



ECONOMIC DEVELOPMENT COMMISSION Meeting Agenda

**March 18, 2024 at 4:00 p.m.
McCloskey Conference Room, Suite 135
Bloomington City Hall, 401 North Morton Street, Bloomington, Indiana 47404**

Join Zoom Meeting
<https://bloomington.zoom.us/j/85079046166?pwd=TMXY1FjbHWYVU5SKyxRCLf2JIJGj1z.1>
Meeting ID: 850 7904 6166
Passcode: 446180

- I. ROLL CALL**
- II. APPROVAL OF MINUTES**
- III. NEW BUSINESS**
 - A. Election of officers
 - B. Resolution 25-01: Cambridge Square PILOT
 - C. Resolution 25-02: Henderson Court PILOT
- IV. BUSINESS/GENERAL DISCUSSION**
- V. ADJOURNMENT**

Next meeting: Tuesday, April 15, 2025 4 PM

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**ECONOMIC DEVELOPMENT COMMISSION
MEETING MINUTES**

February 18, 2025

Call to Order

Quorum was not present. No official meeting was called to order. There was a subquorum of the EDC and no official action was taken.

Roll Call

- Commissioners Present:
 - Kurt Zorn, President
 - Isak Asare
 - Tim Henke (via Zoom)
 - Staff Present:
 - Anna Lamberti Holmes, Assistant City Attorney
 - Jane Kupersmith, Director - Economic and Sustainable Development Dept
 - De de la Rosa, Assistant Director - Small Business Development, ESD
 - Margie Rice, Corporation Counsel
 - Guests:
 - Janine Betsey, Director of Tax Credit Development, Gene B. Glick Company
 - Adam Richter, Corporate Attorney and Chief Operating Officer, Gene B. Glick Company
-

Gene B. Glick PILOT Agreements

Jane Kupersmith presented information on the resolutions proposing Payment in Lieu of Taxes (PILOT) agreements for two properties owned by the Gene B. Glick Company: Cambridge Square (307 N. Pete Ellis Drive) and Henderson Court (2475 South Winslow Court). She stated that these PILOT support affordable housing while ensuring the City receives some tax revenue from these properties. Janine Betsey and Adam Richter provided information on behalf of the Glick Corporation. The same information will be reshared during a convened meeting on March 18, 2025. At that time the EDC will formally consider the resolutions that, if approved, would recommend PILOT agreements to Common Council.

Adjournment

As no quorum was present, President Kurt Zorn informally concluded the meeting. The Commission will convene next on March 18, 2025.

To: Members of the Economic Development Commission
Cc: Kerry Thomson, Mayor; Gretchen Knapp; Deputy Mayor; Margie Rice; Corporation Counsel; Jessica McClellan, Controller; Anna Killion-Hanson, Director of Housing & Neighborhood Development
From: Jane Kupersmith, Director of Economic & Sustainable Development
Date: March 15, 2025
Re: Resolutions 25-01 and 25-02

Executive Summary

The Gene B. Glick Company has requested two PILOT (Payment In Lieu of Taxes) agreements with the City of Bloomington. The first PILOT is for Cambridge Square of Bloomington community (at 307 N. Pete Ellis Drive) and the second is for Henderson Court Apartments (2475 South Winslow Court). The PILOT agreements fix the tax liability at a percentage of the base line assessed value for a period of time; increase at 3% annually; and allow the developer to close their financing gap and ensure affordability of the property during the 17-year term of the agreement. The City's PILOT will tie affordability of the site to the term of the PILOT. Both projects are rehabilitation projects for which the developer will apply for Low Income Housing Tax Credit (LIHTC) funds. Project details follow.

The Economic Development Commission may make a recommendation to the Common Council to approve the PILOT agreements. Common Council may consider either or both of the PILOTs in a two meeting sequence before voting to approve or deny. The EDC packet contains resolutions for each PILOT with proposed terms that the EDC would recommend to the Common Council, if approved.

PILOT agreements are facilitated by the following state code:

IN Code § 6-1.1-10-16.7 (2024)

Sec. 16.7. (a) Except as otherwise provided in this section, for assessment dates after December 31, 2021, all or part of real property is exempt from property taxation if:

(1) the improvements on the real property were constructed, rehabilitated, or acquired for the purpose of providing housing to income eligible persons under the federal low income housing tax credit program under 26 U.S.C. 42;

(2) the real property is subject to an extended use agreement under 26 U.S.C. 42 as administered by the Indiana housing and community development authority; and

(3) the owner of the property has entered into an agreement to make payments in lieu of taxes under IC 36-1-8-14.2 (before its expiration), IC 36-2-6-22 (before its expiration), IC 36-3-2-11 (before its

expiration), IC 36-1-8-14.3, IC 36-2-6-23, or IC 36-3-2-12.

(b) This section may not be construed in such a way as to:

(1) alter the terms of an agreement with the holders of any outstanding notes, bonds, or other obligations of an issuing body;

(2) authorize the issuing body to alter the terms of an agreement described in subdivision (1); or

(3) impair, or authorize the issuing body to impair, the rights and remedies of any creditor of the issuing body.

As added by P.L.19-2000, SEC.1. Amended by P.L.185-2001, SEC.1 and P.L.291-2001, SEC.195; P.L.186-2001, SEC.2; P.L.1-2002, SEC.18; P.L.179-2002, SEC.3; P.L.1-2006, SEC.133 and P.L.181-2006, SEC.42; P.L.181-2016, SEC.3; P.L.74-2021, SEC.2.

Property details

Cambridge Square:

153 units; all 1-BR; serving residents 62+ or differently abled; 60% AMI and below

Requested payment: \$43,605 with 3% annual increase

PILOT supports: renovation of all units

Term: 17 years

The below table assumes no increase in AV but reflects the 3% annual increase in the PILOT amount. At the rate below, the per unit subsidy would be \$4,590.

Year	Original liability	PILOT amount	Reduced liability
1	\$96,953	\$43,605	\$53,348
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5	\$99,862	\$49,078	\$50,784
6	\$96,953	\$50,550	\$46,403
7	\$96,953	\$52,067	\$44,886
8	\$96,953	\$53,629	\$43,324
9	\$96,953	\$55,238	\$41,715
10	\$96,953	\$56,895	\$40,058
11	\$96,953	\$58,601	\$38,352
12	\$96,953	\$60,360	\$36,593
13	\$96,953	\$62,170	\$34,783
14	\$96,953	\$64,035	\$32,918
15	\$96,953	\$65,956	\$30,997
16	\$96,953	\$67,935	\$29,018
17	\$96,953	\$69,973	\$26,980
		\$948,914	\$702,196

Henderson Court:

150 units; 1-, 2-, and 3-bedrooms; HUD Section 8 HAP; 60% AMI and below. Last renovated in

2008.

Requested payment: \$54,750 with 3% annual increase

Term: 17 years

PILOT supports: Renovation of all units

Henderson Court, which is currently owned by a 501(c)3, does not currently have tax liability. The developer will return the property to the tax rolls in order to bring on a for-profit investor as part of the capital stack for the renovation project. The tax liability below is estimated from 2024 AV at the site and the Perry Township tax rate of 1.4999% and doesn't factor increases or decreases in AV over the 17 year period. Henderson Court experienced a 52% growth in AV from 2023 to 2024. At the rates below, the per unit subsidy over the life of the PILOT is \$6,888, although long term affordability of the site is preserved at 45 years.

Year	Est. 2024 tax liability	PILOT amount	Reduced liability
1	\$130,857	\$54,750	\$76,107
2	\$130,857	\$56,393	\$74,465
3	\$130,857	\$58,084	\$72,773
4	\$130,857	\$59,827	\$71,030
5	\$130,857	\$61,622	\$69,236
6	\$130,857	\$63,470	\$67,387
7	\$130,857	\$65,374	\$65,483
8	\$130,857	\$67,336	\$63,522
9	\$130,857	\$69,356	\$61,502
10	\$130,857	\$71,436	\$59,421
11	\$130,857	\$73,579	\$57,278
12	\$130,857	\$75,787	\$55,070
13	\$130,857	\$78,060	\$52,797
14	\$130,857	\$80,402	\$50,455
15	\$130,857	\$82,814	\$48,043
16	\$130,857	\$85,299	\$45,559
17	\$130,857	\$87,858	\$43,000
	\$2,224,574	\$1,191,447	\$1,033,127

Recommendation

Staff from ESD and HAND both support this request and propose Resolution 25-01 for the Cambridge Square PILOT agreement and Resolution 25-02 for the Henderson Court PILOT. Issuing these PILOTs supports the renovation of two important affordable apartment communities in Bloomington. It would improve annual cashflow for the developer, allowing them to hire on-site service coordinators to support residents, which is essential to the success of these properties. Additionally, the City of Bloomington's support of these PILOTs would leverage our local investment to insure 45 years of future affordability at each property.

Individual property proposals, sample pro formas demonstrating impact, and proposed legislation follow.

Cambridge Square of Bloomington

Narrative Summary



Development and Unit Description

The Cambridge Square of Bloomington apartment community is located at 307 N. Pete Ellis Drive, on the northeast side of Bloomington, Indiana within Monroe County. The complex features 153 apartment units totaling roughly 91,800 gross square feet of residential space. These units were constructed in 1979 and are housed in three, three-story buildings on a 7.096-acre property just north of the College Mall retail corridor. All of its 153 units are one-bedroom/one-bath 600 sq.ft. units for residents who are 62+ or differently abled. The three, three-story buildings are situated on a property with mature shade trees, on which sits a community/office building and a gazebo.

Amenities around Cambridge Square

The neighborhood setting is within walking distance to a variety of nearby amenities, including the post office two blocks to the north and a large variety of businesses two blocks to the south along the 3rd Street Bypass (State Roads 45/46). These include a CVS Pharmacy, an Aldi grocery store, and a number of eateries and coffee shops.

Crossing over East 3rd Street, either by foot or via the Bloomington Transit bus line which has a stop directly in front of Cambridge Square, is the College Mall and Eastland Plaza commercial districts, which offers three more grocery options (Target, Kroger, and Bloomingfoods Co-Op), an Anytime Fitness, optometrist office, restaurants, and other businesses.

On-Site Amenities and Services

CS Bloomington's units features abundant closet space, central air-conditioning, garbage disposals, and window blinds. Each unit includes an intercom system, emergency pull-cords, and its own balcony or ground floor patio. The property has on-site management located in an office/community building that houses a community room with regularly scheduled resident event.

Additionally, the property features a site-dedicated service coordinator, funded via grants from HUD, who facilitate events and programs for CS Bloomington residents. These include assistance in enrolling in and maintaining benefit programs like Medicaid, wellness education classes, financial counseling, medical screenings, and a variety of other classes and services to enrich our residents' lives.

Area Needs

Affordable housing is a persistent need in college cities like Bloomington, where the lack of available affordable units is exacerbated by the annual influx of students attending nearby Indiana University. Recent studies have shown that Bloomington's rental occupancy rate is around 97%¹, an issue which only grows in severity with each passing year as IU adds students annually without also increasing their student housing options. Though there is a seemingly perpetual construction cycle of apartments in town, the overwhelming majority of these units are market rate targeting students. Additionally, the student-oriented Bloomington market makes it enticing for developers to flip affordable properties to market rate. This tendency makes it imperative for Bloomington to focus not just on the development of new affordable units, but to also preserve the existing affordable options.

According to the National Low Income Housing Coalition, 26% of Indiana renters qualify as those who are Extremely Low-Income (ELI) households, or those whose incomes are at or below 30% of the area median income. Of these, 28% are senior households and 22% are disabled. And while there are 209,710 ELI households in Indiana according to the NLIHC's 2024 GAP report, there are only 70,392 affordable and available rental homes for those families, or slightly over three affordable units for every ten families in need. In the Indianapolis metro area, that disparity widens to less than two affordable units for each ten families.²

Each of CS Bloomington's 153 units are served by a Housing Assistance Program (HAP) contract providing Section 8 assistance for every resident. Though our RHTC application will select the 60% AMI, the majority of our residents will be at that 30% AMI and below

¹ <https://bloomington.in.gov/housing/affordable>

² <https://nlihc.org/gap/state/in>

threshold. Renovating this property will help preserve an important affordable housing asset in north-central Bloomington for ELI renters for a generation to come.

Rehabilitation Plans

After rehabilitation, Cambridge Square of Bloomington will have been significantly updated to better serve its current and future residents. Unit upgrades will include updated kitchens, including new cabinets, granite countertops, new sinks, faucets and garbage disposals, and new refrigerators and stoves.

Updated bathrooms will include new mirrors, cabinets, countertops, sinks and faucets, new bathtubs and tub surrounds, and new towel and shower curtain hangers. Other unit upgrades will include new interior and exterior doors, new lighting and ceiling fans, and the replacement of all HVAC units throughout the site.

The project also includes window and patio door replacement in all units, modernization of the elevators in each building, and replacement of the roofs, gutters, and downspouts for all four buildings, as well as the creation of a dog park on site.



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ECONOMIC DEVELOPMENT COMMISSION

MEETING MINUTES

February 18, 2025

Call to Order

The Economic Development Commission (EDC) meeting was called to order on February 18, 2025, at 4:10 PM in the McCloskey Conference Room at City Hall. It was publicly posted in accordance with Open Door requirements.

Roll Call

- Commissioners Present:
 - Kurt Zorn, President
 - Isak Asare
 - Tim Henke (via Zoom)
- Staff Present:
 - Anna Lamberti Holmes, Assistant City Attorney
 - Jane Kupersmith, Director - Economic and Sustainable Development Dept
 - De de la Rosa, Assistant Director - Small Business Development, ESD
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- Guests:
 - Janine Betsey, Director of Tax Credit Development, Gene B. Glick Company
 - Adam Richter, Corporate Attorney and Chief Operating Officer, Gene B. Glick Company

Quorum Status

Kurt Zorn noted that a quorum was not present. The meeting was called to order at 4:10. It was determined that an informational meeting could be held on the agenda items but no actions would be discussed or taken.

New Business

Presentation of PILOT Agreements

Jane Kupersmith presented information on the resolutions proposing Payment in Lieu of Taxes (PILOT) agreements for two properties owned by the Gene B. Glick Company: Cambridge Square (307 N. Pete Ellis Drive) and Henderson Court (2475 South Winslow Court). She stated that these PILOT support affordable housing while ensuring the City receives some tax revenue from these properties. Janine Betsey and Adam Richter provided information on behalf of the Glick Corporation. The same information will be reshared during a convened meeting on March 18, 2025. At that time the EDC will formally consider the resolutions that, if approved, would recommend PILOT agreements to Common Council.

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threshold. Renovating this property will help preserve an important affordable housing asset in north-central Bloomington for ELI renters for a generation to come.

Rehabilitation Plans

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The project also includes window and patio door replacement in all units, modernization of the elevators in each building, and replacement of the roofs, gutters, and downspouts for all four buildings, as well as the creation of a dog park on site.

Operating Assumptions

Unit Mix	Number	Average 2024 Monthly Rent	Estimated 2025 Monthly Rent	2024 Net Annual Rents	2025 Net Annual Rents
1 BDRM 1 BA	153	954	1190	1,752,370	2,184,840
2 BDRM 1 BA				-	-
2 BDRM 8 1 BA				-	-
2 BDRM TH 2 BA				-	-
2 BDRM TH/8 2 BA				-	-
3 BDRM TH 2 BA				-	-
3 BDRM TH/8 2 BA				-	-
	153			1,752,370	2,184,840
Trend Factor				1.000	1.000
Annual Other Income				22,000	22,000
Total annual income				1,774,370	2,206,840

Depreciable Basis:
Buildings
Land improvements
Personal property
Total

Depr. Lives	Bonus Depreciation	Annual Depr	Total
30	-	701,323	21,039,678
15	153,000	-	153,000
5	765,000	-	765,000
	918,000	701,323	21,957,678

First Mortgage Loan Assumptions:

Fixed Interest Rate	5.50%
Amortization Term in Years	35
Loan Amount (Nonrecourse)	13,000,000
Annual Debt Service	837,745
Debt service coverage - 2025	1.14

24.68% **Tax Credit Assumptions:**

Compliance % for Entire Compliance Period	100%
Credit Rate at acquisition	Acquisition 4.00%
Credit Rate at Completion	Rehabilitation Not QCT 4.00%

Percentage Allocation Assumptions:

	General	Limited
Taxable Income (loss) and tax credits	0.01%	99.99%
Cash Distribution after IMF	0.01%	99.99%
Residual @ Sale	90.00%	10.00%

	Per Unit	Total
Total Purchase price	78,105	11,950,000
Land portion	13,007	1,990,000
Rehabilitation costs	42,500	6,502,500
Current budget or YTD plus budget	5,821	890,555
Annual Operating Expenses - projected	6,781	1,087,554
Incentive Mangement Fee Rate		90.00%
Annual Contributions to replacement reserve	350	53,550
Vacancy Rate for 2025		5.00%
Vacancy Rate for 2026		5.00%
Vacancy Rate after 2027		5.00%
Annual Rate of Rental Increases		2.00%
Annual Rate of Expense Increases		3.00%
Months of Operations in first year		12
Interest Rate on Deferred Development Fee		0%
Investor's Tax Rate (combined federal and state)		27.00%

Federal Pay-In Assumptions

	Est. Dates	Percent	Amount
Closing	03/01/25	20.00%	1,523,898
65% Completion	06/01/25	0.00%	-
100% Completion	07/31/25	70.00%	5,330,815
Stabilization	10/31/25	5.00%	380,975
Forms 8609	12/31/25	5.00%	383,803
Totals		100%	7,619,490

State Pay-In Assumptions

	Est. Dates	Percent	Amount
Closing	08/30/24	20.00%	-
65% Completion	02/28/25	0.00%	-
100% Completion	07/31/25	70.00%	-
Stabilization	08/31/25	5.00%	-
Forms 8609	09/30/25	5.00%	-
Totals		100%	-

Development Fee Payments:

Closing	21%	677,702
100% Completion	5%	168,568
Stabilization/forms 8609	3%	105,161
Deferred Payable from cash flow	71%	2,333,069
Totals	100%	3,284,500

THE ASSUMPTIONS HAVE BEEN PROVIDED BY THE GENERAL PARTNER AND THE DEVELOPERS,
AND ACCORDINGLY REFLECT THEIR JUDGEMENT REGARDING THE MOST LIKELY MARKET
CONDITIONS AND THE PARTNERSHIP'S MOST LIKELY ACTIONS BASED UPON THESE CONDITIONS.
THEY ARE NOT INTENDED TO BE ALL-INCLUSIVE.

CS Bloomington
(An Indiana Limited Partnership)
Sources & Uses of Funds

Statement of Sources and Uses of Funds

Sources of Funds	<u>Total</u>	LP Share of <u>Credits</u>	Equity <u>Pricing</u>	Closing and <u>during rehab</u>	100% <u>Completion</u>	Stabilization and <u>Forms 8609</u>	<u>Total</u>
General Partner Capital	100			100			100
Limited Partner Capital - Fed credits	7,619,490	8,758,034	\$ 0.8700	1,523,898	5,330,815	764,777	7,619,490
Limited Partner Capital - IN credits	-	-	\$ -	-	-	-	-
First Mortgage Loan Financing	13,000,000			13,000,000			13,000,000
Bridge loan	-			7,662,247	(7,662,247)	-	-
CMF Fund	-			-			-
GP loan/seller note	2,500,000			-	2,500,000		2,500,000
Deferred Development Fee	2,333,069					2,333,069	2,333,069
Total Sources	<u>25,452,659</u>			<u>22,186,245</u>	<u>168,568</u>	<u>3,097,846</u>	<u>25,452,659</u>

Uses of Funds	<u>Total</u>	Qualified <u>Acquisition</u>	Qualified <u>Rehab</u>				
Land Acquisition	1,990,000			1,990,000			1,990,000
Building Acquisition	9,960,000	9,960,000		9,960,000			9,960,000
Construction Contract	6,502,500		6,502,500	6,502,500	-		6,502,500
Additional renovation scope	-		-	-	-		-
Contingency	650,250		650,250	650,250			650,250
Architect fees	115,000		115,000	115,000			115,000
Engineering, market study and appraisals	106,000		106,000	106,000			106,000
Development Fees	3,284,500	328,450	2,956,050	677,702	168,568	2,438,230	3,284,500
Permits and Inspection Fees	85,603	-	85,603	85,603			85,603
Performance bond	65,025		65,025	65,025			65,025
Financing Fees & Costs	295,000		-	295,000			295,000
IHCDA Reservation Fees	60,400			60,400			60,400
Legal & Accounting - partnership	278,000		228,000	278,000			278,000
Relocation costs	125,000		125,000	125,000			125,000
Initial compliance costs	92,365			92,365			92,365
Construction insurance	65,000		65,000	65,000			65,000
Letter of credit fees	-		-	-			-
Bond costs	255,000		-	255,000			255,000
Bridge loan interest and fees	700,000		700,000	700,000		-	700,000
Replacement reserve	153,000			153,000			153,000
Soft Cost Contingency	10,400		10,400	10,400	-		10,400
Operating reserve	659,616			-	-	659,616	659,616
Total Uses	<u>25,452,659</u>	<u>10,288,450</u>	<u>11,608,828</u>	<u>22,186,245</u>	<u>168,568</u>	<u>3,097,846</u>	<u>25,452,659</u>

Annual tax credits - federal	<u>875,891</u>	<u>411,538</u>	<u>464,353</u>	Developer fees paid	<u>951,431</u>
Annual tax credits - state	<u>-</u>			Minimum to pay (20%)	<u>656,900</u>

