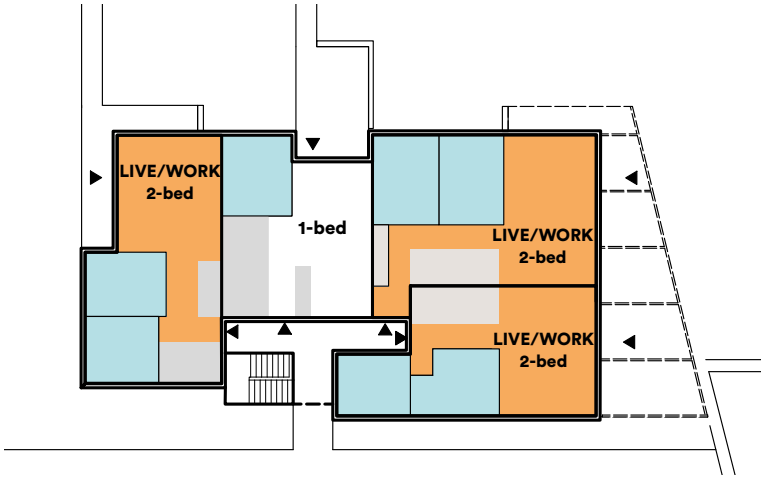
RFP - S. 28th St. & 2nd Ave. Floor Plan: 47 Unit Building

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deold andersen architecture llc

12-Plex with LIVE/WORK units
Unit Count: 12 Units
1-Bed: 3
2-Bed: 9 (3 with Flex Space)

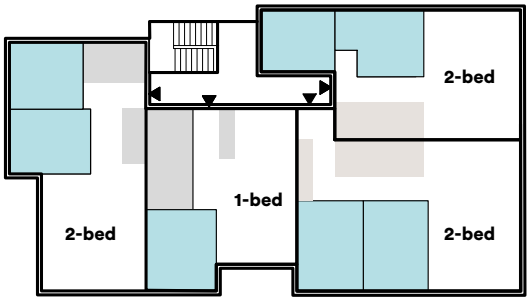


2ND & 3RD FLOOR

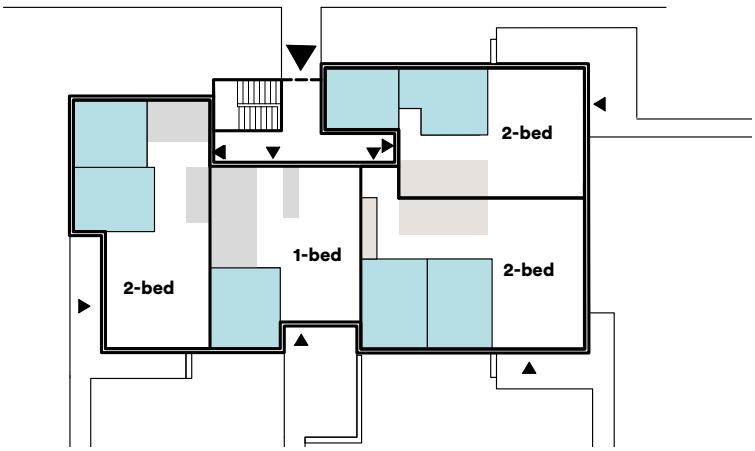


FIRST FLOOR

8-Plex
Unit Count: 8 Units
1-Bed: 2
2-Bed: 6



2ND FLOOR



FIRST FLOOR

Legend

- Bedroom
- Bathrooms, Mech., Closets
- Unit Entry
- Main Entry

0 20 40 80

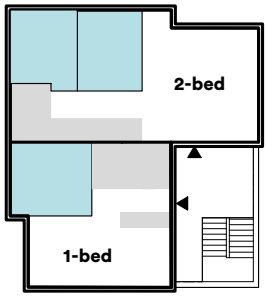
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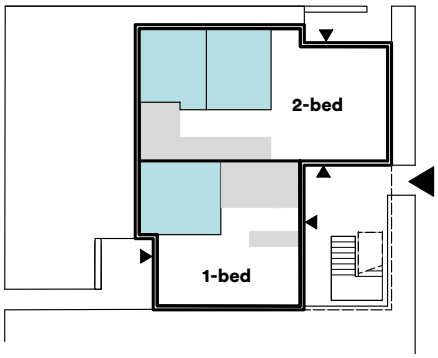
RFP - S. 28th St. & 2nd Ave. Floor Plan: 8- and 12-Plex