EXHIBIT D

CS Bloomington
(An Indiana Limited Partnership)
Cash Flow Forecast

Statement of Cash Available
For Distribution

	First Tax Credit Year							Total pmts Def devel fees
	2025	2026	2027	2028	2029	2030	2031	
Gross Potential Rental Income	2,184,840	2,184,840	2,228,537	2,273,108	2,318,570	2,364,941	2,412,240	
Other Income	22,000	22,000	22,440	22,889	23,347	23,814	24,290	
Total Income	2,206,840	2,206,840	2,250,977	2,295,996	2,341,916	2,388,755	2,436,530	
Less: Vacancy	(109,242)	(109,242)	(111,427)	(113,655)	(115,928)	(118,247)	(120,612)	
Effective Gross Income	2,097,598	2,097,598	2,139,550	2,182,341	2,225,988	2,270,508	2,315,918	
Less: Operating expenses	(992,984)	(1,087,554)	(1,120,180)	(1,153,786)	(1,188,399)	(1,224,051)	(1,260,773)	
Replacement Reserve funding	(53,550)	(53,550)	(55,157)	(56,811)	(58,516)	(60,271)	(62,079)	
Net Operating Income	1,051,064	956,494	964,213	971,744	979,073	986,185	993,066	
Less: Debt Service-first mortgage loan	(767,933)	(837,745)	(837,745)	(837,745)	(837,745)	(837,745)	(837,745)	
Cash Flow (deficit) from operations	283,131	118,749	126,468	133,998	141,327	148,440	155,320	
Operating reserve release (funding)	-	-	-	-	-	-	-	
Less: Investor Services Fee	-	(10,710)	(11,031)	(11,362)	(11,703)	(12,054)	(12,416)	
Cash Flow remaining	283,131	108,039	115,436	122,636	129,624	136,385	142,904	
Less: Developer fee payments	-	(108,039)	(115,436)	(122,636)	(129,624)	(136,385)	(142,904)	(755,025)
Partnership Management Fee	-	-	-	-	-	-	-	
Incentive Management Fee	-	-	-	-	-	-	-	
Cash Available for Distribution	283,131	-	-	-	-	-	-	
DSC	1.37	1.14	1.15	1.16	1.17	1.18	1.19	
	2032	2033	2034	2035	2036	2037	2038	
Gross Potential Rental Income	2,460,485	2,509,694	2,559,888	2,611,086	2,663,308	2,716,574	2,770,905	
Other Income	24,776	25,271	25,777	26,292	26,818	27,354	27,901	
Total Income	2,485,260	2,534,965	2,585,665	2,637,378	2,690,126	2,743,928	2,798,807	
Less: Vacancy	(124,263)	(126,748)	(129,283)	(131,869)	(134,506)	(137,196)	(139,940)	
Effective Gross Income	2,360,997	2,408,217	2,456,382	2,505,509	2,555,619	2,606,732	2,658,866	
Less: Operating expenses	(1,298,596)	(1,337,554)	(1,377,681)	(1,419,011)	(1,461,581)	(1,505,429)	(1,550,592)	
Replacement Reserve funding	(63,942)	(65,860)	(67,836)	(69,871)	(71,967)	(74,126)	(76,349)	
Net Operating Income	998,460	1,004,803	1,010,865	1,016,627	1,022,071	1,027,177	1,031,925	
Less: Debt Service-first mortgage loan	(837,745)	(837,745)	(837,745)	(837,745)	(837,745)	(837,745)	(837,745)	
Cash Flow (deficit) from operations	160,714	167,058	173,120	178,882	184,326	189,432	194,180	
Operating reserve release (funding)	-	-	-	-	-	-	-	
Less: Investor Services Fee	(12,788)	(13,172)	(13,567)	(13,974)	(14,393)	(14,825)	(15,270)	
Cash Flow remaining	147,926	153,886	159,553	164,908	169,932	174,607	178,910	
Less: Developer fee payments	(147,926)	(153,886)	(159,553)	(164,908)	(169,932)	(174,607)	-	(1,578,044)
Partnership Management Fee	-	-	-	-	-	-	-	
Incentive Management Fee	-	-	-	-	-	546,509	(161,019)	
Cash Available for Distribution	-	-	-	-	-	(60,723)	17,891	
DSC	1.19	1.20	1.21	1.21	1.22	1.23	1.23	
	2039	2040	2041	2042	2043	2044	2045	
Gross Potential Rental Income	2,826,324	2,882,850	2,940,507	2,999,317	3,059,303	3,120,490	3,182,899	
Other Income	28,459	29,029	29,609	30,201	30,805	31,421	32,050	
Total Income	2,854,783	2,911,879	2,970,116	3,029,518	3,090,109	3,151,911	3,214,949	
Less: Vacancy	(142,739)	145,594	148,506	151,476	154,505	157,596	160,747	
Effective Gross Income	2,712,044	2,766,285	2,821,610	2,878,042	2,935,603	2,994,315	3,054,202	
Less: Operating expenses	(1,597,109)	(1,645,023)	(1,694,373)	(1,745,205)	(1,797,561)	(1,851,488)	(1,907,032)	
Replacement Reserve funding	(78,640)	(80,999)	(83,429)	(85,932)	(88,510)	(91,165)	(93,900)	
Net Operating Income	1,036,294	1,040,263	1,043,808	1,046,906	1,049,533	1,051,662	1,053,269	
Less: Debt Service-first mortgage loan	(837,745)	(837,745)	(837,745)	(837,745)	(837,745)	(837,745)	(837,745)	
Cash Flow (deficit) from operations	198,549	202,517	206,062	209,160	211,787	213,917	215,524	
Operating reserve release (funding)	-	-	-	-	-	-	-	
Less: Investor Services Fee	(15,728)	(16,200)	(16,686)	(17,186)	(17,702)	(18,233)	(18,780)	
Cash Flow remaining	182,821	186,317	189,376	191,974	194,085	195,684	196,744	
Less: Developer fee payments	-	-	-	-	-	-	-	-
Partnership Management Fee	-	-	-	-	-	-	-	
Incentive Management Fee	(164,539)	(167,686)	(170,439)	(172,777)	(174,677)	(176,116)	(177,069)	
Cash Available for Distribution	18,282	18,632	18,938	19,197	19,409	19,568	19,674	(2,333,069)
DSC	1.24	1.24	1.25	1.25	1.25	1.26	1.26	

Operating Assumptions

Unit Mix	Number	Average 2024 Monthly Rent	Estimated 2025 Monthly Rent	2024 Net Annual Rents	2025 Net Annual Rents
1 BDRM 1 BA	153	954	1190	1,752,370	2,184,840
2 BDRM 1 BA				-	-
2 BDRM 8 1 BA				-	-
2 BDRM TH 2 BA				-	-
2 BDRM TH/8 2 BA				-	-
3 BDRM TH 2 BA				-	-
3 BDRM TH/8 2 BA				-	-
	153			1,752,370	2,184,840
Trend Factor				1.000	1.000
Annual Other Income				22,000	22,000
Total annual income				1,774,370	2,206,840

Depreciable Basis:
Buildings
Land improvements
Personal property
Total

Depr. Lives	Bonus Depreciation	Annual Depr	Total
30	-	701,323	21,039,678
15	153,000	-	153,000
5	765,000	-	765,000
	918,000	701,323	21,957,678

First Mortgage Loan Assumptions:

Fixed Interest Rate	5.50%
Amortization Term in Years	35
Loan Amount (Nonrecourse)	12,250,000
Annual Debt Service	789,414
Debt service coverage - 2025	1.21

24.68% **Tax Credit Assumptions:**

Compliance % for Entire Compliance Period	100%
Credit Rate at acquisition	Acquisition 4.00%
Credit Rate at Completion	Rehabilitation Not QCT 4.00%

Percentage Allocation Assumptions:

	General	Limited
Taxable Income (loss) and tax credits	0.01%	99.99%
Cash Distribution after IMF	0.01%	99.99%
Residual @ Sale	90.00%	10.00%

	Per Unit	Total
Total Purchase price	78,105	11,950,000
Land portion	13,007	1,990,000
Rehabilitation costs	42,500	6,502,500
Current budget or YTD plus budget	5,821	890,555
Annual Operating Expenses - projected	7,108	1,087,554
Incentive Mangement Fee Rate		90.00%
Annual Contributions to replacement reserve	350	53,550
Vacancy Rate for 2025		5.00%
Vacancy Rate for 2026		5.00%
Vacancy Rate after 2027		5.00%
Annual Rate of Rental Increases		2.00%
Annual Rate of Expense Increases		3.00%
Months of Operations in first year		12
Interest Rate on Deferred Development Fee		0%
Investor's Tax Rate (combined federal and state)		27.00%

Federal Pay-In Assumptions

	Est. Dates	Percent	Amount
Closing	03/01/25	20.00%	1,523,898
65% Completion	06/01/25	0.00%	-
100% Completion	07/31/25	70.00%	5,330,815
Stabilization	10/31/25	5.00%	380,975
Forms 8609	12/31/25	5.00%	383,803
Totals		100%	7,619,490

State Pay-In Assumptions

	Est. Dates	Percent	Amount
Closing	08/30/24	20.00%	-
65% Completion	02/28/25	0.00%	-
100% Completion	07/31/25	70.00%	-
Stabilization	08/31/25	5.00%	-
Forms 8609	09/30/25	5.00%	-
Totals		100%	-

Development Fee Payments:

Closing	21%	677,702
100% Completion	13%	429,818
Stabilization/forms 8609	4%	121,271
Deferred Payable from cash flow	63%	2,055,709

THE ASSUMPTIONS HAVE BEEN PROVIDED BY THE GENERAL PARTNER AND THE DEVELOPERS,
AND ACCORDINGLY REFLECT THEIR JUDGEMENT REGARDING THE MOST LIKELY MARKET
CONDITIONS AND THE PARTNERSHIP'S MOST LIKELY ACTIONS BASED UPON THESE CONDITIONS.
THEY ARE NOT INTENDED TO BE ALL-INCLUSIVE.

Totals

100% 3,284,500

CS Bloomington
(An Indiana Limited Partnership)
Sources & Uses of Funds

Statement of Sources and Uses of Funds

Sources of Funds	<u>Total</u>	<u>LP Share of Credits</u>	<u>Equity Pricing</u>	<u>Closing and during rehab</u>	<u>100% Completion</u>	<u>Stabilization and Forms 8609</u>	<u>Total</u>
General Partner Capital	100			100			100
Limited Partner Capital - Fed credits	7,619,490	8,758,034	\$ 0.8700	1,523,898	5,330,815	764,777	7,619,490
Limited Partner Capital - IN credits	-	-	\$ -	-	-	-	-
First Mortgage Loan Financing	12,250,000			12,250,000			12,250,000
Bridge loan	-			8,400,997	(8,400,997)	-	-
CMF Fund	-			-			-
GP loan/seller note	3,500,000			-	3,500,000		3,500,000
Deferred Development Fee	2,055,709					2,055,709	2,055,709
Total Sources	<u>25,425,299</u>			<u>22,174,995</u>	<u>429,818</u>	<u>2,820,486</u>	<u>25,425,299</u>

Uses of Funds	<u>Total</u>	<u>Qualified Acquisition</u>	<u>Qualified Rehab</u>				
Land Acquisition	1,990,000			1,990,000			1,990,000
Building Acquisition	9,960,000	9,960,000		9,960,000			9,960,000
Construction Contract	6,502,500		6,502,500	6,502,500	-		6,502,500
Additional renovation scope	-		-	-	-		-
Contingency	650,250		650,250	650,250			650,250
Architect fees	115,000		115,000	115,000			115,000
Engineering, market study and appraisals	106,000		106,000	106,000			106,000
Development Fees	3,284,500	328,450	2,956,050	677,702	429,818	2,176,980	3,284,500
Permits and Inspection Fees	85,603	-	85,603	85,603			85,603
Performance bond	65,025		65,025	65,025			65,025
Financing Fees & Costs	283,750		-	283,750			283,750
IHCDA Reservation Fees	60,400			60,400			60,400
Legal & Accounting - partnership	278,000		228,000	278,000			278,000
Relocation costs	125,000		125,000	125,000			125,000
Initial compliance costs	92,365			92,365			92,365
Construction insurance	65,000		65,000	65,000			65,000
Letter of credit fees	-		-	-			-
Bond costs	255,000		-	255,000			255,000
Bridge loan interest and fees	700,000		700,000	700,000		-	700,000
Replacement reserve	153,000			153,000			153,000
Soft Cost Contingency	10,400		10,400	10,400	-		10,400
Operating reserve	643,506			-	-	643,506	643,506
Total Uses	<u>25,425,299</u>	<u>10,288,450</u>	<u>11,608,828</u>	<u>22,174,995</u>	<u>429,818</u>	<u>2,820,486</u>	<u>25,425,299</u>

Annual tax credits - federal	<u>875,891</u>	<u>411,538</u>	<u>464,353</u>	Developer fees paid	<u>1,228,791</u>
Annual tax credits - state	<u>-</u>			Minimum to pay (20%)	<u>656,900</u>

EXHIBIT D

CS Bloomington
(An Indiana Limited Partnership)
Cash Flow Forecast

Statement of Cash Available
For Distribution

	First Tax Credit Year							Total pmts Def devel fees
	2025	2026	2027	2028	2029	2030	2031	
Gross Potential Rental Income	2,184,840	2,184,840	2,228,537	2,273,108	2,318,570	2,364,941	2,412,240	
Other Income	22,000	22,000	22,440	22,889	23,347	23,814	24,290	
Total Income	2,206,840	2,206,840	2,250,977	2,295,996	2,341,916	2,388,755	2,436,530	
Less: Vacancy	(109,242)	(109,242)	(111,427)	(113,655)	(115,928)	(118,247)	(120,612)	
Effective Gross Income	2,097,598	2,097,598	2,139,550	2,182,341	2,225,988	2,270,508	2,315,918	
Less: Operating expenses	(992,984)	(1,087,554)	(1,120,180)	(1,153,786)	(1,188,399)	(1,224,051)	(1,260,773)	
Replacement Reserve funding	(53,550)	(53,550)	(55,157)	(56,811)	(58,516)	(60,271)	(62,079)	
Net Operating Income	1,051,064	956,494	964,213	971,744	979,073	986,185	993,066	
Less: Debt Service-first mortgage loan	(723,629)	(789,414)	(789,414)	(789,414)	(789,414)	(789,414)	(789,414)	
Cash Flow (deficit) from operations	327,435	167,080	174,799	182,330	189,659	196,771	203,652	
Operating reserve release (funding)	-	-	-	-	-	-	-	
Less: Investor Services Fee	-	(10,710)	(11,031)	(11,362)	(11,703)	(12,054)	(12,416)	
Cash Flow remaining	327,435	156,370	163,768	170,968	177,956	184,717	191,236	
Less: Developer fee payments	-	(156,370)	(163,768)	(170,968)	(177,956)	(184,717)	(191,236)	(1,045,015)
Partnership Management Fee	-	-	-	-	-	-	-	
Incentive Management Fee	-	-	-	-	-	-	-	
Cash Available for Distribution	327,435	-	-	-	-	-	-	
DSC	1.45	1.21	1.22	1.23	1.24	1.25	1.26	
	2032	2033	2034	2035	2036	2037	2038	
Gross Potential Rental Income	2,460,485	2,509,694	2,559,888	2,611,086	2,663,308	2,716,574	2,770,905	
Other Income	24,776	25,271	25,777	26,292	26,818	27,354	27,901	
Total Income	2,485,260	2,534,965	2,585,665	2,637,378	2,690,126	2,743,928	2,798,807	
Less: Vacancy	(124,263)	(126,748)	(129,283)	(131,869)	(134,506)	(137,196)	(139,940)	
Effective Gross Income	2,360,997	2,408,217	2,456,382	2,505,509	2,555,619	2,606,732	2,658,866	
Less: Operating expenses	(1,298,596)	(1,337,554)	(1,377,681)	(1,419,011)	(1,461,581)	(1,505,429)	(1,550,592)	
Replacement Reserve funding	(63,942)	(65,860)	(67,836)	(69,871)	(71,967)	(74,126)	(76,349)	
Net Operating Income	998,460	1,004,803	1,010,865	1,016,627	1,022,071	1,027,177	1,031,925	
Less: Debt Service-first mortgage loan	(789,414)	(789,414)	(789,414)	(789,414)	(789,414)	(789,414)	(789,414)	
Cash Flow (deficit) from operations	209,046	215,390	221,451	227,214	232,657	237,763	242,511	
Operating reserve release (funding)	-	-	-	-	-	-	-	
Less: Investor Services Fee	(12,788)	(13,172)	(13,567)	(13,974)	(14,393)	(14,825)	(15,270)	
Cash Flow remaining	196,257	202,218	207,884	213,239	218,264	222,938	227,241	
Less: Developer fee payments	(196,257)	(202,218)	(207,884)	(213,239)	(218,264)	27,168	-	(1,010,694)
Partnership Management Fee	-	-	-	-	-	-	-	
Incentive Management Fee	-	-	-	-	-	(225,096)	(204,517)	
Cash Available for Distribution	-	-	-	-	-	25,011	22,724	
DSC	1.26	1.27	1.28	1.29	1.29	1.30	1.31	
	2039	2040	2041	2042	2043	2044	2045	
Gross Potential Rental Income	2,826,324	2,882,850	2,940,507	2,999,317	3,059,303	3,120,490	3,182,899	
Other Income	28,459	29,029	29,609	30,201	30,805	31,421	32,050	
Total Income	2,854,783	2,911,879	2,970,116	3,029,518	3,090,109	3,151,911	3,214,949	
Less: Vacancy	(142,739)	145,594	148,506	151,476	154,505	157,596	160,747	
Effective Gross Income	2,712,044	2,766,285	2,821,610	2,878,042	2,935,603	2,994,315	3,054,202	
Less: Operating expenses	(1,597,109)	(1,645,023)	(1,694,373)	(1,745,205)	(1,797,561)	(1,851,488)	(1,907,032)	
Replacement Reserve funding	(78,640)	(80,999)	(83,429)	(85,932)	(88,510)	(91,165)	(93,900)	
Net Operating Income	1,036,294	1,040,263	1,043,808	1,046,906	1,049,533	1,051,662	1,053,269	
Less: Debt Service-first mortgage loan	(789,414)	(789,414)	(789,414)	(789,414)	(789,414)	(789,414)	(789,414)	
Cash Flow (deficit) from operations	246,880	250,849	254,394	257,492	260,119	262,249	263,855	
Operating reserve release (funding)	-	-	-	-	-	-	-	
Less: Investor Services Fee	(15,728)	(16,200)	(16,686)	(17,186)	(17,702)	(18,233)	(18,780)	
Cash Flow remaining	231,152	234,649	237,708	240,306	242,417	244,016	245,075	
Less: Developer fee payments	-	-	-	-	-	-	-	-
Partnership Management Fee	-	-	-	-	-	-	-	
Incentive Management Fee	(208,037)	(211,184)	(213,937)	(216,275)	(218,175)	(219,614)	(220,568)	
Cash Available for Distribution	23,115	23,465	23,771	24,031	24,242	24,402	24,508	(2,055,709)
DSC	1.31	1.32	1.32	1.33	1.33	1.33	1.33	

**RESOLUTION OF THE ECONOMIC DEVELOPMENT COMMISSION
OF THE CITY OF BLOOMINGTON, INDIANA**

**RECOMMENDING APPROVAL OF A PAYMENT IN LIEU OF TAXES AGREEMENT
WITH CAMBRIDGE SQUARE OF BLOOMINGTON LP**

WHEREAS, The City of Bloomington, Indiana (“City”) is a duly organized municipal corporation and political subdivision under the laws of the State of Indiana, governed by its duly elected Common Council (the “Council”); and

WHEREAS, According to IC §36-1-8-14.3 and other related statutes, the legislative or governing body of the local unit of government may adopt an ordinance to require a property owner to pay a Payment in Lieu of Taxes (PILOT) with the consent of the property owner; and

WHEREAS, The Economic Development Commission of the City of Bloomington was created to enhance economic growth within the City of Bloomington; and

WHEREAS, the Economic Development Commission of the City of Bloomington has reviewed the proposed PILOT Agreement (see attached draft agreement) with Cambridge Square of Bloomington LP (the “Owner”) for redevelopment of the property located at 307 N. Pete Ellis Drive; and

WHEREAS, the Economic Development Commission agrees that the proposed PILOT Agreement would stimulate economic development and provide affordable housing opportunities within the city of Bloomington; and

WHEREAS, the Economic Development Commission recommends approval of this PILOT with Cambridge Square of Bloomington, LP to the City’s Common Council.

NOW THEREFORE BE IT RESOLVED THAT THE ECONOMIC DEVELOPMENT COMMISSION OF THE CITY OF BLOOMINGTON:

Recommends that the Common Council of the City of Bloomington execute a PILOT Agreement with Cambridge Square of Bloomington LP, in substantially the same form as the attached, subject to necessary and appropriate updates and revisions agreed to by the City of Bloomington and the Owner.

THE ECONOMIC DEVELOPMENT COMMISSION OF THE CITY OF BLOOMINGTON,

_____, Chair

_____, Secretary

DATE:

PAYMENT IN LIEU OF TAXES AGREEMENT

THIS PAYMENT IN LIEU OF TAXES AGREEMENT (this “PILOT Agreement”) is entered into as of this 18th day of February, 2025 (the “Effective Date”), by and among the CITY OF BLOOMINGTON, INDIANA, (the “City”), and CAMBRIDGE SQUARE OF BLOOMINGTON, LP, and its permitted successors and assigns (“Owner”).

RECITALS

WHEREAS, Owner owns certain real estate in Bloomington, Indiana, located at 307 North Pete Ellis Drive, Bloomington, Indiana, and identified as Parcel Number 53-05-35-300-059.000-005 (the “Real Estate”), and upon which Owner desires to rehabilitate a 206-unit affordable apartment community (collectively with the Real Estate, the “Project”), which Owner has represented will be owned and operated as an affordable housing facility pursuant to the federal low income housing tax credit program under Section 42 of the Internal Revenue Code of 1986, as amended (the “Code”) and the applicable State of Indiana Qualified Allocation Plan; and

WHEREAS, pursuant to Indiana Code (“IC”) 6-1.1-10-16.7, Owner will be exempt from the requirement to pay property taxes on real property included in the Project if the following requirements are satisfied: (1) the improvements on the real property were constructed, rehabilitated, or acquired for the purpose of providing housing to income eligible persons under the federal low income housing tax credit program under 26 U.S.C. 42; (2) the real property is subject to an extended use agreement under 26 U.S.C. 42 as administered by the Indiana Housing and Community Development Authority; and (3) the owner of the property has entered into an agreement to make payments in lieu of taxes under IC 36-1-8-14.3;

WHEREAS, the Owner anticipates that the improvements on the Real Estate will be rehabilitated utilizing the federal low-income housing tax credit program under 26 U.S.C. 42 and furthermore that the Project will be subject to an extended use agreement under 26 U.S.C. 42 as administered by the Indiana Housing and Community Development Authority;

WHEREAS, this Agreement has been drafted to comply with the requirements under IC 36-1-8-14.3 (the “PILOT Statute”);

WHEREAS, the City represents that it has or will undertake all necessary and appropriate actions contained within IC 36-1-8-14.3 to ensure this PILOT Agreement satisfies all necessary requirements of the PILOT Statute so as to permit the Owner to successfully obtain property tax exemption under IC 6-1.1-10-16.7;

WHEREAS, Owner represents that it has timely filed or will timely file its application (the “Property Tax Exemption Application”) with the Monroe County Assessor requesting an exemption pursuant to IC 6-1.1-10-16.7, from its obligation to pay real property taxes and that it will timely file any applications to renew any exemption if required by law to do so; and

WHEREAS, Owner has agreed (i) to make payments in lieu of taxes to the City; (ii) and ensure the Project is properly maintained; and

WHEREAS, City and Owner have agreed that, if the real property contained on Real Estate becomes fully exempt from the payment of property taxes under IC 6-1.1-10-16.7, Owner will make payments to the City pursuant to the terms of this PILOT Agreement; and

NOW, THEREFORE, in consideration of the foregoing premises, mutual covenants and the sum of Twenty-Five and 00/100 Dollars (\$25.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

AGREEMENT

Section 1. Payments in Lieu of Taxes.

Section 1.1. (a) Owner represents and warrants that it has or will undertake all appropriate action for the real property of the Real Estate to be exempt under IC 6-1.1-10-16.7, and during the term of this Agreement, Owner covenants and agrees it shall at all times comply with the requirements of IC 6-1.1-10-16.7, as applicable to Owner and the Project.

b. Owner agrees to maintain the Project as an affordable housing facility consisting of a 153-unit townhome community for residents 62+ or differently abled.

c. Owner agrees to maintain a clean premises in accordance with applicable local, state, and federal codes, rules, and regulations at the Project.

d. Owner represents and warrants that an extended use agreement with Indiana Housing and Community Development Authority will be entered into and recorded requiring the Project to provide affordable housing for a period of thirty (30) years. Owner further represents and warrants that the Owner's General Partner is owned and controlled by Gene B. Glick Housing Foundation, Inc. (the "Housing Foundation"), which is exempt under Code Section 501(c)(3), and to further its charitable purpose, the Housing Foundation needs to ensure the Project is operated as an affordable housing project as further detailed in Revenue Procedure 96-32 as published by the Internal Revenue Service for as long as the Housing Foundation owns and controls the Owner's General Partner.

e. Owner acknowledges that this PILOT Agreement does not confer any property tax exemption on the Project and that in order to obtain any such property tax exemption or partial exemption, Owner must timely file its Property Tax Exemption Application, including renewal applications, if any are required, with the Monroe County Assessor requesting an exemption pursuant to IC 6-1.1-10-16.7 from Owner's obligation to pay all or a portion of its property taxes on the Project. The City agrees to use best efforts to assist the Owner in ensuring the real property at the Project is fully exempt from property tax if the Owner has satisfied all requirements to obtain exemption under IC 6-1.1-10-16.7.

Section 1.2. Owner shall annually pay an amount equal to the "Base Amount" of \$43,605 (\$285 per unit or 45% of the prior tax amount) in accordance with Section 1.4 for each assessment year after the closing of the Project, which is anticipated to be in the fourth quarter of 2022. The Base Amount shall increase 3% annually for a term of 17 years

as described in the following table. Notwithstanding the foregoing and pursuant to IC 36-1-8-14.3(f)(3), to the extent that the amount of real property taxes that would have been received by the City for the Project had the Project not been exempt from property tax pursuant to IC 6-1.1-10-16.7 is less than the Base Amount, then the Base Amount shall be reduced for the applicable assessment year to the amount that would have been received by the City had the Project not been exempt from real property tax.

Annual PILOT Calculation Table

Year	Amount	Year	Amount
1	\$43,605	10	\$56,895
2	\$44,913	11	\$58,601
3	\$46,261	12	\$60,360
4	\$47,648	13	\$62,170
5	\$49,078	14	\$64,035
6	\$50,550	15	\$65,956
7	\$52,067	16	\$67,935
8	\$53,629	17	\$69,973
9	\$55,238		

Section 1.3. The payments referenced under Section 1.2 shall each be referred to as a “PILOT Payment.” The PILOT Payment shall be paid in lieu of property taxes for the tax year in question that would have been payable by Owner if Owner was a non-exempt taxpayer.

If Owner fails to satisfy the requirements of Section 1.1 and/or Section 1.4 (a “Noncompliance Event”), Owner shall pay to the City an additional ten percent (10%) of the PILOT Payment due and payable for the applicable year (the “Supplemental Payment”) no later than December 31st in the calendar year in which the Noncompliance Event occurs. Owner shall only be liable for the Supplemental Payment once per year for all Noncompliance Events.

The PILOT Payment and Supplemental Payment shall only become due if all the real property at the Project has been exempt from property tax under IC 6-1.1-10-17. To the extent that the real property at the Project is not fully exempt in any year of the Payment Period, the Owner shall have no obligation to make the PILOT Payment or Supplemental Payment for such year.

Section 1.4. The annual PILOT Payment shall be payable in two equal installments due and payable on or before May 10th and November 10th of each successive calendar year following the applicable assessment date, commencing with the first semi-annual installment due and payable on or before the first May 10th after the requirements of Section 1.2 are satisfied (each an “In Lieu of Payment”) and continuing for thirty (30) years thereafter (the “Payment Period”). For purposes of clarity and avoidance of doubt, the Project is anticipated to close in the third quarter of 2025, and therefore under such circumstances, the PILOT Payment would first be due for the January 1, 2026 Assessment Year and accordingly the first In Lieu of Payment would be due and payable on or before May 10, 2027.

Section 1.5. Owner hereby reserves the right to contest and to appeal the amount of any tax assessment of the Project. Any such challenge will not affect the timely payment of the annual In Lieu of Amount described in Section 1.2.

Section 1.6. Owner shall be liable for prompt payment of all In Lieu of Payments when due. Owner shall be liable for all penalties, costs and expenses imposed under IC 6-1.1-22-1 *et seq.* and IC 6-1.1-37-1 *et seq.* or any statute which amends or replaces them for delinquent In Lieu of Payments.

Section 2. Recording of PILOT.

Section 2.1. This PILOT Agreement may be recorded with the appropriate office in Monroe County, Indiana, to preserve and protect fully the rights of the City with respect to the Owner's obligation to pay each In Lieu of Payment during the Payment Period and all subsequent penalties, interest and costs resulting from any delinquency related thereto.

Section 3. Termination.

Section 3.1. This PILOT Agreement shall automatically terminate, by no action of the parties, and shall be of no force or effect between or among the parties upon the expiration of the Payment Period and the remittance of all In Lieu of Payments due and payable pursuant to Section 1.3 hereof. Notwithstanding the foregoing, the City and Owner may mutually agree to extend this PILOT Agreement prior to the expiration of the Payment Period. Furthermore, the Owner may terminate this PILOT Agreement to the extent that the real property at the Project is not fully exempt in any year of the Payment Period.

Section 3.2. Upon conveyance of Owner's title to the Project to any party which meets the requirements of IC 6-1.1-10-16.7, the PILOT Agreement shall remain in full force and effect. The City acknowledges and agrees the Owner may assign this PILOT Agreement and the obligations thereunder as a part of the sale of the Project. The Owner's obligation to pay In Lieu of Payments and Supplemental Payments shall terminate upon Owner's conveyance of its title to the Project. Upon conveyance of fee title to the Project to any other entity that does not meet the requirements of IC 6-1.1-10-16.7, this PILOT Agreement shall become null and void and of no further force or effect; provided, however, Owner shall remain obligated for payment of the applicable pro rata amount of the In Lieu of Payments with respect to the Project up to the date when a purchaser either assumes the obligations hereunder or the real property is no longer exempt under IC 6-1.1-10-16.7.

Section 3.3. In the event the City determines that Owner has failed to satisfy the requirements of Section 1.1 and/or Section 1.4, the City shall notify Owner in writing of such default. Owner shall have sixty (60) days from the effective date of the notice to cure the reason for default (the "Cure Period"). The City may in its sole discretion elect to extend the Cure Period. Following the Cure Period, this PILOT Agreement shall automatically terminate upon written notice from the City to the Owner that such default has not been cured within the Cure Period.

Section 3.4. The parties hereto may mutually agree to terminate this PILOT Agreement. Such termination agreement shall be in writing and executed by all parties hereto. Upon mutual termination pursuant to this Section 3.4, this PILOT Agreement shall become null and void, and of no further force or effect between or among the parties; provided, however, Owner shall pay the applicable pro rata amount of In Lieu of Payments for the year in which such termination occurs to the extent that the real property remains fully exempt from property tax under IC 6-1.1-10-16.7.

Section 3.5. Upon termination of this PILOT Agreement, Owner shall pay the applicable pro rata amount of In Lieu of Payments for the year in which such termination occurs up to the date of termination to the extent that the real

property remains fully exempt from property tax under IC 6-1.1-10-16.7 for such year, and receive a credit for all In Lieu of Payments already paid for such year. Upon termination of this PILOT Agreement, the parties hereto agree that that all other provisions of this PILOT Agreement, except for this Section 3.5, shall become null and void, and of no further force or effect between the parties.

Section 4. General Provisions.

Section 4.1. Captions; Incorporation and Exhibit. The captions and headings of various Articles, Sections and Exhibits referenced herein are for convenience only and are not to

be considered as defining or limiting in any way, the scope or intent of the provisions hereof. Notwithstanding the foregoing, each of the Recitals referenced herein are incorporated and expressly made a part hereof.

Section 4.2. Entire PILOT Agreement. This PILOT Agreement constitutes the entire agreement of the parties, and all prior discussions, negotiations and document drafts are merged herein.

Section 4.3. Notices. Any notice, demand, request or other communication which any party hereto may be required or may desire to give hereunder shall be in writing, addressed as follows and shall be deemed to have been properly given if hand delivered (effective upon delivery), if sent by reputable overnight courier, charges prepaid (effective the business day following delivery to such courier) or if mailed by United States registered or certified mail, postage prepaid, return receipt requested (effective two business days after mailing):

If to Owner: Country View Housing, LP
c/o Gene B. Glick Housing Foundation, Inc. 8801 River
Crossing Blvd #200
Indianapolis, IN 46240

If to City: City of Bloomington
c/o Director, Economic & Sustainable Development
Department
401 North Morton Street, Suite 150
Bloomington, Indiana 47404

or at such other address as the party to be served with notice may have furnished in writing to the party seeking or desiring to serve notice as a place for the service of notice. Notices given in any other manner shall be deemed effective only upon receipt.

Section 4.4. Modification, Amendment or Waiver. No modification, waiver, amendment, discharge or change of this PILOT Agreement shall be valid unless the same is in writing and signed by all parties to this PILOT Agreement.

Section 4.5. Governing Law. This PILOT Agreement shall be governed by and construed under the laws of the State of Indiana, without giving effect to any conflict-of-law principle that would result in the laws of any other jurisdiction governing this PILOT Agreement. Any action or proceeding arising out of this PILOT Agreement will be litigated in the courts located in Monroe County, Indiana. Each party consents and submits to the jurisdiction of any local, state,

or federal court located in Monroe County, Indiana.

Section 4.6. Time is of the Essence. Time is hereby declared to be of the essence of this PILOT Agreement and of every part hereof.

Section 4.7. Counterparts. This PILOT Agreement and any amendments hereof may be executed in one or more counterparts, each of which when so executed and delivered shall be deemed to be an original, and all of which taken together shall constitute one and the same instrument.

Section 4.8. Severability. If any provision of this PILOT Agreement is determined by a court having jurisdiction to be illegal, invalid or unenforceable under any present or future law, the remainder of this PILOT Agreement will not be affected thereby. It is the intention of the parties that if any provision is so held to be illegal, invalid or unenforceable, there will be added in lieu thereof a provision as similar in terms to such provision as is possible that is legal, valid and enforceable. Notwithstanding the foregoing, to the extent that the real property is not fully exempt from property tax, this Section 4.9 is null and void.

Section 4.9. No Joint Venture. Nothing contained in this PILOT Agreement will be construed to constitute any party as a joint venturer with the City or to constitute a partnership between any party and the City.

Section 4.10. Construction. The parties acknowledge that each party and each party's counsel have reviewed and revised this PILOT Agreement and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party will not be employed in the interpretation of this PILOT Agreement or any amendments or exhibits hereto.

Section 4.11. Authorization. The persons executing and delivering this PILOT Agreement on behalf of the parties hereto represent and warrant to the other party that such person is duly authorized to act for and on behalf of said party, and execute and deliver this PILOT Agreement in such capacity as is indicated below.

Section 4.12. Assignment/Successor. This PILOT Agreement shall be binding upon City, and Owner, and all successor, grantees or assignees of Owner with respect to the Project (or any portion thereof) which would otherwise be entitled to claim an exemption for real property taxes imposed on the Project.

Section 4.13. Recording. The City will cause, at Owner's expense, this PILOT Agreement and any other instruments of further assurance to be promptly recorded, filed and registered, and at all times to be recorded, filed and registered, in such manner and in such places as may be required by law to preserve and protect fully the rights of the City hereunder as to all of the mortgaged property.

[Remainder of this page intentionally left blank]

IN WITNESS WHEREOF, the undersigned parties have caused the execution of this PILOT Agreement by their duly authorized officers as of the Effective Date.

CITY OF BLOOMINGTON, INDIANA

By: _____ Kerry Thomson, Mayor

STATE OF INDIANA)
) SS: COUNTY OF MONROE)

Before me, a Notary Public, in and for said County and State, personally Kerry Thomson, acting for and behalf of the City of Bloomington, Indiana, who acknowledged the execution of the foregoing instrument as the Mayor of the City of Bloomington and who, having been duly sworn, stated that any and all representations and warranties contained therein are true and correct in all material respects.

Witness my hand and Notarial Seal this ____ day of, 20 ____.

Notary Public

Printed Signature

My Commission Expires: My County of Residence:

[Executions Continued on Following Page]

COUNTRY VIEW HOUSING, LP

By: _____ Name: _____ Its: ____

COUNTY OF _____)

COUNTY OF _____)

Before me, a Notary Public, in and for said County and State, personally _____, who acknowledged the execution of the foregoing instrument as _____, and who, having been duly sworn, stated that any and all representations and warranties contained therein are true and correct in all material respects.

Witness my hand and Notarial Seal this ____ day of ___, 20____.

Notary Public

Printed Signature

My County of Residence:

Henderson Court Narrative Summary



Development and Unit Description

The Henderson Court Apartment community is located at 2475 South Winslow Court, on the southside of Bloomington, Indiana within Monroe County. The complex features 150 apartment units totaling roughly 152.5k net rentable square feet across 15 residential two-story buildings. The property was constructed in 1979 on 12.76 acres and underwent a tax credit rehabilitation in 2008.

The Henderson Court features two access points, Graham Drive to the north and East Winslow Road to the south, the latter of which serves as a bus stop for the Bloomington Transit #7 bus line. The property has a one-story office/clubhouse building that houses an on-site property manager and will house an on-site service coordinator. Throughout the property, there are 275 parking spaces that serve the tenants.

The unit breakdown of Henderson Court's 150 apartment homes includes 28 one-bedroom/one-bath flats, 92 two-bedroom/one-bath flats, and 30 three-bedroom/one-and-one-half-baths townhomes. While there are no currently existing units that meet modern ADA standards for accessibility, this project will create 3 1BR and 5 2BR Type A units in four different buildings for a total of 8 Type A and 3 A/V units. All 150 of these units are targeted towards families and 100% of the property is served by a HUD Section 8 HAP contract, which provides monthly rental assistance for each household.

Amenities

Henderson Court is well situated just east of southern Bloomington's South Walnut Street commercial corridor. Residents with high school age children will be within walking distance of Bloomington South High School to the west and within a mile of Bloomington Montessori School and Childs Elementary School to the east. The South Walnut Street corridor offers several retail businesses and services to meet residents' needs. Unfortunately, the closing of the Marsh grocery store at Walnut Park several years ago has contributed to a small void of nearby grocery access for residents. While Bloomington Transit bus lines that are accessible on E. Winslow and South Henderson give resident access to 3 Krogers to the north, south, and east, each is beyond the 1-mile requirement of the QAP. The aforementioned Bloomington Transit bus access connects residents to eight other bus lines, which provides transit access to Indiana University, both east and west-side retail hubs, and employment opportunities throughout the city.

Henderson Court is also slightly more than .5 miles from Bloomington's B-Line Trail, a 3.1-mile paved rail-to-trail that provides free year-round fitness opportunities for residents. Just up the B-Line, a little less than one mile from Henderson Court is Bloomington's newest greenspace, Switchyard Park. It is a converted 57-acre railroad switchyard that now features sports courts, community gardens, a skate park, a splash pad, playground, dog park, indoor/outdoor pavilion, and 5,000-person outdoor performance space.

On-Site Improvements and Services

Henderson Court will have a Service Coordinator, paid for by the sole member of the General Partner, the Glick Housing Foundation. This Coordinator, who will join the property team in the coming weeks, will work with existing residents to develop services that meet the specific needs of the residents rather than have services arbitrarily chosen for them.

Area Needs

According to the City's 2018 Comprehensive Plan, 82% of Bloomington households spend more than 45% of their annual income on housing and transportation costs. One of the plan's expressed goals – 5.1 Housing Affordability – is *“to improve access to affordable housing for a continuum of needs in Bloomington, including people experiencing homelessness, low-income, and moderate-income households.”* They hope to do so by establishing *“affordable housing in locations with close proximity to schools, employment centers, transit, recreational opportunities, and other community resources.”*

All of Henderson Court's 150 units will serve residents at or below 60% of the Area Median Income, thus providing essential housing opportunities for individuals who fall within the 51%-80% AMI range identified as “low-income households.” Affordable housing is in increasingly high demand within Bloomington. The yearly influx of college students and continued replacement of affordable options with market rate projects continue to make finding affordable housing a challenge for lower income residents.

Renovating Henderson Court will help preserve an affordable housing option for Bloomington residents on the southside for many years to come.

Development Quality

After rehabilitation, Henderson Court will have been fully updated to better serve its current and future residents. Unit upgrades will include updated kitchens, including new cabinets, granite countertops, new sinks, faucets and garbage disposals, and new refrigerators and stoves. Each unit also features in-unit washers and dryers, which will be replaced with new, efficient units as a part of the project scope.

Updated bathrooms will include new mirrors, cabinets, countertops, sinks and faucets, new bathtubs and tub surrounds, and new towel and shower curtain hangers. Other unit upgrades will include new interior and exterior doors, new lighting and ceiling fans, and the replacement of all HVAC units throughout the site.



PO Box 40177
8801 River Crossing Blvd.
Suite 200
Indianapolis, IN 46240
T 317.469.0400
genebglick.com

Henderson Court Apartments



Development and Apartment Home Description

The Henderson Court Apartment community is located at 2475 South Winslow Court, on the southside of Bloomington, Indiana within Monroe County. The complex features 150 apartment homes totaling roughly 152.5k net rentable square feet across 15 residential two-story buildings. The property was constructed in 1979 on 12.76 acres and underwent a tax credit rehabilitation in 2008.

The apartment breakdown of Henderson Court's 150 apartment homes includes 28 one-bedroom/one-bath flats, 92 two-bedroom/one-bath flats, and 30 three-bedroom/one-and-one-half-baths townhomes. While there are no currently homes that meet modern ADA standards for accessibility, this project will create 5 1BR and 10 2BR Type A homes for a total of 15 Type A homes. All 150 of these homes are targeted towards families and 100% of the property is served by a HUD Section 8 HAP contract, which provides monthly rental assistance for each household. The community is not located in a Qualified Census Tract.

PILOT Request

The Glick Housing Foundation is requesting a 17 year PILOT amount to be fixed at an annual amount of \$50,000 with a 3% increase annually. The PILOT will help the project move forward, as the project does have a financial gap. With a PILOT, the gap decreases to \$2.5MM. Without a PILOT, the project is in danger of moving forward as the gap is

\$4.5MM. Without a tax credit rehab, the community should be eligible for a full property tax exemption.

On-Site Services

Henderson Court will have a Service Coordinator, paid for by the sole member of the General Partner, the Glick Housing Foundation. This Coordinator, who will join the property team after the initial acquisition closing, will work with existing residents to develop services that meet the specific needs of the residents.

Rehabilitation Plans

After rehabilitation, Henderson Court will have been fully updated to better serve its current and future residents. Unit upgrades will include updated kitchens, including new cabinets, granite countertops, new sinks, faucets and garbage disposals, and new refrigerators and stoves. Each unit also features in-unit washers and dryers, which will be replaced with new, efficient homes as a part of the project scope.

Updated bathrooms will include new mirrors, cabinets, countertops, sinks and faucets, new bathtubs and tub surrounds, and new towel and shower curtain hangers. Other unit upgrades will include new interior and exterior doors, new lighting and ceiling fans, and the replacement of all HVAC homes throughout the site.

Amenities in and around Henderson Court

Henderson Court is well situated just east of southern Bloomington's South Walnut Street commercial corridor. Residents with high school age children will be within walking distance of Bloomington South High School to the west and within a mile of Bloomington Montessori School and Childs Elementary Schools to the east. The South Walnut Street corridor offers several retail businesses and services to meet residents' needs. Unfortunately, the closing of the Marsh grocery store at Walnut Park several years ago has contributed to a small void of nearby grocery access for residents. While Bloomington Transit bus lines that are accessible on E. Winslow and South Henderson give resident access to 3 Krogers' to the north, south, and east, each is beyond the 1-mile requirement of the QAP. The aforementioned Bloomington Transit bus access connects residents to eight other bus lines, which provides transit access to Indiana University, both east and west-side retail hubs, and employment opportunities throughout the city.

Henderson Court is also slightly more than .5 miles from Bloomington's B-Line Trail, a 3.1-mile paved rail-to-trail that provides free year-round fitness opportunities for residents. Just up the B-Line, a little less than one mile from Henderson Court is Bloomington's newest greenspace, Switchyard Park. It is a converted 57-acre railroad switchyard that now features sports courts, community gardens, a skate park, a splash pad, playground, dog park, indoor/outdoor pavilion, and 5,000-person outdoor performance space.