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4-Plex (typical)
Unit Count (3 buildings): 12 Units
1-Bed: 6
2-Bed: 6

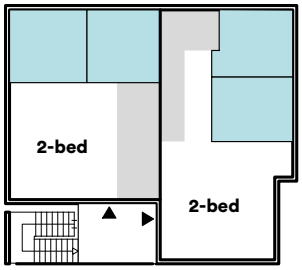


2ND & 3RD FLOOR

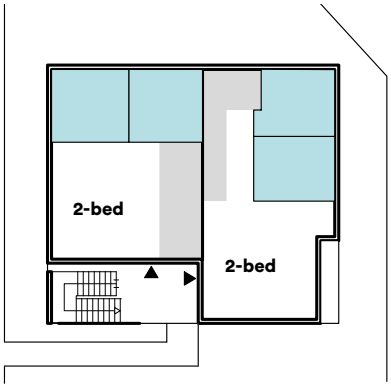


FIRST FLOOR

6-Plex
Unit Count: 6 Units
2-Bed: 6

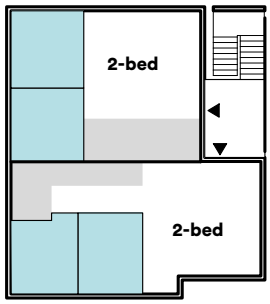


2ND & 3RD FLOOR

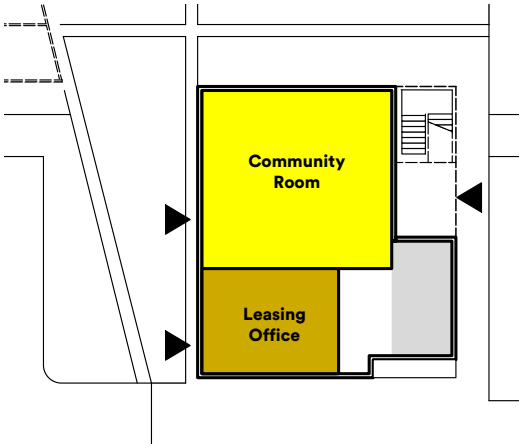


FIRST FLOOR

Community Room/Leasing with 4 Units
Unit Count: 4
2-Bed: 4



2ND & 3RD FLOOR



FIRST FLOOR

Legend

- Bedroom
- Bathrooms, Mech., Closets
- Unit Entry
- Main Entry

0 20 40 80

SCALE: 1/32" = 1'-0"

N

RFP - S. 28th St. & 2nd Ave. Floor Plan: 4- & 6-Plex

daa
deold andersen architecture llc

DEVELOPER EXPERIENCE

FIRM OVERVIEW

Hoppe Development is a vertically integrated real estate development company focused on delivering affordable housing solutions to the communities we serve across the Midwest. Our team provides comprehensive capabilities in land acquisition and community planning, entitlements and land use, project planning and finance, construction, and long-term management and compliance. Annually, the development team closes financing on 300-400 units across 3-5 projects utilizing a range of local, state, and federal funding programs to meet community affordable housing goals, with a particular focus on mixing incomes in development projects. This represents an approximate development value of $60M to $80M annually. Our portfolio spans a range of housing typologies and affordability including townhomes, multifamily units, and mixed-use developments with rental and for sale options.

Since 2019, Hoppe Development has utilized various financing tools to develop over 800 units of affordable rental and ownership opportunities. Our team has extensive experience bringing together complex capital stacks including state and federal resources such as Nebraska Economic Development Funds (NDED), Low Income Housing Tax Credits, Federal and Local Historic Tax Credits, National Housing Trust Funds, HOME Program Funds, American Rescue Plan Act (ARPA) Funds, Conventional Debt and Equity and Local Community Funding.