Operating Assumptions

Unit Mix	Number	Average 2024 Monthly Rent	Estimated 2025 Monthly Rent	2024 Net Annual Rents	2025 Net Annual Rents
1 BDRM 1 BA	28	965	1200	324,240	403,200
2 BDRM 1 BA	92	1137	1450	1,255,248	1,600,800
3 BDRM 1.5 BA	30	1284	1725	462,240	621,000
2 BDRM TH 2 BA				-	-
2 BDRM TH/8 2 BA				-	-
3 BDRM TH 2 BA				-	-
3 BDRM TH/8 2 BA				-	-
	150			2,041,728	2,625,000
Trend Factor				1.000	1.000
				2,041,728	2,625,000
Annual Other Income				22,000	22,000
Total annual income				2,063,728	2,647,000

	Per Unit	Total
Total Purchase price	122,000	18,300,000
Land portion	18,300	2,745,000
Rehabilitation costs	42,500	6,375,000
Current budget or YTD plus budget	31,806	890,555
Annual Operating Expenses - projected	7,954	1,193,100
Incentive Mangement Fee Rate		90.00%
Annual Contributions to replacement reserve	350	52,500
Vacancy Rate for 2025		5.00%
Vacancy Rate for 2026		5.00%
Vacancy Rate after 2027		5.00%
Annual Rate of Rental Increases		2.00%
Annual Rate of Expense Increases		3.00%
Months of Operations in first year		12
Interest Rate on Deferred Development Fee		0%
Investor's Tax Rate (combined federal and state)		27.00%

THE ASSUMPTIONS HAVE BEEN PROVIDED BY THE GENERAL PARTNER AND THE DEVELOPERS,
AND ACCORDINGLY REFLECT THEIR JUDGEMENT REGARDING THE MOST LIKELY MARKET
CONDITIONS AND THE PARTNERSHIP'S MOST LIKELY ACTIONS BASED UPON THESE CONDITIONS.
THEY ARE NOT INTENDED TO BE ALL-INCLUSIVE.

Depreciable Basis:
Buildings
Land improvements
Personal property
Total

Depr. Lives	Bonus Depreciation	Annual Depr	Total
30	-	916,342	27,490,253
15	150,000	-	150,000
5	750,000	-	750,000
	900,000	916,342	28,390,253

First Mortgage Loan Assumptions:

Fixed Interest Rate	5.50%
Amortization Term in Years	35
Loan Amount (Nonrecourse)	16,250,000
Annual Debt Service	1,047,182
Debt service coverage - 2025	1.18

28.57% **Tax Credit Assumptions:**

Compliance % for Entire Compliance Period		100%
Credit Rate at acquisition	Acquistion	4.00%
Credit Rate at Completion	Rehabilitation	Not QCT 4.00%

Percentage Allocation Assumptions:

	General	Limited
Taxable Income (loss) and tax credits	0.01%	99.99%
Cash Distribution after IMF	0.01%	99.99%
Residual @ Sale	90.00%	10.00%

Federal Pay-In Assumptions

	Est. Dates	Percent	Amount
Closing	03/01/25	20.00%	1,970,400
65% Completion	06/01/25	0.00%	-
100% Completion	07/31/25	70.00%	6,893,571
Stabilization	10/31/25	5.00%	492,600
Forms 8609	12/31/25	5.00%	495,428
Totals		100%	9,851,999

State Pay-In Assumptions

	Est. Dates	Percent	Amount
Closing	08/30/24	20.00%	-
65% Completion	02/28/25	0.00%	-
100% Completion	07/31/25	70.00%	-
Stabilization	08/31/25	5.00%	-
Forms 8609	09/30/25	5.00%	-
Totals		100%	-

Development Fee Payments:

Closing	16%	677,702
100% Completion	27%	1,156,901
Stabilization/forms 8609	5%	211,836
Deferred Payable from cash flow	52%	2,200,461
Totals	100%	4,246,900

Henderson Court
(An Indiana Limited Partnership)
Sources & Uses of Funds

Statement of Sources and Uses of Funds

Sources of Funds	<u>Total</u>	LP Share of <u>Credits</u>	Equity <u>Pricing</u>	Closing and <u>during rehab</u>	100% <u>Completion</u>	Stabilization and <u>Forms 8609</u>	<u>Total</u>
General Partner Capital	100			100			100
Limited Partner Capital - Fed credits	9,851,999	11,324,137	\$ 0.8700	1,970,400	6,893,571	988,028	9,851,999
Limited Partner Capital - IN credits	-	-	\$ -	-	-	-	-
First Mortgage Loan Financing	16,250,000			16,250,000			16,250,000
Bridge loan	-			5,736,670	(5,736,670)	-	-
GP loan/seller note	4,500,000			4,500,000			4,500,000
CMF Grant	-			-	-		-
Deferred Development Fee	2,200,461					2,200,461	2,200,461
Total Sources	32,802,560			28,457,170	1,156,901	3,188,489	32,802,560

Uses of Funds	<u>Total</u>	Qualified <u>Acquisition</u>	Qualified <u>Rehab</u>				
Land Acquisition	2,745,000			2,745,000			2,745,000
Building Acquisition	15,555,000	15,555,000		15,555,000			15,555,000
Construction Contract	6,375,000		6,375,000	6,375,000	-		6,375,000
Contingency	637,500		637,500	637,500			637,500
Architect fees	115,000		115,000	115,000			115,000
Engineering, market study and appraisals	106,000		106,000	106,000			106,000
Development Fees	4,246,900	424,690	3,822,210	677,702	1,156,901	2,412,297	4,246,900
Permits and Inspection Fees	85,603	-	85,603	85,603			85,603
Performance bond	63,750		63,750	63,750			63,750
Financing Fees & Costs	343,750		-	343,750			343,750
IHCDA Reservation Fees	77,100			77,100			77,100
Legal & Accounting - partnership	278,000		228,000	278,000			278,000
Relocation costs	125,000		125,000	125,000			125,000
Initial compliance costs	92,365			92,365			92,365
Construction insurance	65,000		65,000	65,000			65,000
Letter of credit fees	-		-	-			-
Bond costs	255,000		-	255,000			255,000
Bridge loan interest and fees	700,000		700,000	700,000		-	700,000
Replacement reserve	150,000			150,000			150,000
Soft Cost Contingency	10,400		10,400	10,400	-		10,400
Operating reserve	776,192			-	-	776,192	776,192
Total Uses	32,802,560	15,979,690	12,333,463	28,457,170	1,156,901	3,188,489	32,802,560

Annual tax credits - federal	1,132,527	639,188	493,339	Developer fees paid	2,046,439
Annual tax credits - state	-			Minimum to pay (20%)	849,380

EXHIBIT D

Henderson Court
(An Indiana Limited Partnership)
Cash Flow Forecast

Statement of Cash Available
For Distribution

	First Tax Credit Year							Total pmts Def devel fees
	2025	2026	2027	2028	2029	2030	2031	
Gross Potential Rental Income	2,625,000	2,625,000	2,677,500	2,731,050	2,785,671	2,841,384	2,898,212	
Other Income	22,000	22,000	22,440	22,889	23,347	23,814	24,290	
Total Income	2,647,000	2,647,000	2,699,940	2,753,939	2,809,018	2,865,198	2,922,502	
Less: Vacancy	(131,250)	(131,250)	(133,875)	(136,553)	(139,284)	(142,069)	(144,911)	
Effective Gross Income	2,515,750	2,515,750	2,566,065	2,617,386	2,669,734	2,723,129	2,777,591	
Less: Operating expenses	(1,193,100)	(1,228,893)	(1,265,760)	(1,303,733)	(1,342,845)	(1,383,130)	(1,424,624)	
Replacement Reserve funding	-	(52,500)	(54,075)	(55,697)	(57,368)	(59,089)	(60,862)	
Net Operating Income	1,322,650	1,234,357	1,246,230	1,257,956	1,269,521	1,280,910	1,292,106	
Less: Debt Service-first mortgage loan	(959,917)	(1,047,182)	(1,047,182)	(1,047,182)	(1,047,182)	(1,047,182)	(1,047,182)	
Cash Flow (deficit) from operations	362,733	187,175	199,048	210,775	222,339	233,728	244,924	
Operating reserve release (funding)	-	-	-	-	-	-	-	
Less: Investor Services Fee	-	(10,500)	(10,815)	(11,139)	(11,474)	(11,818)	(12,172)	
Cash Flow remaining	362,733	176,675	188,233	199,635	210,866	221,910	232,751	
Less: Developer fee payments	-	(176,675)	(188,233)	(199,635)	(210,866)	(221,910)	(232,751)	(1,230,071)
Partnership Management Fee	-	-	-	-	-	-	-	
Incentive Management Fee	-	-	-	-	-	-	-	
Cash Available for Distribution	362,733	-	-	-	-	-	-	
DSC	1.38	1.18	1.19	1.20	1.21	1.22	1.23	
	2032	2033	2034	2035	2036	2037	2038	
Gross Potential Rental Income	2,956,176	3,015,300	3,075,606	3,137,118	3,199,860	3,263,858	3,329,135	
Other Income	24,776	25,271	25,777	26,292	26,818	27,354	27,901	
Total Income	2,980,952	3,040,571	3,101,382	3,163,410	3,226,678	3,291,212	3,357,036	
Less: Vacancy	(149,048)	(152,029)	(155,069)	(158,171)	(161,334)	(164,561)	(167,852)	
Effective Gross Income	2,831,904	2,888,542	2,946,313	3,005,240	3,065,344	3,126,651	3,189,184	
Less: Operating expenses	(1,467,363)	(1,511,383)	(1,556,725)	(1,603,427)	(1,651,529)	(1,701,075)	(1,752,108)	
Replacement Reserve funding	(62,688)	(64,568)	(66,505)	(68,501)	(70,556)	(72,672)	(74,852)	
Net Operating Income	1,301,854	1,312,591	1,323,083	1,333,312	1,343,259	1,352,904	1,362,224	
Less: Debt Service-first mortgage loan	(1,047,182)	(1,047,182)	(1,047,182)	(1,047,182)	(1,047,182)	(1,047,182)	(1,047,182)	
Cash Flow (deficit) from operations	254,672	265,409	275,901	286,131	296,077	305,722	315,042	
Operating reserve release (funding)	-	-	-	-	-	-	-	
Less: Investor Services Fee	(12,538)	(12,914)	(13,301)	(13,700)	(14,111)	(14,534)	(14,970)	
Cash Flow remaining	242,135	252,495	262,600	272,430	281,966	291,187	300,072	
Less: Developer fee payments	(242,135)	(252,495)	(262,600)	(272,430)	(281,966)	(291,187)	(300,072)	(1,705,586)
Partnership Management Fee	-	-	-	-	-	-	-	
Incentive Management Fee	-	-	-	-	-	-	(177,570)	
Cash Available for Distribution	-	-	-	-	-	-	19,730	
DSC	1.24	1.25	1.26	1.27	1.28	1.29	1.30	
	2039	2040	2041	2042	2043	2044	2045	
Gross Potential Rental Income	3,395,717	3,463,632	3,532,904	3,603,562	3,675,634	3,749,146	3,824,129	
Other Income	28,459	29,029	29,609	30,201	30,805	31,421	32,050	
Total Income	3,424,177	3,492,660	3,562,513	3,633,764	3,706,439	3,780,568	3,856,179	
Less: Vacancy	(171,209)	174,633	178,126	181,688	185,322	189,028	192,809	
Effective Gross Income	3,252,968	3,318,027	3,384,388	3,452,076	3,521,117	3,591,539	3,663,370	
Less: Operating expenses	(1,804,671)	(1,858,811)	(1,914,575)	(1,972,013)	(2,031,173)	(2,092,108)	(2,154,871)	
Replacement Reserve funding	(77,098)	(79,411)	(81,793)	(84,247)	(86,775)	(89,378)	(92,059)	
Net Operating Income	1,371,199	1,379,805	1,388,019	1,395,816	1,403,170	1,410,054	1,416,440	
Less: Debt Service-first mortgage loan	(1,047,182)	(1,047,182)	(1,047,182)	(1,047,182)	(1,047,182)	(1,047,182)	(1,047,182)	
Cash Flow (deficit) from operations	324,017	332,624	340,837	348,634	355,988	362,872	369,258	
Operating reserve release (funding)	-	-	-	-	-	-	-	
Less: Investor Services Fee	(15,420)	(15,882)	(16,359)	(16,849)	(17,355)	(17,876)	(18,412)	
Cash Flow remaining	308,598	316,741	324,479	331,785	338,633	344,996	350,846	
Less: Developer fee payments	-	-	-	-	-	-	-	-
Partnership Management Fee	-	-	-	-	-	-	-	
Incentive Management Fee	(277,738)	(285,067)	(292,031)	(298,606)	(304,770)	(310,497)	(315,762)	
Cash Available for Distribution	30,860	31,674	32,448	33,178	33,863	34,500	35,085	(2,935,657)
DSC	1.31	1.32	1.33	1.33	1.34	1.35	1.35	

**RESOLUTION OF THE ECONOMIC DEVELOPMENT COMMISSION
OF THE CITY OF BLOOMINGTON, INDIANA**

**RECOMMENDING APPROVAL OF A PAYMENT IN LIEU OF TAXES AGREEMENT
WITH SY HENDERSON COURT INVESTORS LP**

WHEREAS, The City of Bloomington, Indiana (“City”) is a duly organized municipal corporation and political subdivision under the laws of the State of Indiana, governed by its duly elected Common Council (the “Council”); and

WHEREAS, According to IC §36-1-8-14.3 and other related statutes, the legislative or governing body of the local unit of government may adopt an ordinance to require a property owner to pay a Payment in Lieu of Taxes (PILOT) with the consent of the property owner; and

WHEREAS, The Economic Development Commission of the City of Bloomington was created to enhance economic growth within the City of Bloomington; and

WHEREAS, the Economic Development Commission of the City of Bloomington has reviewed the proposed PILOT agreement (see attached draft agreement) with SY Henderson Court Investors LP (the “Owner”) for redevelopment of the property located at 2475 South Winslow Court, Bloomington Indiana; and

WHEREAS, the Economic Development Commission agrees that the proposed PILOT would stimulate economic development and provide affordable housing opportunities within the city of Bloomington; and

WHEREAS, the Economic Development Commission recommends approval of this PILOT with SY Henderson Court Investors LP to the City’s Common Council.

NOW THEREFORE BE IT RESOLVED THAT THE ECONOMIC DEVELOPMENT COMMISSION OF THE CITY OF BLOOMINGTON:

Recommends that the Common Council of the City of Bloomington execute a PILOT Agreement with SY Henderson Court Investors LP, in substantially the same form as the attached, subject to necessary and appropriate updates and revisions agreed to by the City of Bloomington and the Owner.

THE ECONOMIC DEVELOPMENT COMMISSION OF THE CITY OF BLOOMINGTON,

_____, Chair

_____, Secretary

DATE:

PAYMENT IN LIEU OF TAXES AGREEMENT

THIS PAYMENT IN LIEU OF TAXES AGREEMENT (this “PILOT Agreement”) is entered into as of this 18th day of February, 2025 (the “Effective Date”), by and among the CITY OF BLOOMINGTON, INDIANA, (the “City”), and HENDERSON COURT HOUSING, LP, and its permitted successors and assigns (“Owner”).

RECITALS

WHEREAS, Owner owns certain real estate in Bloomington, Indiana, located at 2475 South Winslow Court, Bloomington, Indiana, and identified as Parcel Number 53-08-09-405-046.000-009 (the “Real Estate”), and upon which Owner desires to rehabilitate a 150-unit affordable apartment community (collectively with the Real Estate, the “Project”), which Owner has represented will be owned and operated as an affordable housing facility pursuant to the federal low income housing tax credit program under Section 42 of the Internal Revenue Code of 1986, as amended (the “Code”) and the applicable State of Indiana Qualified Allocation Plan; and

WHEREAS, pursuant to Indiana Code (“IC”) 6-1.1-10-16.7, Owner will be exempt from the requirement to pay property taxes on real property included in the Project if the following requirements are satisfied: (1) the improvements on the real property were constructed, rehabilitated, or acquired for the purpose of providing housing to income eligible persons under the federal low income housing tax credit program under 26 U.S.C. 42; (2) the real property is subject to an extended use agreement under 26 U.S.C. 42 as administered by the Indiana Housing and Community Development Authority; and (3) the owner of the property has entered into an agreement to make payments in lieu of taxes under IC 36-1-8-14.3;

WHEREAS, the Owner anticipates that the improvements on the Real Estate will be rehabilitated utilizing the federal low-income housing tax credit program under 26 U.S.C. 42 and furthermore that the Project will be subject to an extended use agreement under 26 U.S.C. 42 as administered by the Indiana Housing and Community Development Authority;

WHEREAS, this Agreement has been drafted to comply with the requirements under IC 36-1-8-14.3 (the “PILOT Statute”);

WHEREAS, the City represents that it has or will undertake all necessary and appropriate actions contained within IC 36-1-8-14.3 to ensure this PILOT Agreement satisfies all necessary requirements of the PILOT Statute so as to permit the Owner to successfully obtain property tax exemption under IC 6-1.1-10-16.7;

WHEREAS, Owner represents that it has timely filed or will timely file its application (the “Property Tax Exemption Application”) with the Monroe County Assessor requesting an exemption pursuant to IC 6-1.1-10-16.7, from its obligation to pay real property taxes and that it will timely file any applications to renew any exemption if required by law to do so; and

WHEREAS, Owner has agreed (i) to make payments in lieu of taxes to the City; (ii) and ensure the Project is properly maintained; and

WHEREAS, City and Owner have agreed that, if the real property contained on Real Estate becomes fully exempt from the payment of property taxes under IC 6-1.1-10-16.7, Owner will make payments to the City pursuant to the terms of this PILOT Agreement; and

NOW, THEREFORE, in consideration of the foregoing premises, mutual covenants and the sum of Twenty-Five and 00/100 Dollars (\$25.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

AGREEMENT

Section 1. Payments in Lieu of Taxes.

Section 1.1. (a) Owner represents and warrants that it has or will undertake all appropriate action for the real property of the Real Estate to be exempt under IC 6-1.1-10-16.7, and during the term of this Agreement, Owner covenants and agrees it shall at all times comply with the requirements of IC 6-1.1-10-16.7, as applicable to Owner and the Project.

b. Owner agrees to maintain the Project as an affordable housing facility consisting of a 150-unit affordable apartment community.

c. Owner agrees to maintain a clean premises in accordance with applicable local, state, and federal codes, rules, and regulations at the Project.

d. Owner represents and warrants that an extended use agreement with Indiana Housing and Community Development Authority will be entered into and recorded requiring the Project to provide affordable housing for a period of thirty (30) years. Owner further represents and warrants that the Owner's General Partner is owned and controlled by Gene B. Glick Housing Foundation, Inc. (the "Housing Foundation"), which is exempt under Code Section 501(c)(3), and to further its charitable purpose, the Housing Foundation needs to ensure the Project is operated as an affordable housing project as further detailed in Revenue Procedure 96-32 as published by the Internal Revenue Service for as long as the Housing Foundation owns and controls the Owner's General Partner.

e. Owner acknowledges that this PILOT Agreement does not confer any property tax exemption on the Project and that in order to obtain any such property tax exemption or partial exemption, Owner must timely file its Property Tax Exemption Application, including renewal applications, if any are required, with the Monroe County Assessor requesting an exemption pursuant to IC 6-1.1-10-16.7 from Owner's obligation to pay all or a portion of its property taxes on the Project. The City agrees to use best efforts to assist the Owner in ensuring the real property at the Project is fully exempt from property tax if the Owner has satisfied all requirements to obtain exemption under IC 6-1.1-10-16.7.

Section 1.2. Owner shall annually pay an amount equal to the "Base Amount" \$54,750 (\$365 per unit or 45% of the

prior tax amount) in accordance with Section 1.4 for each assessment year after the closing of the Project, which is anticipated to be in the fourth quarter of 2025. The Base Amount shall increase 3% annually for a term of 17 years, as described in the following table. Notwithstanding the foregoing and pursuant to IC 36-1-8-14.3(f)(3), to the extent that the amount of real property taxes that would have been received by the City for the Project had the Project not been exempt from property tax pursuant to IC 6-1.1-10-16.7 is less than the Base Amount, then the Base Amount shall be reduced for the applicable assessment year to the amount that would have been received by the City had the Project not been exempt from real property tax.

Annual PILOT Calculation Table

Year	Amount	Year	Amount
1	\$54,750	10	\$71,436
2	\$56,393	11	\$73,579
3	\$58,084	12	\$75,787
4	\$59,827	13	\$78,060
5	\$61,622	14	\$80,402
6	\$63,470	15	\$82,814
7	\$65,374	16	\$85,299
8	\$67,336	17	\$87,858
9	\$69,356		

Section 1.3. The payments referenced under Section 1.2 shall each be referred to as a “PILOT Payment.” The PILOT Payment shall be paid in lieu of property taxes for the tax year in question that would have been payable by Owner if Owner was a non-exempt taxpayer.

If Owner fails to satisfy the requirements of Section 1.1 and/or Section 1.4 (a “Noncompliance Event”), Owner shall pay to the City an additional ten percent (10%) of the PILOT Payment due and payable for the applicable year (the “Supplemental Payment”) no later than December 31st in the calendar year in which the Noncompliance Event occurs. Owner shall only be liable for the Supplemental Payment once per year for all Noncompliance Events.

The PILOT Payment and Supplemental Payment shall only become due if all the real property at the Project has been exempt from property tax under IC 6-1.1-10-17. To the extent that the real property at the Project is not fully exempt in any year of the Payment Period, the Owner shall have no obligation to make the PILOT Payment or Supplemental Payment for such year.

Section 1.4. The annual PILOT Payment shall be payable in two equal installments due and payable on or before May 10th and November 10th of each successive calendar year following the applicable assessment date, commencing with the first semi-annual installment due and payable on or before the first May 10th after the requirements of Section 1.2 are satisfied (each an “In Lieu of Payment”) and continuing for thirty (30) years thereafter (the “Payment Period”). For purposes of clarity and avoidance of doubt, the Project is anticipated to close in the fourth quarter of 2025, and therefore under such circumstances, the PILOT Payment would first be due for the January 1, 2026 Assessment Year

and accordingly the first In Lieu of Payment would be due and payable on or before May 10, 2027.

Section 1.5. Owner hereby reserves the right to contest and to appeal the amount of any tax assessment of the Project. Any such challenge will not affect the timely payment of the annual In Lieu of Amount described in Section 1.2.