Hoppe Development regularly collaborates with municipalities and nonprofits to provide affordable housing services. As an owner and operator of affordable housing projects, these collaborations and partnerships have created long-term relationships within the community and displayed a commitment to the communities. These relationships often have enabled additional partnerships and opportunities for more housing projects.

DEVELOPMENT TEAM

The Hoppe team is a vertically integrated organization with over 50 professionals spanning development, construction, and management, and brings significant experience in utilizing federal and state programs to achieve unique development goals. The team is supported by a unique set of consultants with expertise in missing middle, transit and trail oriented design.

The Hoppe team consists of:

- **Jake Hoppe**, Managing Principal, has led development of over 1,000 units of housing utilizing a variety of programs and financing tools for both urban and rural communities. He has led Hoppe Development since 2019, building on his previous experience leading high-growth, venture-backed renewable energy development and technology companies.
- **Ben Kunz**, Development Associate, will serve as the project manager of this project. Ben is an architect and serves as in-house design oversight and project management from design through construction. He has 7+ years of experience in the multifamily and urban design space and has recent experience navigating a complicated set of projects through the NEPA process with the Nebraska Department of Economic Development.
- **Evan Clark**, Development Associate, has spent 3+ years at Hoppe Development cultivating relationships with rural communities to lead new developments through a comprehensive

understanding of state and federal housing finance programs, application processes, and program compliance.

- **Lasha Goodwin**, Development Analyst and Sales Associate, has 6 years of experience in neighborhood revitalization and real estate sales. She provides comprehensive technical support for various development projects. With a keen understanding of the real estate market, Lasha facilitates sales and leasing transactions for residential and commercial properties.
- **Jody Schmidt**, Development Program Manager, has over 20 years experience as a Real Estate and Corporate Paralegal with title experience.

In addition to the Development Team, Hoppe Development is supported by an in-house construction team, Hoppe Homes, which provides unique capacity to oversee our projects, manage costs and meet critical timelines. Our Property Management Team, PrimeSites Real Estate, is led by **Josh Neill**, who has over 15 years of experience in residential and commercial property management and **Teresa Kile**, Director of Compliance, who spent 14 years at Nebraska Investment Finance Authority (NIFA) and is an expert at affordable housing compliance. Hoppe Development, Hoppe Homes, and PrimeSites are all supported by a central Corporate Team, which provides shared accounting, legal, and general management services. Between management, development, and construction, there are 50 people on our team.

Additional design and thought partnerships including:

- DeOld Andersen Architects (architecture)- Principals Geoff DeOld and Emily Andersen have collaborated on many missing middle concepts with Hoppe Development, achieving density while preserving a human scale and relationships to open space.
- Lamp Rynearson (civil design) – Project lead Manne Cook has led trail oriented design in North Omaha will lead the civil design team.
- Trails Have Our Respect (trail activation) - Jason Brummels and team will provide additional expertise regarding trail infrastructure through their regional trail advocacy and consulting organization.

PROJECT EXPERIENCE

Please reference the following Developer Experience slides for a detailed list of Hoppe Development's relevant projects. Questions may be directed to Ben Kunz, Development Associate via email, ben@hoppedevelopment.com or (402) 429-3946.

HOPPE DEVELOPMENT

The following represents the Hoppe Development resume of housing development projects since 2019. In all predevelopment cases noted, funds have been awarded and the projects described are moving toward financial close and construction start. Not included are predevelopment projects for which critical funding sources have not been awarded. Please see notes for funding source acronyms. Affiliated projects prior to 2019 include over 450 units of market rate and affordable housing.



PADDOCK KENSINGTON

Beatrice, NE

PREDEVELOPMENT, CONSTRUCTION START Q1, 2025

Historic Renovation of former hotel and senior care facility of up to 41 workforce units with dedicated first floor space for incubator and coworking space.