Section 1.6. Owner shall be liable for prompt payment of all In Lieu of Payments when due. Owner shall be liable for all penalties, costs and expenses imposed under IC 6-1.1-22-1 *et seq.* and IC 6-1.1-37-1 *et seq.* or any statute which amends or replaces them for delinquent In Lieu of Payments.

Section 2. Recording of PILOT.

Section 2.1. This PILOT Agreement may be recorded with the appropriate office in Monroe County, Indiana, to preserve and protect fully the rights of the City with respect to the Owner's obligation to pay each In Lieu of Payment during the Payment Period and all subsequent penalties, interest and costs resulting from any delinquency related thereto.

Section 3. Termination.

Section 3.1. This PILOT Agreement shall automatically terminate, by no action of the parties, and shall be of no force or effect between or among the parties upon the expiration of the Payment Period and the remittance of all In Lieu of Payments due and payable pursuant to Section 1.3 hereof. Notwithstanding the foregoing, the City and Owner may mutually agree to extend this PILOT Agreement prior to the expiration of the Payment Period. Furthermore, the Owner may terminate this PILOT Agreement to the extent that the real property at the Project is not fully exempt in any year of the Payment Period.

Section 3.2. Upon conveyance of Owner's title to the Project to any party which meets the requirements of IC 6-1.1-10-16.7, the PILOT Agreement shall remain in full force and effect. The City acknowledges and agrees the Owner may assign this PILOT Agreement and the obligations thereunder as a part of the sale of the Project. The Owner's obligation to pay In Lieu of Payments and Supplemental Payments shall terminate upon Owner's conveyance of its title to the Project. Upon conveyance of fee title to the Project to any other entity that does not meet the requirements of IC 6-1.1-10-16.7, this PILOT Agreement shall become null and void and of no further force or effect; provided, however, Owner shall remain obligated for payment of the applicable pro rata amount of the In Lieu of Payments with respect to the Project up to the date when a purchaser either assumes the obligations hereunder or the real property is no longer exempt under IC 6-1.1-10-16.7.

Section 3.3. In the event the City determines that Owner has failed to satisfy the requirements of Section 1.1 and/or Section 1.4, the City shall notify Owner in writing of such default. Owner shall have sixty (60) days from the effective date of the notice to cure the reason for default (the "Cure Period"). The City may in its sole discretion elect to extend the Cure Period. Following the Cure Period, this PILOT Agreement shall automatically terminate upon written notice from the City to the Owner that such default has not been cured within the Cure Period.

Section 3.4. The parties hereto may mutually agree to terminate this PILOT Agreement. Such termination agreement shall be in writing and executed by all parties hereto. Upon mutual termination pursuant to this Section 3.4, this PILOT

Section 3.5. Upon termination of this PILOT Agreement, Owner shall pay the applicable pro rata amount of In Lieu of Payments for the year in which such termination occurs up to the date of termination to the extent that the real property remains fully exempt from property tax under IC 6-1.1-10-16.7 for such year, and receive a credit for all In Lieu of Payments already paid for such year. Upon termination of this PILOT Agreement, the parties hereto agree that that all other provisions of this PILOT Agreement, except for this Section 3.5, shall become null and void, and of no further force or effect between the parties.

Section 4.1. Captions; Incorporation and Exhibit. The captions and headings of various Articles, Sections and Exhibits referenced herein are for convenience only and are not to be considered as defining or limiting in any way, the scope or intent of the provisions hereof. Notwithstanding the foregoing, each of the Recitals referenced herein are incorporated and expressly made a part hereof.

Section 4.3. Notices. Any notice, demand, request or other communication which any party hereto may be required or may desire to give hereunder shall be in writing, addressed as follows and shall be deemed to have been properly given if hand delivered (effective upon delivery), if sent by reputable overnight courier, charges prepaid (effective the business day following delivery to such courier) or if mailed by United States registered or certified mail, postage prepaid, return receipt requested (effective two business days after mailing):

If to City: City of Bloomington
c/o Director, Economic & Sustainable Development
Department
401 North Morton Street, Suite 150
Bloomington, Indiana 47404

Section 4.4. Modification, Amendment or Waiver. No modification, waiver, amendment, discharge or change of this PILOT Agreement shall be valid unless the same is in writing and signed by all parties to this PILOT Agreement.

Section 4.5. Governing Law. This PILOT Agreement shall be governed by and construed under the laws of the State

of Indiana, without giving effect to any conflict-of-law principle that would result in the laws of any other jurisdiction governing this PILOT Agreement. Any action or proceeding arising out of this PILOT Agreement will be litigated in the courts located in Monroe County, Indiana. Each party consents and submits to the jurisdiction of any local, state, or federal court located in Monroe County, Indiana.

Section 4.6. Time is of the Essence. Time is hereby declared to be of the essence of this PILOT Agreement and of every part hereof.

Section 4.7. Counterparts. This PILOT Agreement and any amendments hereof may be executed in one or more counterparts, each of which when so executed and delivered shall be deemed to be an original, and all of which taken together shall constitute one and the same instrument.

Section 4.8. Severability. If any provision of this PILOT Agreement is determined by a court having jurisdiction to be illegal, invalid or unenforceable under any present or future law, the remainder of this PILOT Agreement will not be affected thereby. It is the intention of the parties that if any provision is so held to be illegal, invalid or unenforceable, there will be added in lieu thereof a provision as similar in terms to such provision as is possible that is legal, valid and enforceable. Notwithstanding the foregoing, to the extent that the real property is not fully exempt from property tax, this Section 4.9 is null and void.

Section 4.9. No Joint Venture. Nothing contained in this PILOT Agreement will be construed to constitute any party as a joint venturer with the City or to constitute a partnership between any party and the City.

Section 4.10. Construction. The parties acknowledge that each party and each party's counsel have reviewed and revised this PILOT Agreement and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party will not be employed in the interpretation of this PILOT Agreement or any amendments or exhibits hereto.

Section 4.11. Authorization. The persons executing and delivering this PILOT Agreement on behalf of the parties hereto represent and warrant to the other party that such person is duly authorized to act for and on behalf of said party, and execute and deliver this PILOT Agreement in such capacity as is indicated below.

Section 4.12. Assignment/Successor. This PILOT Agreement shall be binding upon City, and Owner, and all successor, grantees or assignees of Owner with respect to the Project (or any portion thereof) which would otherwise be entitled to claim an exemption for real property taxes imposed on the Project.

Section 4.13. Recording. The City will cause, at Owner's expense, this PILOT Agreement and any other instruments of further assurance to be promptly recorded, filed and registered, and at all times to be recorded, filed and registered, in such manner and in such places as may be required by law to preserve and protect fully the rights of the City hereunder as to all of the mortgaged property.

[Remainder of this page intentionally left blank]

IN WITNESS WHEREOF, the undersigned parties have caused the execution of this PILOT Agreement by their duly authorized officers as of the Effective Date.

CITY OF BLOOMINGTON, INDIANA

By: _____ Kerry Thomson, Mayor

STATE OF INDIANA)
) SS: COUNTY OF MONROE)

Before me, a Notary Public, in and for said County and State, personally Kerry Thomson, acting for and behalf of the City of Bloomington, Indiana, who acknowledged the execution of the foregoing instrument as the Mayor of the City of Bloomington and who, having been duly sworn, stated that any and all representations and warranties contained therein are true and correct in all material respects.

Witness my hand and Notarial Seal this ____day of ___, 20____.

Notary Public

Printed Signature

My Commission Expires: My County of Residence:

[Executions Continued on Following Page]

COUNTRY VIEW HOUSING, LP

By: _____ Name: _____ Its: _____

STATE OF INDIANA)
) SS:
COUNTY OF _____)

Before me, a Notary Public, in and for said County and State, personally _____, who acknowledged the execution of the foregoing instrument as _____, and who, having been duly sworn, stated that any and all representations and warranties contained therein are true and correct in all material respects.

Witness my hand and Notarial Seal this ____ day of ___, 20____.

Notary Public

Printed Signature

My Commission Expires: _____ My County of Residence: _____

Operating Assumptions

Unit Mix	Number	Average 2024 Monthly Rent	Estimated 2025 Monthly Rent	2024 Net Annual Rents	2025 Net Annual Rents
1 BDRM 1 BA	153	954	1190	1,752,370	2,184,840
2 BDRM 1 BA				-	-
2 BDRM 8 1 BA				-	-
2 BDRM TH 2 BA				-	-
2 BDRM TH/8 2 BA				-	-
3 BDRM TH 2 BA				-	-
3 BDRM TH/8 2 BA				-	-
	153			1,752,370	2,184,840
Trend Factor				1.000	1.000
Annual Other Income				22,000	22,000
Total annual income				1,774,370	2,206,840

Depreciable Basis:
Buildings
Land improvements
Personal property
Total

Depr. Lives	Bonus Depreciation	Annual Depr	Total
30	-	701,323	21,039,678
15	153,000	-	153,000
5	765,000	-	765,000
	918,000	701,323	21,957,678

First Mortgage Loan Assumptions:

Fixed Interest Rate	5.50%
Amortization Term in Years	35
Loan Amount (Nonrecourse)	13,000,000
Annual Debt Service	837,745
Debt service coverage - 2025	1.14

24.68% **Tax Credit Assumptions:**

Compliance % for Entire Compliance Period	100%
Credit Rate at acquisition	Acquisition 4.00%
Credit Rate at Completion	Rehabilitation Not QCT 4.00%

Percentage Allocation Assumptions:

	General	Limited
Taxable Income (loss) and tax credits	0.01%	99.99%
Cash Distribution after IMF	0.01%	99.99%
Residual @ Sale	90.00%	10.00%

	Per Unit	Total
Total Purchase price	78,105	11,950,000
Land portion	13,007	1,990,000
Rehabilitation costs	42,500	6,502,500
Current budget or YTD plus budget	5,821	890,555
Annual Operating Expenses - projected	6,781	1,087,554
Incentive Mangement Fee Rate		90.00%
Annual Contributions to replacement reserve	350	53,550
Vacancy Rate for 2025		5.00%
Vacancy Rate for 2026		5.00%
Vacancy Rate after 2027		5.00%
Annual Rate of Rental Increases		2.00%
Annual Rate of Expense Increases		3.00%
Months of Operations in first year		12
Interest Rate on Deferred Development Fee		0%
Investor's Tax Rate (combined federal and state)		27.00%

Federal Pay-In Assumptions

	Est. Dates	Percent	Amount
Closing	03/01/25	20.00%	1,523,898
65% Completion	06/01/25	0.00%	-
100% Completion	07/31/25	70.00%	5,330,815
Stabilization	10/31/25	5.00%	380,975
Forms 8609	12/31/25	5.00%	383,803
Totals		100%	7,619,490

State Pay-In Assumptions

	Est. Dates	Percent	Amount
Closing	08/30/24	20.00%	-
65% Completion	02/28/25	0.00%	-
100% Completion	07/31/25	70.00%	-
Stabilization	08/31/25	5.00%	-
Forms 8609	09/30/25	5.00%	-
Totals		100%	-

Development Fee Payments:

Closing	21%	677,702
100% Completion	5%	168,568
Stabilization/forms 8609	3%	105,161
Deferred Payable from cash flow	71%	2,333,069
Totals	100%	3,284,500

THE ASSUMPTIONS HAVE BEEN PROVIDED BY THE GENERAL PARTNER AND THE DEVELOPERS,
AND ACCORDINGLY REFLECT THEIR JUDGEMENT REGARDING THE MOST LIKELY MARKET
CONDITIONS AND THE PARTNERSHIP'S MOST LIKELY ACTIONS BASED UPON THESE CONDITIONS.
THEY ARE NOT INTENDED TO BE ALL-INCLUSIVE.

CS Bloomington
(An Indiana Limited Partnership)
Sources & Uses of Funds

Statement of Sources and Uses of Funds

Sources of Funds	<u>Total</u>	LP Share of <u>Credits</u>	Equity <u>Pricing</u>	Closing and <u>during rehab</u>	100% <u>Completion</u>	Stabilization and <u>Forms 8609</u>	<u>Total</u>
General Partner Capital	100			100			100
Limited Partner Capital - Fed credits	7,619,490	8,758,034	\$ 0.8700	1,523,898	5,330,815	764,777	7,619,490
Limited Partner Capital - IN credits	-	-	\$ -	-	-	-	-
First Mortgage Loan Financing	13,000,000			13,000,000			13,000,000
Bridge loan	-			7,662,247	(7,662,247)	-	-
CMF Fund	-			-			-
GP loan/seller note	2,500,000			-	2,500,000		2,500,000
Deferred Development Fee	2,333,069					2,333,069	2,333,069
Total Sources	<u>25,452,659</u>			<u>22,186,245</u>	<u>168,568</u>	<u>3,097,846</u>	<u>25,452,659</u>

Uses of Funds	<u>Total</u>	Qualified <u>Acquisition</u>	Qualified <u>Rehab</u>				
Land Acquisition	1,990,000			1,990,000			1,990,000
Building Acquisition	9,960,000	9,960,000		9,960,000			9,960,000
Construction Contract	6,502,500		6,502,500	6,502,500	-		6,502,500
Additional renovation scope	-		-	-	-		-
Contingency	650,250		650,250	650,250			650,250
Architect fees	115,000		115,000	115,000			115,000
Engineering, market study and appraisals	106,000		106,000	106,000			106,000
Development Fees	3,284,500	328,450	2,956,050	677,702	168,568	2,438,230	3,284,500
Permits and Inspection Fees	85,603	-	85,603	85,603			85,603
Performance bond	65,025		65,025	65,025			65,025
Financing Fees & Costs	295,000		-	295,000			295,000
IHCDA Reservation Fees	60,400			60,400			60,400
Legal & Accounting - partnership	278,000		228,000	278,000			278,000
Relocation costs	125,000		125,000	125,000			125,000
Initial compliance costs	92,365			92,365			92,365
Construction insurance	65,000		65,000	65,000			65,000
Letter of credit fees	-		-	-			-
Bond costs	255,000		-	255,000			255,000
Bridge loan interest and fees	700,000		700,000	700,000		-	700,000
Replacement reserve	153,000			153,000			153,000
Soft Cost Contingency	10,400		10,400	10,400	-		10,400
Operating reserve	659,616			-	-	659,616	659,616
Total Uses	<u>25,452,659</u>	<u>10,288,450</u>	<u>11,608,828</u>	<u>22,186,245</u>	<u>168,568</u>	<u>3,097,846</u>	<u>25,452,659</u>

Annual tax credits - federal	<u>875,891</u>	<u>411,538</u>	<u>464,353</u>	Developer fees paid	<u>951,431</u>
Annual tax credits - state	<u>-</u>			Minimum to pay (20%)	<u>656,900</u>

EXHIBIT D

CS Bloomington
(An Indiana Limited Partnership)
Cash Flow Forecast

Statement of Cash Available
For Distribution

	First Tax Credit Year							Total pmts Def devel fees
	2025	2026	2027	2028	2029	2030	2031	
Gross Potential Rental Income	2,184,840	2,184,840	2,228,537	2,273,108	2,318,570	2,364,941	2,412,240	
Other Income	22,000	22,000	22,440	22,889	23,347	23,814	24,290	
Total Income	2,206,840	2,206,840	2,250,977	2,295,996	2,341,916	2,388,755	2,436,530	
Less: Vacancy	(109,242)	(109,242)	(111,427)	(113,655)	(115,928)	(118,247)	(120,612)	
Effective Gross Income	2,097,598	2,097,598	2,139,550	2,182,341	2,225,988	2,270,508	2,315,918	
Less: Operating expenses	(992,984)	(1,087,554)	(1,120,180)	(1,153,786)	(1,188,399)	(1,224,051)	(1,260,773)	
Replacement Reserve funding	(53,550)	(53,550)	(55,157)	(56,811)	(58,516)	(60,271)	(62,079)	
Net Operating Income	1,051,064	956,494	964,213	971,744	979,073	986,185	993,066	
Less: Debt Service-first mortgage loan	(767,933)	(837,745)	(837,745)	(837,745)	(837,745)	(837,745)	(837,745)	
Cash Flow (deficit) from operations	283,131	118,749	126,468	133,998	141,327	148,440	155,320	
Operating reserve release (funding)	-	-	-	-	-	-	-	
Less: Investor Services Fee	-	(10,710)	(11,031)	(11,362)	(11,703)	(12,054)	(12,416)	
Cash Flow remaining	283,131	108,039	115,436	122,636	129,624	136,385	142,904	
Less: Developer fee payments	-	(108,039)	(115,436)	(122,636)	(129,624)	(136,385)	(142,904)	(755,025)
Partnership Management Fee	-	-	-	-	-	-	-	
Incentive Management Fee	-	-	-	-	-	-	-	
Cash Available for Distribution	283,131	-	-	-	-	-	-	
DSC	1.37	1.14	1.15	1.16	1.17	1.18	1.19	
	2032	2033	2034	2035	2036	2037	2038	
Gross Potential Rental Income	2,460,485	2,509,694	2,559,888	2,611,086	2,663,308	2,716,574	2,770,905	
Other Income	24,776	25,271	25,777	26,292	26,818	27,354	27,901	
Total Income	2,485,260	2,534,965	2,585,665	2,637,378	2,690,126	2,743,928	2,798,807	
Less: Vacancy	(124,263)	(126,748)	(129,283)	(131,869)	(134,506)	(137,196)	(139,940)	
Effective Gross Income	2,360,997	2,408,217	2,456,382	2,505,509	2,555,619	2,606,732	2,658,866	
Less: Operating expenses	(1,298,596)	(1,337,554)	(1,377,681)	(1,419,011)	(1,461,581)	(1,505,429)	(1,550,592)	
Replacement Reserve funding	(63,942)	(65,860)	(67,836)	(69,871)	(71,967)	(74,126)	(76,349)	
Net Operating Income	998,460	1,004,803	1,010,865	1,016,627	1,022,071	1,027,177	1,031,925	
Less: Debt Service-first mortgage loan	(837,745)	(837,745)	(837,745)	(837,745)	(837,745)	(837,745)	(837,745)	
Cash Flow (deficit) from operations	160,714	167,058	173,120	178,882	184,326	189,432	194,180	
Operating reserve release (funding)	-	-	-	-	-	-	-	
Less: Investor Services Fee	(12,788)	(13,172)	(13,567)	(13,974)	(14,393)	(14,825)	(15,270)	
Cash Flow remaining	147,926	153,886	159,553	164,908	169,932	174,607	178,910	
Less: Developer fee payments	(147,926)	(153,886)	(159,553)	(164,908)	(169,932)	(174,607)	-	(1,578,044)
Partnership Management Fee	-	-	-	-	-	-	-	
Incentive Management Fee	-	-	-	-	-	546,509	(161,019)	
Cash Available for Distribution	-	-	-	-	-	(60,723)	17,891	
DSC	1.19	1.20	1.21	1.21	1.22	1.23	1.23	
	2039	2040	2041	2042	2043	2044	2045	
Gross Potential Rental Income	2,826,324	2,882,850	2,940,507	2,999,317	3,059,303	3,120,490	3,182,899	
Other Income	28,459	29,029	29,609	30,201	30,805	31,421	32,050	
Total Income	2,854,783	2,911,879	2,970,116	3,029,518	3,090,109	3,151,911	3,214,949	
Less: Vacancy	(142,739)	145,594	148,506	151,476	154,505	157,596	160,747	
Effective Gross Income	2,712,044	2,766,285	2,821,610	2,878,042	2,935,603	2,994,315	3,054,202	
Less: Operating expenses	(1,597,109)	(1,645,023)	(1,694,373)	(1,745,205)	(1,797,561)	(1,851,488)	(1,907,032)	
Replacement Reserve funding	(78,640)	(80,999)	(83,429)	(85,932)	(88,510)	(91,165)	(93,900)	
Net Operating Income	1,036,294	1,040,263	1,043,808	1,046,906	1,049,533	1,051,662	1,053,269	
Less: Debt Service-first mortgage loan	(837,745)	(837,745)	(837,745)	(837,745)	(837,745)	(837,745)	(837,745)	
Cash Flow (deficit) from operations	198,549	202,517	206,062	209,160	211,787	213,917	215,524	
Operating reserve release (funding)	-	-	-	-	-	-	-	
Less: Investor Services Fee	(15,728)	(16,200)	(16,686)	(17,186)	(17,702)	(18,233)	(18,780)	
Cash Flow remaining	182,821	186,317	189,376	191,974	194,085	195,684	196,744	
Less: Developer fee payments	-	-	-	-	-	-	-	-
Partnership Management Fee	-	-	-	-	-	-	-	
Incentive Management Fee	(164,539)	(167,686)	(170,439)	(172,777)	(174,677)	(176,116)	(177,069)	
Cash Available for Distribution	18,282	18,632	18,938	19,197	19,409	19,568	19,674	(2,333,069)
DSC	1.24	1.24	1.25	1.25	1.25	1.26	1.26	

Operating Assumptions

Unit Mix	Number	Average 2024 Monthly Rent	Estimated 2025 Monthly Rent	2024 Net Annual Rents	2025 Net Annual Rents
1 BDRM 1 BA	153	954	1190	1,752,370	2,184,840
2 BDRM 1 BA				-	-
2 BDRM 8 1 BA				-	-
2 BDRM TH 2 BA				-	-
2 BDRM TH/8 2 BA				-	-
3 BDRM TH 2 BA				-	-
3 BDRM TH/8 2 BA				-	-
	153			1,752,370	2,184,840
Trend Factor				1.000	1.000
Annual Other Income				22,000	22,000
Total annual income				1,774,370	2,206,840

Depreciable Basis:
Buildings
Land improvements
Personal property
Total

Depr. Lives	Bonus Depreciation	Annual Depr	Total
30	-	701,323	21,039,678
15	153,000	-	153,000
5	765,000	-	765,000
	918,000	701,323	21,957,678

First Mortgage Loan Assumptions:

Fixed Interest Rate	5.50%
Amortization Term in Years	35
Loan Amount (Nonrecourse)	12,250,000
Annual Debt Service	789,414
Debt service coverage - 2025	1.21

24.68% **Tax Credit Assumptions:**

Compliance % for Entire Compliance Period	100%
Credit Rate at acquisition	Acquisition 4.00%
Credit Rate at Completion	Rehabilitation Not QCT 4.00%

Percentage Allocation Assumptions:

	General	Limited
Taxable Income (loss) and tax credits	0.01%	99.99%
Cash Distribution after IMF	0.01%	99.99%
Residual @ Sale	90.00%	10.00%

	Per Unit	Total
Total Purchase price	78,105	11,950,000
Land portion	13,007	1,990,000
Rehabilitation costs	42,500	6,502,500
Current budget or YTD plus budget	5,821	890,555
Annual Operating Expenses - projected	7,108	1,087,554
Incentive Mangement Fee Rate		90.00%
Annual Contributions to replacement reserve	350	53,550
Vacancy Rate for 2025		5.00%
Vacancy Rate for 2026		5.00%
Vacancy Rate after 2027		5.00%
Annual Rate of Rental Increases		2.00%
Annual Rate of Expense Increases		3.00%
Months of Operations in first year		12
Interest Rate on Deferred Development Fee		0%
Investor's Tax Rate (combined federal and state)		27.00%

Federal Pay-In Assumptions

	Est. Dates	Percent	Amount
Closing	03/01/25	20.00%	1,523,898
65% Completion	06/01/25	0.00%	-
100% Completion	07/31/25	70.00%	5,330,815
Stabilization	10/31/25	5.00%	380,975
Forms 8609	12/31/25	5.00%	383,803
Totals		100%	7,619,490

State Pay-In Assumptions

	Est. Dates	Percent	Amount
Closing	08/30/24	20.00%	-
65% Completion	02/28/25	0.00%	-
100% Completion	07/31/25	70.00%	-
Stabilization	08/31/25	5.00%	-
Forms 8609	09/30/25	5.00%	-
Totals		100%	-

Development Fee Payments:

Closing	21%	677,702
100% Completion	13%	429,818
Stabilization/forms 8609	4%	121,271
Deferred Payable from cash flow	63%	2,055,709

THE ASSUMPTIONS HAVE BEEN PROVIDED BY THE GENERAL PARTNER AND THE DEVELOPERS,
AND ACCORDINGLY REFLECT THEIR JUDGEMENT REGARDING THE MOST LIKELY MARKET
CONDITIONS AND THE PARTNERSHIP'S MOST LIKELY ACTIONS BASED UPON THESE CONDITIONS.
THEY ARE NOT INTENDED TO BE ALL-INCLUSIVE.

Totals

100% 3,284,500

CS Bloomington
(An Indiana Limited Partnership)
Sources & Uses of Funds

Statement of Sources and Uses of Funds

Sources of Funds	<u>Total</u>	<u>LP Share of Credits</u>	<u>Equity Pricing</u>	<u>Closing and during rehab</u>	<u>100% Completion</u>	<u>Stabilization and Forms 8609</u>	<u>Total</u>
General Partner Capital	100			100			100
Limited Partner Capital - Fed credits	7,619,490	8,758,034	\$ 0.8700	1,523,898	5,330,815	764,777	7,619,490
Limited Partner Capital - IN credits	-	-	\$ -	-	-	-	-
First Mortgage Loan Financing	12,250,000			12,250,000			12,250,000
Bridge loan	-			8,400,997	(8,400,997)	-	-
CMF Fund	-			-			-
GP loan/seller note	3,500,000			-	3,500,000		3,500,000
Deferred Development Fee	2,055,709					2,055,709	2,055,709
Total Sources	25,425,299			22,174,995	429,818	2,820,486	25,425,299

Uses of Funds	<u>Total</u>	<u>Qualified Acquisition</u>	<u>Qualified Rehab</u>				
Land Acquisition	1,990,000			1,990,000			1,990,000
Building Acquisition	9,960,000	9,960,000		9,960,000			9,960,000
Construction Contract	6,502,500		6,502,500	6,502,500	-		6,502,500
Additional renovation scope	-		-	-	-		-
Contingency	650,250		650,250	650,250			650,250
Architect fees	115,000		115,000	115,000			115,000
Engineering, market study and appraisals	106,000		106,000	106,000			106,000
Development Fees	3,284,500	328,450	2,956,050	677,702	429,818	2,176,980	3,284,500
Permits and Inspection Fees	85,603	-	85,603	85,603			85,603
Performance bond	65,025		65,025	65,025			65,025
Financing Fees & Costs	283,750		-	283,750			283,750
IHCDA Reservation Fees	60,400			60,400			60,400
Legal & Accounting - partnership	278,000		228,000	278,000			278,000
Relocation costs	125,000		125,000	125,000			125,000
Initial compliance costs	92,365			92,365			92,365
Construction insurance	65,000		65,000	65,000			65,000
Letter of credit fees	-		-	-			-
Bond costs	255,000		-	255,000			255,000
Bridge loan interest and fees	700,000		700,000	700,000		-	700,000
Replacement reserve	153,000			153,000			153,000
Soft Cost Contingency	10,400		10,400	10,400	-		10,400
Operating reserve	643,506			-	-	643,506	643,506
Total Uses	25,425,299	10,288,450	11,608,828	22,174,995	429,818	2,820,486	25,425,299

Annual tax credits - federal	875,891	411,538	464,353	Developer fees paid	1,228,791
Annual tax credits - state	-			Minimum to pay (20%)	656,900

EXHIBIT D

CS Bloomington
(An Indiana Limited Partnership)
Cash Flow Forecast

Statement of Cash Available
For Distribution

	First Tax Credit Year							Total pmts Def devel fees
	2025	2026	2027	2028	2029	2030	2031	
Gross Potential Rental Income	2,184,840	2,184,840	2,228,537	2,273,108	2,318,570	2,364,941	2,412,240	
Other Income	22,000	22,000	22,440	22,889	23,347	23,814	24,290	
Total Income	2,206,840	2,206,840	2,250,977	2,295,996	2,341,916	2,388,755	2,436,530	
Less: Vacancy	(109,242)	(109,242)	(111,427)	(113,655)	(115,928)	(118,247)	(120,612)	
Effective Gross Income	2,097,598	2,097,598	2,139,550	2,182,341	2,225,988	2,270,508	2,315,918	
Less: Operating expenses	(992,984)	(1,087,554)	(1,120,180)	(1,153,786)	(1,188,399)	(1,224,051)	(1,260,773)	
Replacement Reserve funding	(53,550)	(53,550)	(55,157)	(56,811)	(58,516)	(60,271)	(62,079)	
Net Operating Income	1,051,064	956,494	964,213	971,744	979,073	986,185	993,066	
Less: Debt Service-first mortgage loan	(723,629)	(789,414)	(789,414)	(789,414)	(789,414)	(789,414)	(789,414)	
Cash Flow (deficit) from operations	327,435	167,080	174,799	182,330	189,659	196,771	203,652	
Operating reserve release (funding)	-	-	-	-	-	-	-	
Less: Investor Services Fee	-	(10,710)	(11,031)	(11,362)	(11,703)	(12,054)	(12,416)	
Cash Flow remaining	327,435	156,370	163,768	170,968	177,956	184,717	191,236	
Less: Developer fee payments	-	(156,370)	(163,768)	(170,968)	(177,956)	(184,717)	(191,236)	(1,045,015)
Partnership Management Fee	-	-	-	-	-	-	-	
Incentive Management Fee	-	-	-	-	-	-	-	
Cash Available for Distribution	327,435	-	-	-	-	-	-	
DSC	1.45	1.21	1.22	1.23	1.24	1.25	1.26	
	2032	2033	2034	2035	2036	2037	2038	
Gross Potential Rental Income	2,460,485	2,509,694	2,559,888	2,611,086	2,663,308	2,716,574	2,770,905	
Other Income	24,776	25,271	25,777	26,292	26,818	27,354	27,901	
Total Income	2,485,260	2,534,965	2,585,665	2,637,378	2,690,126	2,743,928	2,798,807	
Less: Vacancy	(124,263)	(126,748)	(129,283)	(131,869)	(134,506)	(137,196)	(139,940)	
Effective Gross Income	2,360,997	2,408,217	2,456,382	2,505,509	2,555,619	2,606,732	2,658,866	
Less: Operating expenses	(1,298,596)	(1,337,554)	(1,377,681)	(1,419,011)	(1,461,581)	(1,505,429)	(1,550,592)	
Replacement Reserve funding	(63,942)	(65,860)	(67,836)	(69,871)	(71,967)	(74,126)	(76,349)	
Net Operating Income	998,460	1,004,803	1,010,865	1,016,627	1,022,071	1,027,177	1,031,925	
Less: Debt Service-first mortgage loan	(789,414)	(789,414)	(789,414)	(789,414)	(789,414)	(789,414)	(789,414)	
Cash Flow (deficit) from operations	209,046	215,390	221,451	227,214	232,657	237,763	242,511	
Operating reserve release (funding)	-	-	-	-	-	-	-	
Less: Investor Services Fee	(12,788)	(13,172)	(13,567)	(13,974)	(14,393)	(14,825)	(15,270)	
Cash Flow remaining	196,257	202,218	207,884	213,239	218,264	222,938	227,241	
Less: Developer fee payments	(196,257)	(202,218)	(207,884)	(213,239)	(218,264)	27,168	-	(1,010,694)
Partnership Management Fee	-	-	-	-	-	-	-	
Incentive Management Fee	-	-	-	-	-	(225,096)	(204,517)	
Cash Available for Distribution	-	-	-	-	-	25,011	22,724	
DSC	1.26	1.27	1.28	1.29	1.29	1.30	1.31	
	2039	2040	2041	2042	2043	2044	2045	
Gross Potential Rental Income	2,826,324	2,882,850	2,940,507	2,999,317	3,059,303	3,120,490	3,182,899	
Other Income	28,459	29,029	29,609	30,201	30,805	31,421	32,050	
Total Income	2,854,783	2,911,879	2,970,116	3,029,518	3,090,109	3,151,911	3,214,949	
Less: Vacancy	(142,739)	145,594	148,506	151,476	154,505	157,596	160,747	
Effective Gross Income	2,712,044	2,766,285	2,821,610	2,878,042	2,935,603	2,994,315	3,054,202	
Less: Operating expenses	(1,597,109)	(1,645,023)	(1,694,373)	(1,745,205)	(1,797,561)	(1,851,488)	(1,907,032)	
Replacement Reserve funding	(78,640)	(80,999)	(83,429)	(85,932)	(88,510)	(91,165)	(93,900)	
Net Operating Income	1,036,294	1,040,263	1,043,808	1,046,906	1,049,533	1,051,662	1,053,269	
Less: Debt Service-first mortgage loan	(789,414)	(789,414)	(789,414)	(789,414)	(789,414)	(789,414)	(789,414)	
Cash Flow (deficit) from operations	246,880	250,849	254,394	257,492	260,119	262,249	263,855	
Operating reserve release (funding)	-	-	-	-	-	-	-	
Less: Investor Services Fee	(15,728)	(16,200)	(16,686)	(17,186)	(17,702)	(18,233)	(18,780)	
Cash Flow remaining	231,152	234,649	237,708	240,306	242,417	244,016	245,075	
Less: Developer fee payments	-	-	-	-	-	-	-	-
Partnership Management Fee	-	-	-	-	-	-	-	
Incentive Management Fee	(208,037)	(211,184)	(213,937)	(216,275)	(218,175)	(219,614)	(220,568)	
Cash Available for Distribution	23,115	23,465	23,771	24,031	24,242	24,402	24,508	(2,055,709)
DSC	1.31	1.32	1.32	1.33	1.33	1.33	1.33	

**RESOLUTION OF THE ECONOMIC DEVELOPMENT COMMISSION
OF THE CITY OF BLOOMINGTON, INDIANA**

**RECOMMENDING APPROVAL OF A PAYMENT IN LIEU OF TAXES AGREEMENT
WITH CAMBRIDGE SQUARE OF BLOOMINGTON LP**

WHEREAS, The City of Bloomington, Indiana (“City”) is a duly organized municipal corporation and political subdivision under the laws of the State of Indiana, governed by its duly elected Common Council (the “Council”); and

WHEREAS, According to IC §36-1-8-14.3 and other related statutes, the legislative or governing body of the local unit of government may adopt an ordinance to require a property owner to pay a Payment in Lieu of Taxes (PILOT) with the consent of the property owner; and

WHEREAS, The Economic Development Commission of the City of Bloomington was created to enhance economic growth within the City of Bloomington; and

WHEREAS, the Economic Development Commission of the City of Bloomington has reviewed the proposed PILOT Agreement (see attached draft agreement) with Cambridge Square of Bloomington LP (the “Owner”) for redevelopment of the property located at 307 N. Pete Ellis Drive; and

WHEREAS, the Economic Development Commission agrees that the proposed PILOT Agreement would stimulate economic development and provide affordable housing opportunities within the city of Bloomington; and

WHEREAS, the Economic Development Commission recommends approval of this PILOT with Cambridge Square of Bloomington, LP to the City’s Common Council.

NOW THEREFORE BE IT RESOLVED THAT THE ECONOMIC DEVELOPMENT COMMISSION OF THE CITY OF BLOOMINGTON:

Recommends that the Common Council of the City of Bloomington execute a PILOT Agreement with Cambridge Square of Bloomington LP, in substantially the same form as the attached, subject to necessary and appropriate updates and revisions agreed to by the City of Bloomington and the Owner.

THE ECONOMIC DEVELOPMENT COMMISSION OF THE CITY OF BLOOMINGTON,

_____, Chair

_____, Secretary

DATE:

PAYMENT IN LIEU OF TAXES AGREEMENT

THIS PAYMENT IN LIEU OF TAXES AGREEMENT (this “PILOT Agreement”) is entered into as of this 18th day of February, 2025 (the “Effective Date”), by and among the CITY OF BLOOMINGTON, INDIANA, (the “City”), and CAMBRIDGE SQUARE OF BLOOMINGTON, LP, and its permitted successors and assigns (“Owner”).

RECITALS

WHEREAS, Owner owns certain real estate in Bloomington, Indiana, located at 307 North Pete Ellis Drive, Bloomington, Indiana, and identified as Parcel Number 53-05-35-300-059.000-005 (the “Real Estate”), and upon which Owner desires to rehabilitate a 206-unit affordable apartment community (collectively with the Real Estate, the “Project”), which Owner has represented will be owned and operated as an affordable housing facility pursuant to the federal low income housing tax credit program under Section 42 of the Internal Revenue Code of 1986, as amended (the “Code”) and the applicable State of Indiana Qualified Allocation Plan; and

WHEREAS, pursuant to Indiana Code (“IC”) 6-1.1-10-16.7, Owner will be exempt from the requirement to pay property taxes on real property included in the Project if the following requirements are satisfied: (1) the improvements on the real property were constructed, rehabilitated, or acquired for the purpose of providing housing to income eligible persons under the federal low income housing tax credit program under 26 U.S.C. 42; (2) the real property is subject to an extended use agreement under 26 U.S.C. 42 as administered by the Indiana Housing and Community Development Authority; and (3) the owner of the property has entered into an agreement to make payments in lieu of taxes under IC 36-1-8-14.3;

WHEREAS, the Owner anticipates that the improvements on the Real Estate will be rehabilitated utilizing the federal low-income housing tax credit program under 26 U.S.C. 42 and furthermore that the Project will be subject to an extended use agreement under 26 U.S.C. 42 as administered by the Indiana Housing and Community Development Authority;

WHEREAS, this Agreement has been drafted to comply with the requirements under IC 36-1-8-14.3 (the “PILOT Statute”);

WHEREAS, the City represents that it has or will undertake all necessary and appropriate actions contained within IC 36-1-8-14.3 to ensure this PILOT Agreement satisfies all necessary requirements of the PILOT Statute so as to permit the Owner to successfully obtain property tax exemption under IC 6-1.1-10-16.7;

WHEREAS, Owner represents that it has timely filed or will timely file its application (the “Property Tax Exemption Application”) with the Monroe County Assessor requesting an exemption pursuant to IC 6-1.1-10-16.7, from its obligation to pay real property taxes and that it will timely file any applications to renew any exemption if required by law to do so; and

WHEREAS, Owner has agreed (i) to make payments in lieu of taxes to the City; (ii) and ensure the Project is properly maintained; and

WHEREAS, City and Owner have agreed that, if the real property contained on Real Estate becomes fully exempt from the payment of property taxes under IC 6-1.1-10-16.7, Owner will make payments to the City pursuant to the terms of this PILOT Agreement; and

NOW, THEREFORE, in consideration of the foregoing premises, mutual covenants and the sum of Twenty-Five and 00/100 Dollars (\$25.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

AGREEMENT

Section 1. Payments in Lieu of Taxes.

Section 1.1. (a) Owner represents and warrants that it has or will undertake all appropriate action for the real property of the Real Estate to be exempt under IC 6-1.1-10-16.7, and during the term of this Agreement, Owner covenants and agrees it shall at all times comply with the requirements of IC 6-1.1-10-16.7, as applicable to Owner and the Project.

b. Owner agrees to maintain the Project as an affordable housing facility consisting of a 153-unit townhome community for residents 62+ or differently abled.

c. Owner agrees to maintain a clean premises in accordance with applicable local, state, and federal codes, rules, and regulations at the Project.

d. Owner represents and warrants that an extended use agreement with Indiana Housing and Community Development Authority will be entered into and recorded requiring the Project to provide affordable housing for a period of thirty (30) years. Owner further represents and warrants that the Owner's General Partner is owned and controlled by Gene B. Glick Housing Foundation, Inc. (the "Housing Foundation"), which is exempt under Code Section 501(c)(3), and to further its charitable purpose, the Housing Foundation needs to ensure the Project is operated as an affordable housing project as further detailed in Revenue Procedure 96-32 as published by the Internal Revenue Service for as long as the Housing Foundation owns and controls the Owner's General Partner.

e. Owner acknowledges that this PILOT Agreement does not confer any property tax exemption on the Project and that in order to obtain any such property tax exemption or partial exemption, Owner must timely file its Property Tax Exemption Application, including renewal applications, if any are required, with the Monroe County Assessor requesting an exemption pursuant to IC 6-1.1-10-16.7 from Owner's obligation to pay all or a portion of its property taxes on the Project. The City agrees to use best efforts to assist the Owner in ensuring the real property at the Project is fully exempt from property tax if the Owner has satisfied all requirements to obtain exemption under IC 6-1.1-10-16.7.

Section 1.2. Owner shall annually pay an amount equal to the "Base Amount" of \$43,605 (\$285 per unit or 45% of the prior tax amount) in accordance with Section 1.4 for each assessment year after the closing of the Project, which is anticipated to be in the fourth quarter of 2022. The Base Amount shall increase 3% annually for a term of 17 years

as described in the following table. Notwithstanding the foregoing and pursuant to IC 36-1-8-14.3(f)(3), to the extent that the amount of real property taxes that would have been received by the City for the Project had the Project not been exempt from property tax pursuant to IC 6-1.1-10-16.7 is less than the Base Amount, then the Base Amount shall be reduced for the applicable assessment year to the amount that would have been received by the City had the Project not been exempt from real property tax.

Annual PILOT Calculation Table

Year	Amount	Year	Amount
1	\$43,605	10	\$56,895
2	\$44,913	11	\$58,601
3	\$46,261	12	\$60,360
4	\$47,648	13	\$62,170
5	\$49,078	14	\$64,035
6	\$50,550	15	\$65,956
7	\$52,067	16	\$67,935
8	\$53,629	17	\$69,973
9	\$55,238		

Section 1.3. The payments referenced under Section 1.2 shall each be referred to as a “PILOT Payment.” The PILOT Payment shall be paid in lieu of property taxes for the tax year in question that would have been payable by Owner if Owner was a non-exempt taxpayer.

If Owner fails to satisfy the requirements of Section 1.1 and/or Section 1.4 (a “Noncompliance Event”), Owner shall pay to the City an additional ten percent (10%) of the PILOT Payment due and payable for the applicable year (the “Supplemental Payment”) no later than December 31st in the calendar year in which the Noncompliance Event occurs. Owner shall only be liable for the Supplemental Payment once per year for all Noncompliance Events.

The PILOT Payment and Supplemental Payment shall only become due if all the real property at the Project has been exempt from property tax under IC 6-1.1-10-17. To the extent that the real property at the Project is not fully exempt in any year of the Payment Period, the Owner shall have no obligation to make the PILOT Payment or Supplemental Payment for such year.

Section 1.4. The annual PILOT Payment shall be payable in two equal installments due and payable on or before May 10th and November 10th of each successive calendar year following the applicable assessment date, commencing with the first semi-annual installment due and payable on or before the first May 10th after the requirements of Section 1.2 are satisfied (each an “In Lieu of Payment”) and continuing for thirty (30) years thereafter (the “Payment Period”). For purposes of clarity and avoidance of doubt, the Project is anticipated to close in the third quarter of 2025, and therefore under such circumstances, the PILOT Payment would first be due for the January 1, 2026 Assessment Year and accordingly the first In Lieu of Payment would be due and payable on or before May 10, 2027.

Section 1.5. Owner hereby reserves the right to contest and to appeal the amount of any tax assessment of the Project. Any such challenge will not affect the timely payment of the annual In Lieu of Amount described in Section 1.2.

Section 1.6. Owner shall be liable for prompt payment of all In Lieu of Payments when due. Owner shall be liable for all penalties, costs and expenses imposed under IC 6-1.1-22-1 *et seq.* and IC 6-1.1-37-1 *et seq.* or any statute which amends or replaces them for delinquent In Lieu of Payments.

Section 2. Recording of PILOT.

Section 2.1. This PILOT Agreement may be recorded with the appropriate office in Monroe County, Indiana, to preserve and protect fully the rights of the City with respect to the Owner's obligation to pay each In Lieu of Payment during the Payment Period and all subsequent penalties, interest and costs resulting from any delinquency related thereto.

Section 3. Termination.

Section 3.1. This PILOT Agreement shall automatically terminate, by no action of the parties, and shall be of no force or effect between or among the parties upon the expiration of the Payment Period and the remittance of all In Lieu of Payments due and payable pursuant to Section 1.3 hereof. Notwithstanding the foregoing, the City and Owner may mutually agree to extend this PILOT Agreement prior to the expiration of the Payment Period. Furthermore, the Owner may terminate this PILOT Agreement to the extent that the real property at the Project is not fully exempt in any year of the Payment Period.