- RWHF- Land development- $1,000,000
- State Historic Tax Credits
- Federal Historic Tax Credits
- TIF
- RWHF- $1,050,000
- USDA-Rural Development Business



STODDARD PLACE

Beatrice, NE

PREDEVELOPMENT , CONSTRUCTION STARTS Q1 2025

Conversion of former school into 25 units of LIHTC housing

- LIHTC & AHTC: $340,294
- TIF: $275,469



PROSPECT RIDGE

West Point, NE

DELIVERED 2023

22 unit conversion of nursing home to affordable housing

- LIHTC: $186,249
- AHTC: $186,249
- HOME Funds: $478,000
- TIF: $152,786
- Solar Credit: $37,400



ANTELOPE TOWER

Lincoln, NE

DELIVERED 2022

93 units of market rate housing

- TIF: $1,479,455

HOPPE DEVELOPMENT

The following is a representation of projects and awards of Hoppe & Son, LLC since 2019



TALLGRASS BOND Papillion, NE	PREDEVELOPMENT, CONSTRUCTION START Q4, 2024	130 Unit Multifamily affordable housing project integrated into a larger 600 unit mixed-product, mixed income development	• LIHTC & AHTC - $1,696,472 • Tax Exempt Bond Financing - $18 M • CDBG-DR - $2 M • Solar Credit - $113,295



TALLGRASS FAMILY Papillion, NE	PREDEVELOPMENT, CONSTRUCTION START Q4, 2024	34 unit affordable housingproject integrated into 600 unit mixed use, mixed product, and mixed income development	• LIHTC & AHTC - $629,761 • CDBG-DR: $2,000,000



TALLGRASS SENIOR Papillion, NE	PREDEVELOPMENT, CONSTRUCTION START Q4, 2024	34 unit affordable housing project integrated into a larger 600 unit mixed-product, mixed income development	• LIHTC - $429,899 • AHTC - $429,899 • CDBG-DR - $2 M



WATERBROOK APARTMENTS Lincoln, NE	PREDEVELOPMENT, CONSTRUCTION START Q1, 2025	246 Unit Multifamily affordable housing acquisition rehabiliation project	• LIHTC - $1,016,329 • Tax Exempt Bond Financing - $24 M

HOPPE DEVELOPMENT

The following is a representation of projects and awards of Hoppe & Son, LLC since 2019



23RD ST NET-ZERO LIVE/WORK

Lincoln, NE

IN PROGRESS

9 unit affordable housing project pairing affordable housing with entrepreneurship opportunities within the same building.

- ARPA QCT Affordable Housing- $600,000



FOXTAIL CENTRAL

Lincoln, NE

UNDER CONSTRUCTION

35 unit affordable housing project

- LIHTC: $426,564
- AHTC: $426,564
- TIF: $408,911
- NHTF: $500,000
- Solar Credit:$16,380
- City HOME Funds:$450,000
- City of Lincoln Contribution: $383,933



FOXTAIL SOUTH

Lincoln, NE

LEASE-UP

131 unit multifamily affordable housing project

- LIHTC: $1,020,507 AHTC: $1,020,507
- TaxExempt Bond Financing: $12,156,500
- TIF: $1,492,527
- Solar Credit: $55,361
- City of Lincoln Contribution: $1,511,419



CENTER TERRACE

Lincoln, NE

IN PROGRESS

125 unit affordable housing project

- ARPA QCT Affordable Housing:$4,000,000
- TIF: $1,847,007
- Tax Exempt Bond Financing: $10,236,616
- LIHTC: $1,786,970
- HTF: $2,000,000

HOPPE DEVELOPMENT

The following is a representation of projects and awards of Hoppe & Son, LLC since 2019



BRIDGEPORT APARTMENTS Lincoln, NE	PREDEVELOPMENT, CONSTRUCTION START Q1 2025	182 unit multifamily affordable housing acquisition rehabilitation project	• LIHTC: $1,034,968 • Tax Exempt Bond Financing: $18,000,000



BLUESTEM APARTMENTS Fremont, NE	LEASE UP	134 multifamily units	• RWHF: $500,000 • LB840: $400,000



FREMONT OMEGA APARTMENTS Fremont, NE	DELIVERED 2023	49 unit conversion of nursing home to affordable housing	• LIHTC: $324,587 • AHTC: $324,587



THE ROW FREMONT Fremont, NE	DELIVERED 2021	25 affordable housing units	• LIHTC: $333,748 • AHTC: $333,748 • HTF Funds: $861,000

HOPPE DEVELOPMENT

The following is a representation of projects and awards of Hoppe & Son, LLC since 2019



GATEHOUSE ROWS Lincoln, NE	DELIVERED 2023	98 unit affordable housing project	• LIHTC: $711,479 • AHTC: $711,479 • Tax Exempt Bond Financing: $7,971,025 • TIF: $1,520,090



SANDHILLS TOWNHOMES Valentine, NE	DELIVERED 2023	15 affordable infill housing units	• LIHTC: $262,270 • AHTC: $262,270



FIRST STREET FLATS Milford, NE	DELIVERED 2023	21 unit conversion of nursing home to affordable housing with RWHF & TIF	• RWHF: $418,457 • TIF: $166,000



CEDAR PARK Hastings, NE	PREDEVELOPMENT, CONSTRUCTION START Q2, 2025	54 unit mixed income development with 34 units of LIHTC housing and 24 units of market rate housing	• LIHTC & AHTC: $540,433 • TIF: $420,602

Abbreviation Key

Low Income Housing Tax Credits (LIHTC)
State Affordable Housing Credits (AHTC)
Tax Increment Financing (TIF)
National Housing Trust Funds (NHTF)
Nebraska Affordable Housing Trust Fund (NAHTF) Rural Workforce Housing Fund (RWHF)

West End Roost



Award

NEPA Application & Review Process*

Architecture & Design

- Schematic Design
- Design Development
- Construction Documentation

City Applications

- Entitlements or Waivers (If necessary)
- Tax Abatement Application

Iowa Workforce Housing Application

- Application submitted
- Application Awarded

Permit Application & Bidding

All Financing Secured

Construction

Lease-up Start

***Note:** NEPA process timeline can vary significantly depending on reviewer agency. Timeline above derived from our most recent NEPA experience in Nebraska.

FINANCIAL SUMMARY

DEVELOPMENT BUDGET OUTLINE

The table below is a preliminary budget for *West End Roost* with an estimated development cost of $18.57M. This project achieves affordability levels without the use of the Low Income Housing Tax Credit program. As such, it requires additional sources from a variety of state and local programs, as the affordability requirements result in lower cash flows available to service a principal mortgage, and therefore reduce the debt available to the project. For the sources that come from Council Bluffs, we anticipate further discussion and alignment to ensure project feasibility and alignment with objectives.

Permanent Loan: This is the level of permanent debt the project can sustain based on the affordability and interest rate discussed.

Tax Abatement: This projects anticipates receiving 10 year, 100% tax abatement.

Land Acquisition as Subordinated Project Loan: We anticipate acquiring the site for market rate. However, we request that the City defer the acquisition payment from the project, and instead classify it as a loan subordinate to the principal mortgage due at the end of a 10 year term at 0% interest.

Iowa Workforce Housing Program: We anticipate applying for the Iowa Workforce Housing Program. In our program underwriting, this project will be competitive based on past year's applications.

Housing Development Program Grant: We anticipate applying for the Housing Development Program, and have modeled the funds coming into the project as a forgivable loan. This enables the project to utilize the full balance of funds for project costs, without tax adjusting the award amount.

HOME Program: We anticipated pursuing a 2-year allocation of city HOME funds and allocating 4 units to the HOME program. We anticipate working with the city to right-size the allocation between additional HOME or CDBG funds.

Contributed Equity: Hoppe Development anticipates contributing its developer fee as an equity contribution into the project, and additionally investing or raising additional equity to facilitate the project.

LAND PURCHASE PRICE

Hoppe Development proposes site acquisition of the below describe real estate for $415,000 from the City of Council Bluffs.