Section 3.2. Upon conveyance of Owner's title to the Project to any party which meets the requirements of IC 6-1.1-10-16.7, the PILOT Agreement shall remain in full force and effect. The City acknowledges and agrees the Owner may assign this PILOT Agreement and the obligations thereunder as a part of the sale of the Project. The Owner's obligation to pay In Lieu of Payments and Supplemental Payments shall terminate upon Owner's conveyance of its title to the Project. Upon conveyance of fee title to the Project to any other entity that does not meet the requirements of IC 6-1.1-10-16.7, this PILOT Agreement shall become null and void and of no further force or effect; provided, however, Owner shall remain obligated for payment of the applicable pro rata amount of the In Lieu of Payments with respect to the Project up to the date when a purchaser either assumes the obligations hereunder or the real property is no longer exempt under IC 6-1.1-10-16.7.

Section 3.3. In the event the City determines that Owner has failed to satisfy the requirements of Section 1.1 and/or Section 1.4, the City shall notify Owner in writing of such default. Owner shall have sixty (60) days from the effective date of the notice to cure the reason for default (the "Cure Period"). The City may in its sole discretion elect to extend the Cure Period. Following the Cure Period, this PILOT Agreement shall automatically terminate upon written notice from the City to the Owner that such default has not been cured within the Cure Period.

Section 3.4. The parties hereto may mutually agree to terminate this PILOT Agreement. Such termination agreement shall be in writing and executed by all parties hereto. Upon mutual termination pursuant to this Section 3.4, this PILOT Agreement shall become null and void, and of no further force or effect between or among the parties; provided, however, Owner shall pay the applicable pro rata amount of In Lieu of Payments for the year in which such termination occurs to the extent that the real property remains fully exempt from property tax under IC 6-1.1-10-16.7.

Section 3.5. Upon termination of this PILOT Agreement, Owner shall pay the applicable pro rata amount of In Lieu of Payments for the year in which such termination occurs up to the date of termination to the extent that the real

property remains fully exempt from property tax under IC 6-1.1-10-16.7 for such year, and receive a credit for all In Lieu of Payments already paid for such year. Upon termination of this PILOT Agreement, the parties hereto agree that that all other provisions of this PILOT Agreement, except for this Section 3.5, shall become null and void, and of no further force or effect between the parties.

Section 4. General Provisions.

Section 4.1. Captions; Incorporation and Exhibit. The captions and headings of various Articles, Sections and Exhibits referenced herein are for convenience only and are not to

be considered as defining or limiting in any way, the scope or intent of the provisions hereof. Notwithstanding the foregoing, each of the Recitals referenced herein are incorporated and expressly made a part hereof.

Section 4.2. Entire PILOT Agreement. This PILOT Agreement constitutes the entire agreement of the parties, and all prior discussions, negotiations and document drafts are merged herein.

Section 4.3. Notices. Any notice, demand, request or other communication which any party hereto may be required or may desire to give hereunder shall be in writing, addressed as follows and shall be deemed to have been properly given if hand delivered (effective upon delivery), if sent by reputable overnight courier, charges prepaid (effective the business day following delivery to such courier) or if mailed by United States registered or certified mail, postage prepaid, return receipt requested (effective two business days after mailing):

If to Owner: Country View Housing, LP
c/o Gene B. Glick Housing Foundation, Inc. 8801 River
Crossing Blvd #200
Indianapolis, IN 46240

If to City: City of Bloomington
c/o Director, Economic & Sustainable Development
Department
401 North Morton Street, Suite 150
Bloomington, Indiana 47404

or at such other address as the party to be served with notice may have furnished in writing to the party seeking or desiring to serve notice as a place for the service of notice. Notices given in any other manner shall be deemed effective only upon receipt.

Section 4.4. Modification, Amendment or Waiver. No modification, waiver, amendment, discharge or change of this PILOT Agreement shall be valid unless the same is in writing and signed by all parties to this PILOT Agreement.

Section 4.5. Governing Law. This PILOT Agreement shall be governed by and construed under the laws of the State of Indiana, without giving effect to any conflict-of-law principle that would result in the laws of any other jurisdiction governing this PILOT Agreement. Any action or proceeding arising out of this PILOT Agreement will be litigated in the courts located in Monroe County, Indiana. Each party consents and submits to the jurisdiction of any local, state,

or federal court located in Monroe County, Indiana.

Section 4.6. Time is of the Essence. Time is hereby declared to be of the essence of this PILOT Agreement and of every part hereof.

Section 4.7. Counterparts. This PILOT Agreement and any amendments hereof may be executed in one or more counterparts, each of which when so executed and delivered shall be deemed to be an original, and all of which taken together shall constitute one and the same instrument.

Section 4.8. Severability. If any provision of this PILOT Agreement is determined by a court having jurisdiction to be illegal, invalid or unenforceable under any present or future law, the remainder of this PILOT Agreement will not be affected thereby. It is the intention of the parties that if any provision is so held to be illegal, invalid or unenforceable, there will be added in lieu thereof a provision as similar in terms to such provision as is possible that is legal, valid and enforceable. Notwithstanding the foregoing, to the extent that the real property is not fully exempt from property tax, this Section 4.9 is null and void.

Section 4.9. No Joint Venture. Nothing contained in this PILOT Agreement will be construed to constitute any party as a joint venturer with the City or to constitute a partnership between any party and the City.

Section 4.10. Construction. The parties acknowledge that each party and each party's counsel have reviewed and revised this PILOT Agreement and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party will not be employed in the interpretation of this PILOT Agreement or any amendments or exhibits hereto.

Section 4.11. Authorization. The persons executing and delivering this PILOT Agreement on behalf of the parties hereto represent and warrant to the other party that such person is duly authorized to act for and on behalf of said party, and execute and deliver this PILOT Agreement in such capacity as is indicated below.

Section 4.12. Assignment/Successor. This PILOT Agreement shall be binding upon City, and Owner, and all successor, grantees or assignees of Owner with respect to the Project (or any portion thereof) which would otherwise be entitled to claim an exemption for real property taxes imposed on the Project.

Section 4.13. Recording. The City will cause, at Owner's expense, this PILOT Agreement and any other instruments of further assurance to be promptly recorded, filed and registered, and at all times to be recorded, filed and registered, in such manner and in such places as may be required by law to preserve and protect fully the rights of the City hereunder as to all of the mortgaged property.

[Remainder of this page intentionally left blank]

IN WITNESS WHEREOF, the undersigned parties have caused the execution of this PILOT Agreement by their duly authorized officers as of the Effective Date.

CITY OF BLOOMINGTON, INDIANA

By: _____ Kerry Thomson, Mayor

STATE OF INDIANA)
) SS: COUNTY OF MONROE)

Before me, a Notary Public, in and for said County and State, personally Kerry Thomson, acting for and behalf of the City of Bloomington, Indiana, who acknowledged the execution of the foregoing instrument as the Mayor of the City of Bloomington and who, having been duly sworn, stated that any and all representations and warranties contained therein are true and correct in all material respects.

Witness my hand and Notarial Seal this ____ day of, 20 ____.

Notary Public

Printed Signature

My Commission Expires: My County of Residence:

[Executions Continued on Following Page]

COUNTRY VIEW HOUSING, LP

By: _____ Name: _____ Its: _____

COUNTY OF _____)

COUNTY OF _____)

Before me, a Notary Public, in and for said County and State, personally _____, who acknowledged the execution of the foregoing instrument as _____, and who, having been duly sworn, stated that any and all representations and warranties contained therein are true and correct in all material respects.

Witness my hand and Notarial Seal this ___ day of ___, 20____.

Notary Public

Printed Signature

My County of Residence:

Henderson Court Narrative Summary



Development and Unit Description

The Henderson Court Apartment community is located at 2475 South Winslow Court, on the southside of Bloomington, Indiana within Monroe County. The complex features 150 apartment units totaling roughly 152.5k net rentable square feet across 15 residential two-story buildings. The property was constructed in 1979 on 12.76 acres and underwent a tax credit rehabilitation in 2008.

The Henderson Court features two access points, Graham Drive to the north and East Winslow Road to the south, the latter of which serves as a bus stop for the Bloomington Transit #7 bus line. The property has a one-story office/clubhouse building that houses an on-site property manager and will house an on-site service coordinator. Throughout the property, there are 275 parking spaces that serve the tenants.

The unit breakdown of Henderson Court's 150 apartment homes includes 28 one-bedroom/one-bath flats, 92 two-bedroom/one-bath flats, and 30 three-bedroom/one-and-one-half-baths townhomes. While there are no currently existing units that meet modern ADA standards for accessibility, this project will create 3 1BR and 5 2BR Type A units in four different buildings for a total of 8 Type A and 3 A/V units. All 150 of these units are targeted towards families and 100% of the property is served by a HUD Section 8 HAP contract, which provides monthly rental assistance for each household.

Amenities

Henderson Court is well situated just east of southern Bloomington's South Walnut Street commercial corridor. Residents with high school age children will be within walking distance of Bloomington South High School to the west and within a mile of Bloomington Montessori School and Childs Elementary School to the east. The South Walnut Street corridor offers several retail businesses and services to meet residents' needs. Unfortunately, the closing of the Marsh grocery store at Walnut Park several years ago has contributed to a small void of nearby grocery access for residents. While Bloomington Transit bus lines that are accessible on E. Winslow and South Henderson give resident access to 3 Krogers to the north, south, and east, each is beyond the 1-mile requirement of the QAP. The aforementioned Bloomington Transit bus access connects residents to eight other bus lines, which provides transit access to Indiana University, both east and west-side retail hubs, and employment opportunities throughout the city.

Henderson Court is also slightly more than .5 miles from Bloomington's B-Line Trail, a 3.1-mile paved rail-to-trail that provides free year-round fitness opportunities for residents. Just up the B-Line, a little less than one mile from Henderson Court is Bloomington's newest greenspace, Switchyard Park. It is a converted 57-acre railroad switchyard that now features sports courts, community gardens, a skate park, a splash pad, playground, dog park, indoor/outdoor pavilion, and 5,000-person outdoor performance space.

On-Site Improvements and Services

Henderson Court will have a Service Coordinator, paid for by the sole member of the General Partner, the Glick Housing Foundation. This Coordinator, who will join the property team in the coming weeks, will work with existing residents to develop services that meet the specific needs of the residents rather than have services arbitrarily chosen for them.

Area Needs

According to the City's 2018 Comprehensive Plan, 82% of Bloomington households spend more than 45% of their annual income on housing and transportation costs. One of the plan's expressed goals – 5.1 Housing Affordability – is *“to improve access to affordable housing for a continuum of needs in Bloomington, including people experiencing homelessness, low-income, and moderate-income households.”* They hope to do so by establishing *“affordable housing in locations with close proximity to schools, employment centers, transit, recreational opportunities, and other community resources.”*

All of Henderson Court's 150 units will serve residents at or below 60% of the Area Median Income, thus providing essential housing opportunities for individuals who fall within the 51%-80% AMI range identified as “low-income households.” Affordable housing is in increasingly high demand within Bloomington. The yearly influx of college students and continued replacement of affordable options with market rate projects continue to make finding affordable housing a challenge for lower income residents.

Renovating Henderson Court will help preserve an affordable housing option for Bloomington residents on the southside for many years to come.

Development Quality

After rehabilitation, Henderson Court will have been fully updated to better serve its current and future residents. Unit upgrades will include updated kitchens, including new cabinets, granite countertops, new sinks, faucets and garbage disposals, and new refrigerators and stoves. Each unit also features in-unit washers and dryers, which will be replaced with new, efficient units as a part of the project scope.

Updated bathrooms will include new mirrors, cabinets, countertops, sinks and faucets, new bathtubs and tub surrounds, and new towel and shower curtain hangers. Other unit upgrades will include new interior and exterior doors, new lighting and ceiling fans, and the replacement of all HVAC units throughout the site.



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8801 River Crossing Blvd.
Suite 200
Indianapolis, IN 46240
T 317.469.0400
genebglick.com

Henderson Court Apartments



Development and Apartment Home Description

The Henderson Court Apartment community is located at 2475 South Winslow Court, on the southside of Bloomington, Indiana within Monroe County. The complex features 150 apartment homes totaling roughly 152.5k net rentable square feet across 15 residential two-story buildings. The property was constructed in 1979 on 12.76 acres and underwent a tax credit rehabilitation in 2008.

The apartment breakdown of Henderson Court's 150 apartment homes includes 28 one-bedroom/one-bath flats, 92 two-bedroom/one-bath flats, and 30 three-bedroom/one-and-one-half-baths townhomes. While there are no currently homes that meet modern ADA standards for accessibility, this project will create 5 1BR and 10 2BR Type A homes for a total of 15 Type A homes. All 150 of these homes are targeted towards families and 100% of the property is served by a HUD Section 8 HAP contract, which provides monthly rental assistance for each household. The community is not located in a Qualified Census Tract.

PILOT Request

The Glick Housing Foundation is requesting a 17 year PILOT amount to be fixed at an annual amount of \$50,000 with a 3% increase annually. The PILOT will help the project move forward, as the project does have a financial gap. With a PILOT, the gap decreases to \$2.5MM. Without a PILOT, the project is in danger of moving forward as the gap is

\$4.5MM. Without a tax credit rehab, the community should be eligible for a full property tax exemption.

On-Site Services

Henderson Court will have a Service Coordinator, paid for by the sole member of the General Partner, the Glick Housing Foundation. This Coordinator, who will join the property team after the initial acquisition closing, will work with existing residents to develop services that meet the specific needs of the residents.

Rehabilitation Plans

After rehabilitation, Henderson Court will have been fully updated to better serve its current and future residents. Unit upgrades will include updated kitchens, including new cabinets, granite countertops, new sinks, faucets and garbage disposals, and new refrigerators and stoves. Each unit also features in-unit washers and dryers, which will be replaced with new, efficient homes as a part of the project scope.

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Amenities in and around Henderson Court

Henderson Court is well situated just east of southern Bloomington's South Walnut Street commercial corridor. Residents with high school age children will be within walking distance of Bloomington South High School to the west and within a mile of Bloomington Montessori School and Childs Elementary Schools to the east. The South Walnut Street corridor offers several retail businesses and services to meet residents' needs. Unfortunately, the closing of the Marsh grocery store at Walnut Park several years ago has contributed to a small void of nearby grocery access for residents. While Bloomington Transit bus lines that are accessible on E. Winslow and South Henderson give resident access to 3 Krogers' to the north, south, and east, each is beyond the 1-mile requirement of the QAP. The aforementioned Bloomington Transit bus access connects residents to eight other bus lines, which provides transit access to Indiana University, both east and west-side retail hubs, and employment opportunities throughout the city.

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Operating Assumptions

Unit Mix	Number	Average 2024 Monthly Rent	Estimated 2025 Monthly Rent	2024 Net Annual Rents	2025 Net Annual Rents
1 BDRM 1 BA	28	965	1200	324,240	403,200
2 BDRM 1 BA	92	1137	1450	1,255,248	1,600,800
3 BDRM 1.5 BA	30	1284	1725	462,240	621,000
2 BDRM TH 2 BA				-	-
2 BDRM TH/8 2 BA				-	-
3 BDRM TH 2 BA				-	-
3 BDRM TH/8 2 BA				-	-
	150			2,041,728	2,625,000
Trend Factor				1.000	1.000
				2,041,728	2,625,000
Annual Other Income				22,000	22,000
Total annual income				2,063,728	2,647,000

	Per Unit	Total
Total Purchase price	122,000	18,300,000
Land portion	18,300	2,745,000
Rehabilitation costs	42,500	6,375,000
Current budget or YTD plus budget	31,806	890,555
Annual Operating Expenses - projected	7,954	1,193,100
Incentive Mangement Fee Rate		90.00%
Annual Contributions to replacement reserve	350	52,500
Vacancy Rate for 2025		5.00%
Vacancy Rate for 2026		5.00%
Vacancy Rate after 2027		5.00%
Annual Rate of Rental Increases		2.00%
Annual Rate of Expense Increases		3.00%
Months of Operations in first year		12
Interest Rate on Deferred Development Fee		0%
Investor's Tax Rate (combined federal and state)		27.00%

THE ASSUMPTIONS HAVE BEEN PROVIDED BY THE GENERAL PARTNER AND THE DEVELOPERS,
AND ACCORDINGLY REFLECT THEIR JUDGEMENT REGARDING THE MOST LIKELY MARKET
CONDITIONS AND THE PARTNERSHIP'S MOST LIKELY ACTIONS BASED UPON THESE CONDITIONS.
THEY ARE NOT INTENDED TO BE ALL-INCLUSIVE.

Depreciable Basis:
Buildings
Land improvements
Personal property
Total

Depr. Lives	Bonus Depreciation	Annual Depr	Total
30	-	916,342	27,490,253
15	150,000	-	150,000
5	750,000	-	750,000
	900,000	916,342	28,390,253

First Mortgage Loan Assumptions:

Fixed Interest Rate	5.50%
Amortization Term in Years	35
Loan Amount (Nonrecourse)	16,250,000
Annual Debt Service	1,047,182
Debt service coverage - 2025	1.18

28.57% **Tax Credit Assumptions:**

Compliance % for Entire Compliance Period		100%
Credit Rate at acquisition	Acquistion	4.00%
Credit Rate at Completion	Rehabilitation	Not QCT 4.00%

Percentage Allocation Assumptions:

	General	Limited
Taxable Income (loss) and tax credits	0.01%	99.99%
Cash Distribution after IMF	0.01%	99.99%
Residual @ Sale	90.00%	10.00%

Federal Pay-In Assumptions

	Est. Dates	Percent	Amount
Closing	03/01/25	20.00%	1,970,400
65% Completion	06/01/25	0.00%	-
100% Completion	07/31/25	70.00%	6,893,571
Stabilization	10/31/25	5.00%	492,600
Forms 8609	12/31/25	5.00%	495,428
Totals		100%	9,851,999

State Pay-In Assumptions

	Est. Dates	Percent	Amount
Closing	08/30/24	20.00%	-
65% Completion	02/28/25	0.00%	-
100% Completion	07/31/25	70.00%	-
Stabilization	08/31/25	5.00%	-
Forms 8609	09/30/25	5.00%	-
Totals		100%	-

Development Fee Payments:

Closing	16%	677,702
100% Completion	27%	1,156,901
Stabilization/forms 8609	5%	211,836
Deferred Payable from cash flow	52%	2,200,461
Totals	100%	4,246,900

Henderson Court
(An Indiana Limited Partnership)
Sources & Uses of Funds

Statement of Sources and Uses of Funds

Sources of Funds	<u>Total</u>	LP Share of <u>Credits</u>	Equity <u>Pricing</u>	Closing and <u>during rehab</u>	100% <u>Completion</u>	Stabilization and <u>Forms 8609</u>	<u>Total</u>
General Partner Capital	100			100			100
Limited Partner Capital - Fed credits	9,851,999	11,324,137	\$ 0.8700	1,970,400	6,893,571	988,028	9,851,999
Limited Partner Capital - IN credits	-	-	\$ -	-	-	-	-
First Mortgage Loan Financing	16,250,000			16,250,000			16,250,000
Bridge loan	-			5,736,670	(5,736,670)	-	-
GP loan/seller note	4,500,000			4,500,000			4,500,000
CMF Grant	-			-	-		-
Deferred Development Fee	2,200,461					2,200,461	2,200,461
Total Sources	32,802,560			28,457,170	1,156,901	3,188,489	32,802,560

Uses of Funds	<u>Total</u>	Qualified <u>Acquisition</u>	Qualified <u>Rehab</u>				
Land Acquisition	2,745,000			2,745,000			2,745,000
Building Acquisition	15,555,000	15,555,000		15,555,000			15,555,000
Construction Contract	6,375,000		6,375,000	6,375,000	-		6,375,000
Contingency	637,500		637,500	637,500			637,500
Architect fees	115,000		115,000	115,000			115,000
Engineering, market study and appraisals	106,000		106,000	106,000			106,000
Development Fees	4,246,900	424,690	3,822,210	677,702	1,156,901	2,412,297	4,246,900
Permits and Inspection Fees	85,603	-	85,603	85,603			85,603
Performance bond	63,750		63,750	63,750			63,750
Financing Fees & Costs	343,750		-	343,750			343,750
IHCDA Reservation Fees	77,100			77,100			77,100
Legal & Accounting - partnership	278,000		228,000	278,000			278,000
Relocation costs	125,000		125,000	125,000			125,000
Initial compliance costs	92,365			92,365			92,365
Construction insurance	65,000		65,000	65,000			65,000
Letter of credit fees	-		-	-			-
Bond costs	255,000		-	255,000			255,000
Bridge loan interest and fees	700,000		700,000	700,000		-	700,000
Replacement reserve	150,000			150,000			150,000
Soft Cost Contingency	10,400		10,400	10,400	-		10,400
Operating reserve	776,192			-	-	776,192	776,192
Total Uses	32,802,560	15,979,690	12,333,463	28,457,170	1,156,901	3,188,489	32,802,560

Annual tax credits - federal	1,132,527	639,188	493,339	Developer fees paid	2,046,439
Annual tax credits - state	-			Minimum to pay (20%)	849,380