- Lots 1-16, Block 12, Bryant and Clarks Subdivision

Development Underwriting Summary | Council Bluffs - West End Roost

SOURCES	$ Amount	$ / Unit	% Total
Debt Financing			
Permanent Loan (1)	$11,508,662	$129,311	62.0%
Land Acquisition as Subordinated Project Loan	$415,000	$4,663	2.2%
Equity Capital & Other Sources			
Contributed Equity	$3,329,639	$37,412	17.9%
Iowa Workforce Housing Tax Incentive Program	$913,295	$10,262	4.9%
Housing Development Program Grant	$2,000,000	$22,472	10.8%
HOME Program (2 year commitment)	$400,000	$4,494	2.2%
TOTAL SOURCES	**$18,566,595**	**$208,613**	**100%**

USES	$ Amount	$ / Unit	% Total
Acquisition Costs			
Total Hard Costs (2)	$15,874,200	$178,362	85.5%
Total Soft Costs (3)	$677,950	$7,617	3.7%
Total Contingency	$372,579	$4,186	2.0%
Developer Fee	$881,895	$9,909	4.7%
Site Acquisition	$415,000	$4,663	2.2%
Total Reserves (4)	$344,971	$3,876	1.9%
TOTAL USES	**$18,566,595**	**$208,613**	**100%**

(1) Underwritten at 7.00%/24 month I/O construction and stabilization period; 30 year amortization following conversion to mini-perm

(2) Excluding 2.00% hard cost contingency

(3) Excluding developer fee, Hoppe fees, loan guaranty fee and 3.00% soft cost contingency

(4) Includes real estate taxes and construction interest carry, less net operating cash flow thru the construction period

Property Cash Flow	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Net Operating Income	**-$9,874**	**$657,453**	**$1,112,930**	**$1,144,079**	**$1,177,751**	**$1,205,027**	**$1,243,365**	**$1,282,907**	**$1,323,692**	**$1,057,130**
Non Operating Expenses										
Interest Expense	-$58,729	-$741,564	-$801,903	-$747,252	-$738,441	-$729,048	-$719,037	-$708,366	-$696,991	-$684,867
Principal Payments	$0	$0	-$116,906	-$133,689	-$142,501	-$151,893	-$161,905	-$172,576	-$183,951	-$196,075
Capital Reserves	$0	-$11,125	-$22,250	-$22,250	-$22,250	-$22,250	-$22,250	-$22,250	-$22,250	-$22,250
Total Non Operating Expenses	**-$58,729**	**-$752,689**	**-$941,059**	**-$903,192**	**-$903,192**	**-$903,192**	**-$903,192**	**-$903,192**	**-$903,192**	**-$903,192**
Draws from Reserve Accounts	$76,187	$211,289	$0	$0	$0	$0	$0	$0	$0	$0
Property Cash Flow	**$7,584**	**$116,053**	**$171,871**	**$240,888**	**$274,559**	**$301,835**	**$340,173**	**$379,715**	**$420,500**	**$153,938**
Project Cash Flow										
Property Cash Flow	$7,584	$116,053	$171,871	$240,888	$274,559	$301,835	$340,173	$379,715	$420,500	$153,938
Contributed Equity	-$3,329,639	$0	$0	$0	$0	$0	$0	$0	$0	$0
Refinance Proceeds	$0	$0	$51,222	$0	$0	$0	$0	$0	$0	$0
Total Project Cash Flow	**-$3,322,055**	**$116,053**	**$223,093**	**$240,888**	**$274,559**	**$301,835**	**$340,173**	**$379,715**	**$420,500**	**$153,938**
Key Metrics										
Debt Service Coverage Ratio		0.89x	1.21x	1.30x	1.34x	1.37x	1.41x	1.46x	1.50x	1.20x