EXHIBIT D

Henderson Court
(An Indiana Limited Partnership)
Cash Flow Forecast

Statement of Cash Available
For Distribution

	First Tax Credit Year							Total pmts Def devel fees
	2025	2026	2027	2028	2029	2030	2031	
Gross Potential Rental Income	2,625,000	2,625,000	2,677,500	2,731,050	2,785,671	2,841,384	2,898,212	
Other Income	22,000	22,000	22,440	22,889	23,347	23,814	24,290	
Total Income	2,647,000	2,647,000	2,699,940	2,753,939	2,809,018	2,865,198	2,922,502	
Less: Vacancy	(131,250)	(131,250)	(133,875)	(136,553)	(139,284)	(142,069)	(144,911)	
Effective Gross Income	2,515,750	2,515,750	2,566,065	2,617,386	2,669,734	2,723,129	2,777,591	
Less: Operating expenses	(1,193,100)	(1,228,893)	(1,265,760)	(1,303,733)	(1,342,845)	(1,383,130)	(1,424,624)	
Replacement Reserve funding	-	(52,500)	(54,075)	(55,697)	(57,368)	(59,089)	(60,862)	
Net Operating Income	1,322,650	1,234,357	1,246,230	1,257,956	1,269,521	1,280,910	1,292,106	
Less: Debt Service-first mortgage loan	(959,917)	(1,047,182)	(1,047,182)	(1,047,182)	(1,047,182)	(1,047,182)	(1,047,182)	
Cash Flow (deficit) from operations	362,733	187,175	199,048	210,775	222,339	233,728	244,924	
Operating reserve release (funding)	-	-	-	-	-	-	-	
Less: Investor Services Fee	-	(10,500)	(10,815)	(11,139)	(11,474)	(11,818)	(12,172)	
Cash Flow remaining	362,733	176,675	188,233	199,635	210,866	221,910	232,751	
Less: Developer fee payments	-	(176,675)	(188,233)	(199,635)	(210,866)	(221,910)	(232,751)	(1,230,071)
Partnership Management Fee	-	-	-	-	-	-	-	
Incentive Management Fee	-	-	-	-	-	-	-	
Cash Available for Distribution	362,733	-	-	-	-	-	-	
DSC	1.38	1.18	1.19	1.20	1.21	1.22	1.23	
	2032	2033	2034	2035	2036	2037	2038	
Gross Potential Rental Income	2,956,176	3,015,300	3,075,606	3,137,118	3,199,860	3,263,858	3,329,135	
Other Income	24,776	25,271	25,777	26,292	26,818	27,354	27,901	
Total Income	2,980,952	3,040,571	3,101,382	3,163,410	3,226,678	3,291,212	3,357,036	
Less: Vacancy	(149,048)	(152,029)	(155,069)	(158,171)	(161,334)	(164,561)	(167,852)	
Effective Gross Income	2,831,904	2,888,542	2,946,313	3,005,240	3,065,344	3,126,651	3,189,184	
Less: Operating expenses	(1,467,363)	(1,511,383)	(1,556,725)	(1,603,427)	(1,651,529)	(1,701,075)	(1,752,108)	
Replacement Reserve funding	(62,688)	(64,568)	(66,505)	(68,501)	(70,556)	(72,672)	(74,852)	
Net Operating Income	1,301,854	1,312,591	1,323,083	1,333,312	1,343,259	1,352,904	1,362,224	
Less: Debt Service-first mortgage loan	(1,047,182)	(1,047,182)	(1,047,182)	(1,047,182)	(1,047,182)	(1,047,182)	(1,047,182)	
Cash Flow (deficit) from operations	254,672	265,409	275,901	286,131	296,077	305,722	315,042	
Operating reserve release (funding)	-	-	-	-	-	-	-	
Less: Investor Services Fee	(12,538)	(12,914)	(13,301)	(13,700)	(14,111)	(14,534)	(14,970)	
Cash Flow remaining	242,135	252,495	262,600	272,430	281,966	291,187	300,072	
Less: Developer fee payments	(242,135)	(252,495)	(262,600)	(272,430)	(281,966)	(291,187)	(300,072)	(1,705,586)
Partnership Management Fee	-	-	-	-	-	-	-	
Incentive Management Fee	-	-	-	-	-	-	(177,570)	
Cash Available for Distribution	-	-	-	-	-	-	19,730	
DSC	1.24	1.25	1.26	1.27	1.28	1.29	1.30	
	2039	2040	2041	2042	2043	2044	2045	
Gross Potential Rental Income	3,395,717	3,463,632	3,532,904	3,603,562	3,675,634	3,749,146	3,824,129	
Other Income	28,459	29,029	29,609	30,201	30,805	31,421	32,050	
Total Income	3,424,177	3,492,660	3,562,513	3,633,764	3,706,439	3,780,568	3,856,179	
Less: Vacancy	(171,209)	174,633	178,126	181,688	185,322	189,028	192,809	
Effective Gross Income	3,252,968	3,318,027	3,384,388	3,452,076	3,521,117	3,591,539	3,663,370	
Less: Operating expenses	(1,804,671)	(1,858,811)	(1,914,575)	(1,972,013)	(2,031,173)	(2,092,108)	(2,154,871)	
Replacement Reserve funding	(77,098)	(79,411)	(81,793)	(84,247)	(86,775)	(89,378)	(92,059)	
Net Operating Income	1,371,199	1,379,805	1,388,019	1,395,816	1,403,170	1,410,054	1,416,440	
Less: Debt Service-first mortgage loan	(1,047,182)	(1,047,182)	(1,047,182)	(1,047,182)	(1,047,182)	(1,047,182)	(1,047,182)	
Cash Flow (deficit) from operations	324,017	332,624	340,837	348,634	355,988	362,872	369,258	
Operating reserve release (funding)	-	-	-	-	-	-	-	
Less: Investor Services Fee	(15,420)	(15,882)	(16,359)	(16,849)	(17,355)	(17,876)	(18,412)	
Cash Flow remaining	308,598	316,741	324,479	331,785	338,633	344,996	350,846	
Less: Developer fee payments	-	-	-	-	-	-	-	-
Partnership Management Fee	-	-	-	-	-	-	-	
Incentive Management Fee	(277,738)	(285,067)	(292,031)	(298,606)	(304,770)	(310,497)	(315,762)	
Cash Available for Distribution	30,860	31,674	32,448	33,178	33,863	34,500	35,085	(2,935,657)
DSC	1.31	1.32	1.33	1.33	1.34	1.35	1.35	

**RESOLUTION OF THE ECONOMIC DEVELOPMENT COMMISSION
OF THE CITY OF BLOOMINGTON, INDIANA**

**RECOMMENDING APPROVAL OF A PAYMENT IN LIEU OF TAXES AGREEMENT
WITH SY HENDERSON COURT INVESTORS LP**

WHEREAS, The City of Bloomington, Indiana (“City”) is a duly organized municipal corporation and political subdivision under the laws of the State of Indiana, governed by its duly elected Common Council (the “Council”); and

WHEREAS, According to IC §36-1-8-14.3 and other related statutes, the legislative or governing body of the local unit of government may adopt an ordinance to require a property owner to pay a Payment in Lieu of Taxes (PILOT) with the consent of the property owner; and

WHEREAS, The Economic Development Commission of the City of Bloomington was created to enhance economic growth within the City of Bloomington; and

WHEREAS, the Economic Development Commission of the City of Bloomington has reviewed the proposed PILOT agreement (see attached draft agreement) with SY Henderson Court Investors LP (the “Owner”) for redevelopment of the property located at 2475 South Winslow Court, Bloomington Indiana; and

WHEREAS, the Economic Development Commission agrees that the proposed PILOT would stimulate economic development and provide affordable housing opportunities within the city of Bloomington; and

WHEREAS, the Economic Development Commission recommends approval of this PILOT with SY Henderson Court Investors LP to the City’s Common Council.

NOW THEREFORE BE IT RESOLVED THAT THE ECONOMIC DEVELOPMENT COMMISSION OF THE CITY OF BLOOMINGTON:

Recommends that the Common Council of the City of Bloomington execute a PILOT Agreement with SY Henderson Court Investors LP, in substantially the same form as the attached, subject to necessary and appropriate updates and revisions agreed to by the City of Bloomington and the Owner.

THE ECONOMIC DEVELOPMENT COMMISSION OF THE CITY OF BLOOMINGTON,

_____, Chair

_____, Secretary

DATE:

PAYMENT IN LIEU OF TAXES AGREEMENT

THIS PAYMENT IN LIEU OF TAXES AGREEMENT (this “PILOT Agreement”) is entered into as of this 18th day of February, 2025 (the “Effective Date”), by and among the CITY OF BLOOMINGTON, INDIANA, (the “City”), and HENDERSON COURT HOUSING, LP, and its permitted successors and assigns (“Owner”).

RECITALS

WHEREAS, Owner owns certain real estate in Bloomington, Indiana, located at 2475 South Winslow Court, Bloomington, Indiana, and identified as Parcel Number 53-08-09-405-046.000-009 (the “Real Estate”), and upon which Owner desires to rehabilitate a 150-unit affordable apartment community (collectively with the Real Estate, the “Project”), which Owner has represented will be owned and operated as an affordable housing facility pursuant to the federal low income housing tax credit program under Section 42 of the Internal Revenue Code of 1986, as amended (the “Code”) and the applicable State of Indiana Qualified Allocation Plan; and

WHEREAS, pursuant to Indiana Code (“IC”) 6-1.1-10-16.7, Owner will be exempt from the requirement to pay property taxes on real property included in the Project if the following requirements are satisfied: (1) the improvements on the real property were constructed, rehabilitated, or acquired for the purpose of providing housing to income eligible persons under the federal low income housing tax credit program under 26 U.S.C. 42; (2) the real property is subject to an extended use agreement under 26 U.S.C. 42 as administered by the Indiana Housing and Community Development Authority; and (3) the owner of the property has entered into an agreement to make payments in lieu of taxes under IC 36-1-8-14.3;

WHEREAS, the Owner anticipates that the improvements on the Real Estate will be rehabilitated utilizing the federal low-income housing tax credit program under 26 U.S.C. 42 and furthermore that the Project will be subject to an extended use agreement under 26 U.S.C. 42 as administered by the Indiana Housing and Community Development Authority;

WHEREAS, this Agreement has been drafted to comply with the requirements under IC 36-1-8-14.3 (the “PILOT Statute”);

WHEREAS, the City represents that it has or will undertake all necessary and appropriate actions contained within IC 36-1-8-14.3 to ensure this PILOT Agreement satisfies all necessary requirements of the PILOT Statute so as to permit the Owner to successfully obtain property tax exemption under IC 6-1.1-10-16.7;

WHEREAS, Owner represents that it has timely filed or will timely file its application (the “Property Tax Exemption Application”) with the Monroe County Assessor requesting an exemption pursuant to IC 6-1.1-10-16.7, from its obligation to pay real property taxes and that it will timely file any applications to renew any exemption if required by law to do so; and

WHEREAS, Owner has agreed (i) to make payments in lieu of taxes to the City; (ii) and ensure the Project is properly maintained; and

WHEREAS, City and Owner have agreed that, if the real property contained on Real Estate becomes fully exempt from the payment of property taxes under IC 6-1.1-10-16.7, Owner will make payments to the City pursuant to the terms of this PILOT Agreement; and

NOW, THEREFORE, in consideration of the foregoing premises, mutual covenants and the sum of Twenty-Five and 00/100 Dollars (\$25.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

AGREEMENT

Section 1. Payments in Lieu of Taxes.

Section 1.1. (a) Owner represents and warrants that it has or will undertake all appropriate action for the real property of the Real Estate to be exempt under IC 6-1.1-10-16.7, and during the term of this Agreement, Owner covenants and agrees it shall at all times comply with the requirements of IC 6-1.1-10-16.7, as applicable to Owner and the Project.

b. Owner agrees to maintain the Project as an affordable housing facility consisting of a 150-unit affordable apartment community.

c. Owner agrees to maintain a clean premises in accordance with applicable local, state, and federal codes, rules, and regulations at the Project.

d. Owner represents and warrants that an extended use agreement with Indiana Housing and Community Development Authority will be entered into and recorded requiring the Project to provide affordable housing for a period of thirty (30) years. Owner further represents and warrants that the Owner's General Partner is owned and controlled by Gene B. Glick Housing Foundation, Inc. (the "Housing Foundation"), which is exempt under Code Section 501(c)(3), and to further its charitable purpose, the Housing Foundation needs to ensure the Project is operated as an affordable housing project as further detailed in Revenue Procedure 96-32 as published by the Internal Revenue Service for as long as the Housing Foundation owns and controls the Owner's General Partner.

e. Owner acknowledges that this PILOT Agreement does not confer any property tax exemption on the Project and that in order to obtain any such property tax exemption or partial exemption, Owner must timely file its Property Tax Exemption Application, including renewal applications, if any are required, with the Monroe County Assessor requesting an exemption pursuant to IC 6-1.1-10-16.7 from Owner's obligation to pay all or a portion of its property taxes on the Project. The City agrees to use best efforts to assist the Owner in ensuring the real property at the Project is fully exempt from property tax if the Owner has satisfied all requirements to obtain exemption under IC 6-1.1-10-16.7.

Section 1.2. Owner shall annually pay an amount equal to the "Base Amount" \$54,750 (\$365 per unit or 45% of the

prior tax amount) in accordance with Section 1.4 for each assessment year after the closing of the Project, which is anticipated to be in the fourth quarter of 2025. The Base Amount shall increase 3% annually for a term of 17 years, as described in the following table. Notwithstanding the foregoing and pursuant to IC 36-1-8-14.3(f)(3), to the extent that the amount of real property taxes that would have been received by the City for the Project had the Project not been exempt from property tax pursuant to IC 6-1.1-10-16.7 is less than the Base Amount, then the Base Amount shall be reduced for the applicable assessment year to the amount that would have been received by the City had the Project not been exempt from real property tax.

Annual PILOT Calculation Table

Year	Amount	Year	Amount
1	\$54,750	10	\$71,436
2	\$56,393	11	\$73,579
3	\$58,084	12	\$75,787
4	\$59,827	13	\$78,060
5	\$61,622	14	\$80,402
6	\$63,470	15	\$82,814
7	\$65,374	16	\$85,299
8	\$67,336	17	\$87,858
9	\$69,356		

Section 1.3. The payments referenced under Section 1.2 shall each be referred to as a “PILOT Payment.” The PILOT Payment shall be paid in lieu of property taxes for the tax year in question that would have been payable by Owner if Owner was a non-exempt taxpayer.

If Owner fails to satisfy the requirements of Section 1.1 and/or Section 1.4 (a “Noncompliance Event”), Owner shall pay to the City an additional ten percent (10%) of the PILOT Payment due and payable for the applicable year (the “Supplemental Payment”) no later than December 31st in the calendar year in which the Noncompliance Event occurs. Owner shall only be liable for the Supplemental Payment once per year for all Noncompliance Events.

The PILOT Payment and Supplemental Payment shall only become due if all the real property at the Project has been exempt from property tax under IC 6-1.1-10-17. To the extent that the real property at the Project is not fully exempt in any year of the Payment Period, the Owner shall have no obligation to make the PILOT Payment or Supplemental Payment for such year.

Section 1.4. The annual PILOT Payment shall be payable in two equal installments due and payable on or before May 10th and November 10th of each successive calendar year following the applicable assessment date, commencing with the first semi-annual installment due and payable on or before the first May 10th after the requirements of Section 1.2 are satisfied (each an “In Lieu of Payment”) and continuing for thirty (30) years thereafter (the “Payment Period”). For purposes of clarity and avoidance of doubt, the Project is anticipated to close in the fourth quarter of 2025, and therefore under such circumstances, the PILOT Payment would first be due for the January 1, 2026 Assessment Year

and accordingly the first In Lieu of Payment would be due and payable on or before May 10, 2027.

Section 1.5. Owner hereby reserves the right to contest and to appeal the amount of any tax assessment of the Project. Any such challenge will not affect the timely payment of the annual In Lieu of Amount described in Section 1.2.

Section 1.6. Owner shall be liable for prompt payment of all In Lieu of Payments when due. Owner shall be liable for all penalties, costs and expenses imposed under IC 6-1.1-22-1 *et seq.* and IC 6-1.1-37-1 *et seq.* or any statute which amends or replaces them for delinquent In Lieu of Payments.

Section 2. Recording of PILOT.

Section 2.1. This PILOT Agreement may be recorded with the appropriate office in Monroe County, Indiana, to preserve and protect fully the rights of the City with respect to the Owner's obligation to pay each In Lieu of Payment during the Payment Period and all subsequent penalties, interest and costs resulting from any delinquency related thereto.

Section 3. Termination.

Section 3.1. This PILOT Agreement shall automatically terminate, by no action of the parties, and shall be of no force or effect between or among the parties upon the expiration of the Payment Period and the remittance of all In Lieu of Payments due and payable pursuant to Section 1.3 hereof. Notwithstanding the foregoing, the City and Owner may mutually agree to extend this PILOT Agreement prior to the expiration of the Payment Period. Furthermore, the Owner may terminate this PILOT Agreement to the extent that the real property at the Project is not fully exempt in any year of the Payment Period.

Section 3.2. Upon conveyance of Owner's title to the Project to any party which meets the requirements of IC 6-1.1-10-16.7, the PILOT Agreement shall remain in full force and effect. The City acknowledges and agrees the Owner may assign this PILOT Agreement and the obligations thereunder as a part of the sale of the Project. The Owner's obligation to pay In Lieu of Payments and Supplemental Payments shall terminate upon Owner's conveyance of its title to the Project. Upon conveyance of fee title to the Project to any other entity that does not meet the requirements of IC 6-1.1-10-16.7, this PILOT Agreement shall become null and void and of no further force or effect; provided, however, Owner shall remain obligated for payment of the applicable pro rata amount of the In Lieu of Payments with respect to the Project up to the date when a purchaser either assumes the obligations hereunder or the real property is no longer exempt under IC 6-1.1-10-16.7.

Section 3.3. In the event the City determines that Owner has failed to satisfy the requirements of Section 1.1 and/or Section 1.4, the City shall notify Owner in writing of such default. Owner shall have sixty (60) days from the effective date of the notice to cure the reason for default (the "Cure Period"). The City may in its sole discretion elect to extend the Cure Period. Following the Cure Period, this PILOT Agreement shall automatically terminate upon written notice from the City to the Owner that such default has not been cured within the Cure Period.

Section 3.4. The parties hereto may mutually agree to terminate this PILOT Agreement. Such termination agreement shall be in writing and executed by all parties hereto. Upon mutual termination pursuant to this Section 3.4, this PILOT

Section 3.5. Upon termination of this PILOT Agreement, Owner shall pay the applicable pro rata amount of In Lieu of Payments for the year in which such termination occurs up to the date of termination to the extent that the real property remains fully exempt from property tax under IC 6-1.1-10-16.7 for such year, and receive a credit for all In Lieu of Payments already paid for such year. Upon termination of this PILOT Agreement, the parties hereto agree that that all other provisions of this PILOT Agreement, except for this Section 3.5, shall become null and void, and of no further force or effect between the parties.

Section 4.1. Captions; Incorporation and Exhibit. The captions and headings of various Articles, Sections and Exhibits referenced herein are for convenience only and are not to be considered as defining or limiting in any way, the scope or intent of the provisions hereof. Notwithstanding the foregoing, each of the Recitals referenced herein are incorporated and expressly made a part hereof.

Section 4.3. Notices. Any notice, demand, request or other communication which any party hereto may be required or may desire to give hereunder shall be in writing, addressed as follows and shall be deemed to have been properly given if hand delivered (effective upon delivery), if sent by reputable overnight courier, charges prepaid (effective the business day following delivery to such courier) or if mailed by United States registered or certified mail, postage prepaid, return receipt requested (effective two business days after mailing):

If to City: City of Bloomington
c/o Director, Economic & Sustainable Development
Department
401 North Morton Street, Suite 150
Bloomington, Indiana 47404

Section 4.4. Modification, Amendment or Waiver. No modification, waiver, amendment, discharge or change of this PILOT Agreement shall be valid unless the same is in writing and signed by all parties to this PILOT Agreement.

Section 4.5. Governing Law. This PILOT Agreement shall be governed by and construed under the laws of the State

of Indiana, without giving effect to any conflict-of-law principle that would result in the laws of any other jurisdiction governing this PILOT Agreement. Any action or proceeding arising out of this PILOT Agreement will be litigated in the courts located in Monroe County, Indiana. Each party consents and submits to the jurisdiction of any local, state, or federal court located in Monroe County, Indiana.

Section 4.6. Time is of the Essence. Time is hereby declared to be of the essence of this PILOT Agreement and of every part hereof.

Section 4.7. Counterparts. This PILOT Agreement and any amendments hereof may be executed in one or more counterparts, each of which when so executed and delivered shall be deemed to be an original, and all of which taken together shall constitute one and the same instrument.

Section 4.8. Severability. If any provision of this PILOT Agreement is determined by a court having jurisdiction to be illegal, invalid or unenforceable under any present or future law, the remainder of this PILOT Agreement will not be affected thereby. It is the intention of the parties that if any provision is so held to be illegal, invalid or unenforceable, there will be added in lieu thereof a provision as similar in terms to such provision as is possible that is legal, valid and enforceable. Notwithstanding the foregoing, to the extent that the real property is not fully exempt from property tax, this Section 4.9 is null and void.

Section 4.9. No Joint Venture. Nothing contained in this PILOT Agreement will be construed to constitute any party as a joint venturer with the City or to constitute a partnership between any party and the City.

Section 4.10. Construction. The parties acknowledge that each party and each party's counsel have reviewed and revised this PILOT Agreement and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party will not be employed in the interpretation of this PILOT Agreement or any amendments or exhibits hereto.

Section 4.11. Authorization. The persons executing and delivering this PILOT Agreement on behalf of the parties hereto represent and warrant to the other party that such person is duly authorized to act for and on behalf of said party, and execute and deliver this PILOT Agreement in such capacity as is indicated below.

Section 4.12. Assignment/Successor. This PILOT Agreement shall be binding upon City, and Owner, and all successor, grantees or assignees of Owner with respect to the Project (or any portion thereof) which would otherwise be entitled to claim an exemption for real property taxes imposed on the Project.

Section 4.13. Recording. The City will cause, at Owner's expense, this PILOT Agreement and any other instruments of further assurance to be promptly recorded, filed and registered, and at all times to be recorded, filed and registered, in such manner and in such places as may be required by law to preserve and protect fully the rights of the City hereunder as to all of the mortgaged property.

[Remainder of this page intentionally left blank]

IN WITNESS WHEREOF, the undersigned parties have caused the execution of this PILOT Agreement by their duly authorized officers as of the Effective Date.

CITY OF BLOOMINGTON, INDIANA

By: _____ Kerry Thomson, Mayor

STATE OF INDIANA)
) SS: COUNTY OF MONROE)

Before me, a Notary Public, in and for said County and State, personally Kerry Thomson, acting for and behalf of the City of Bloomington, Indiana, who acknowledged the execution of the foregoing instrument as the Mayor of the City of Bloomington and who, having been duly sworn, stated that any and all representations and warranties contained therein are true and correct in all material respects.

Witness my hand and Notarial Seal this ____day of ___, 20____.

Notary Public

Printed Signature

My Commission Expires: My County of Residence:

[Executions Continued on Following Page]

COUNTRY VIEW HOUSING, LP

By: _____ Name: _____ Its: _____

STATE OF INDIANA)
) SS:
COUNTY OF _____)

Before me, a Notary Public, in and for said County and State, personally _____, who acknowledged the execution of the foregoing instrument as _____, and who, having been duly sworn, stated that any and all representations and warranties contained therein are true and correct in all material respects.

Witness my hand and Notarial Seal this ____ day of ___, 20____.

Notary Public

Printed Signature

My Commission Expires: _____ My County of Residence: _____