Project Pro Forma	Stabilized Per Door	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Revenue											
Gross Potential Rent	$16,600	$1,501,625	$1,547,298	$1,594,361	$1,642,855	$1,692,824	$1,743,608	$1,795,917	$1,849,794	$1,905,288	$1,962,447
Parking Income	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Other Income	$444	$40,041	$41,032	$42,053	$43,104	$44,188	$45,514	$46,879	$48,285	$49,734	$51,226
Vacancy	-$852	-$1,541,666	-$458,248	-$81,821	-$84,298	-$86,851	-$89,456	-$92,140	-$94,904	-$97,751	-$100,684
Application/Admin/Pet Fees	$25	$0	$28,534	$12,798	$6,414	$2,201	$2,268	$2,336	$2,406	$2,478	$2,552
Concessions	$0	$0	-$117,583	$0	$0	$0	$0	$0	$0	$0	$0
Real Estate Abatement	$2,835	$7,584	$7,776	$225,866	$275,703	$282,675	$289,742	$296,985	$304,410	$312,020	$0
Total Revenue	**$19,052**	**$7,584**	**$1,048,809**	**$1,793,256**	**$1,883,778**	**$1,935,037**	**$1,991,675**	**$2,049,977**	**$2,109,991**	**$2,171,769**	**$1,915,541**
Operating Expenses											
Payroll	-$1,167	-$8,874	-$107,942	-$110,671	-$113,470	-$116,340	-$119,248	-$122,229	-$125,285	-$128,417	-$131,628
Administrative	-$637	$0	-$51,849	-$64,066	-$63,693	-$64,058	-$65,659	-$67,301	-$68,983	-$70,708	-$72,476
Repair and Maintenance	-$928	$0	-$63,217	-$88,034	-$90,260	-$92,543	-$94,856	-$97,228	-$99,659	-$102,150	-$104,704
Management Fees	-$667	-$1,000	-$38,112	-$54,859	-$56,283	-$57,833	-$69,709	-$71,749	-$73,850	-$76,012	-$67,044
Insurance	-$774	$0	-$65,733	-$73,446	-$75,303	-$77,207	-$79,137	-$81,116	-$83,144	-$85,222	-$87,353
Real Estate Taxes	-$2,835	-$7,584	-$7,776	-$225,866	-$275,703	-$282,675	-$289,742	-$296,985	-$304,410	-$312,020	-$319,821
Utilities	-$668	$0	-$56,728	-$63,385	-$64,987	-$66,631	-$68,297	-$70,004	-$71,754	-$73,548	-$75,387
Total Operating Expenses	**-$7,677**	**-$17,458**	**-$391,356**	**-$680,326**	**-$739,699**	**-$757,286**	**-$786,648**	**-$806,612**	**-$827,084**	**-$848,077**	**-$858,411**
Net Operating Income	**$11,375**	**-$9,874**	**$657,453**	**$1,112,930**	**$1,144,079**	**$1,177,751**	**$1,205,027**	**$1,243,365**	**$1,282,907**	**$1,323,692**	**$1,057,130**

PROJECT CONTINGENCIES

This project has anticipated a number of concessions focused on ensuring that it can deliver the affordability requirements as specified in the RFP and utilize the programs as necessary.

This project anticipates an application for the Iowa Workforce Housing Tax Incentive program. Hoppe Development has reviewed the scoring criteria as well as the scores received for all 37 applications in 2024. This project will likely score between 40 and 45 points. The minimum score in 2024 required to be funded was 37 points, making this project highly likely to receive an award.

This project also anticipates achieving 10 year 100% tax abatement from the City of Council Bluffs as well as a $2M grant from the Housing Development Program. This project is structured to score well within the Housing Development Program metrics. Further, it achieves affordability requirements without Low Income Housing Tax Credits, delivers a missing middle typology and uniquely seeks to activate the trail, and is within the priority area for development. For these reasons, we believe it presents a compelling opportunity for both the City's investment through abatement and the Housing Development Program.

This project anticipates receiving a subordinate, 0% interest, 10 year loan from the City of Council Bluffs in the amount of the land acquisition price, $415,000.

This project anticipates receiving a 2 year commitment of HOME funds as $400,000 or equivalent from the City of Council Bluffs in exchange for maintaining HOME units available at Fair Market Value Rents.

This project is well positioned to receive a variety of funding sources, but should these incentives not be secured, Hoppe Development is well situated to ensure any gaps or additional financing can be sufficiently filled. Additional or contingency sources may include:

- Increase conventional equity & debt
- Alternative designs
- Community support such as employer subsidized housing or local investment club